FISHER INVESTMENTS™ INSTITUTIONAL GROUP

ENGAGEMENT REPORT
Q2 2023

ENGAGEMENT OVERVIEW

OUR ESG PHILOSOPHY STATEMENT

We believe ESG investors are best served by an investment process that considers both top-down and bottom-up factors. Integrating ESG analysis at the country, sector and equity levels, consistent with clients' investment goals and ESG policies, maximizes the likelihood of achieving desired performance and improving environmental, social & governance conditions worldwide.

OUR ENGAGEMENT APPROACH

We engage companies as part of our fundamental analysis, and to clarify or express concerns regarding potential ESG issues. Through engagement, we meet with management to discuss issues we believe are pertinent to the company or to gain a better understanding of its industry. Information learned from engagement is incorporated into our fundamental analysis. Further details are provided in our Engagement Policy, which can be downloaded from our website or is available upon request.

HOW WE SOURCE OUR ENGAGEMENT OPPORTUNITIES

Proprietary Top-Down ESG Assessment	Portfolio Monitoring	Client Request	Other Circumstances
• Political, Economic, Sentiment drivers • ESG thematic priority • Sector risk assessment	• Update Meetings • Ratings downgrade • Severe controversy flag • Current event	• At request of FI's institutional clients	• Company-initiated • Proxy Voting

EACH ENGAGEMENT IS:

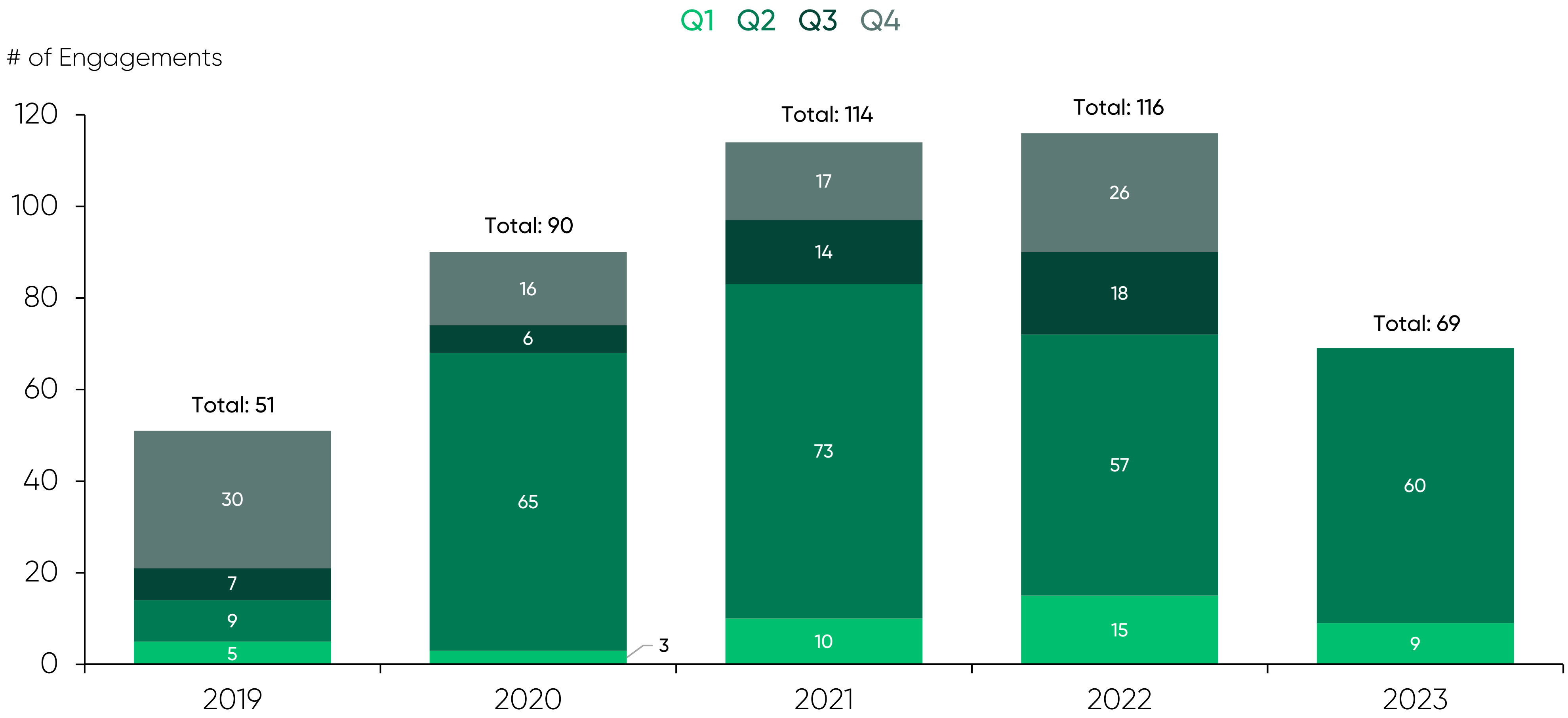
- ✓ Supported by a business case: **"What are the relevant risks and opportunities?"**
- ✓ Assigned an objective: **"What are we asking the company to do?"**
- ✓ Monitored over time: **"What milestones are achieved?"**

Q2 2023 ENGAGEMENT HIGHLIGHTS

- During the quarter, 13 engagements included the topic of biodiversity. These discussions touched on water conservation and quality, waste management, sustainable sourcing and protection of sensitive areas.

- We asked 30 companies in 10 countries to voluntarily disclose environmental data to CDP using standardized climate, forests or water questionnaires. The reporting period runs through August 2023 and we will report the results later in the year.

Year Over Year Engagement Activity, Broken Down by Quarter



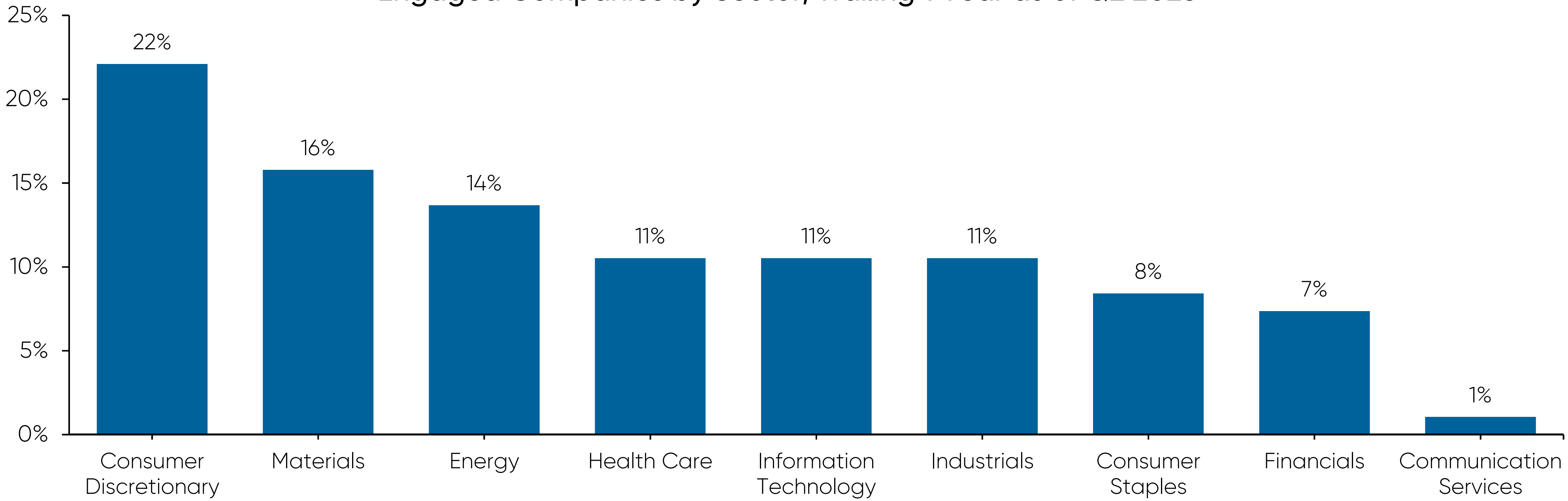
Data indicated above are based on engagement meetings for all institutional clients of Fisher Investments and its subsidiaries from Q1 2019 – Q2 2023.

ENGAGEMENT DISTRIBUTION

We engage across a range of geographies and sectors, as shown below.

Domicile of Engaged Companies, Trailing 1 Year as of Q2 2023

Engaged Companies by Sector, Trailing 1 Year as of Q2 2023



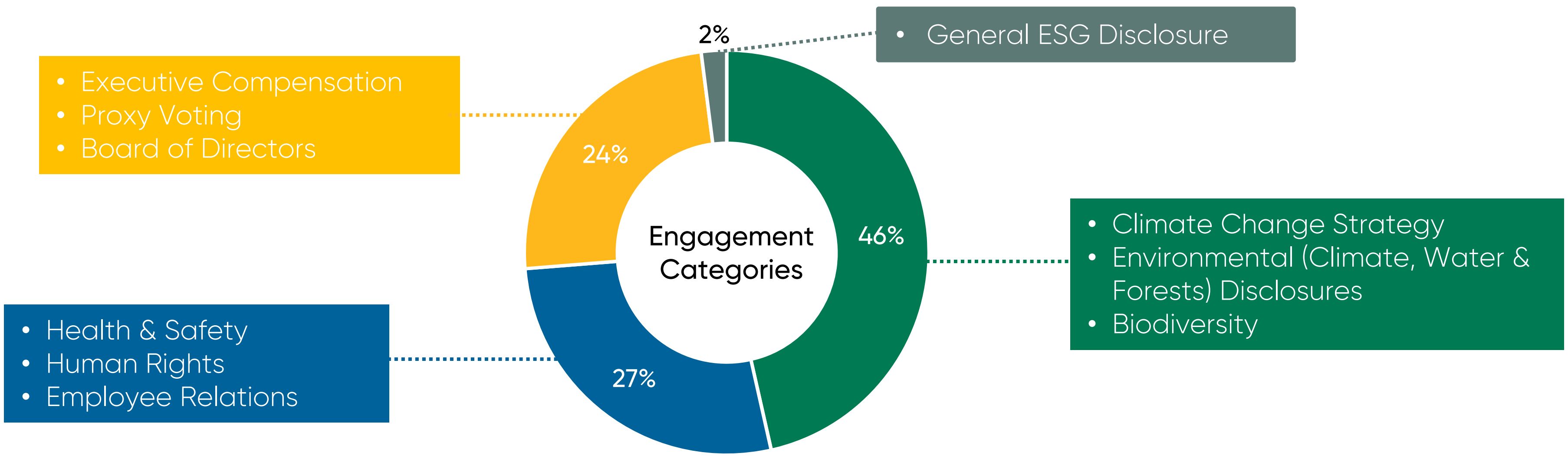
Source: FI data using Factset domicile, sector, and market capitalization designations. Percentages above may not add up to 100% due to rounding. Data indicated above are based on engagement meetings for all institutional clients of Fisher Investments and its subsidiaries as of Q2 2023.

ESG ENGAGEMENT FOCUS AREAS

We engage on multiple issues in each ESG category. Priority areas are listed below.

	Environmental	Social	Governance
Engagement Priorities 2022 – Current	Climate Risk Biodiversity	Human Rights Human Capital	Executive Compensation Proxy Voting
Additional Engagement Topics	Pollution & Waste Water Stewardship Environmental Opportunities	Labor Relations Social Impact Product Liability	Board Independence Board Diversity Board Oversight & Ethics

Engagement topics by proportion of the E, S, and G categories as of Q2 2023 (Trailing 1 Year)



Data indicated above are based on engagement meetings for all institutional clients of Fisher Investments and its subsidiaries as of Q2 2023. Percentages above may not add up to 100% due to rounding.

ENGAGEMENT HIGHLIGHTS

GOVERNANCE ENGAGEMENT

SECTOR:	CONSUMER DISCRETIONARY
TOPIC:	EXECUTIVE COMPENSATION REGULATORY ACTIONS
STATUS:	ONGOING

OBJECTIVE

Review proxy items including the executive compensation plan, and receive a status update on pending regulatory action.

SUMMARY

In 2022, FI met with a US multinational company to suggest several ways to strengthen the structure of the company's executive compensation plan, which is almost exclusively comprised of long-term restricted stock units. This means the executives' pay is primarily contingent upon share price appreciation, and we would like to see more balance among the incentives. We held an update meeting in Q2, where we learned the company is putting forward the same plan – the board made no changes. We reiterated our concerns about the structure, along with the lack of transparency around payout metrics. We informed the company that due to pay/performance misalignment and lack of transparent payout criteria, it is difficult to support the plan in its current iteration.

Regulatory Action: We requested a status update on the company's appeal of a fine levied by a European regulator. The regulator alleges it engaged in anti-competitive behavior, which the company refutes. The EU Court of Justice reviewed the appeal and sent the case back down to the local court for adjudication. The company expects a decision to be issued in the latter half of the year.

OUTCOME

Ongoing engagement. We are disappointed the company is continuing to propose an executive compensation plan that is overly reliant on share price appreciation, and flagged the company for escalation. At the 2023 annual general meeting, a significant portion of the company's shareholders voted against the plan. Many also escalated by voting against the members of the Compensation Committee, resulting in 29% against the chair and 19% against the other members (versus an average of 2.9% for other board members).

ENGAGEMENT HIGHLIGHTS

GOVERNANCE ENGAGEMENT

SECTOR:	FINANCIALS
TOPIC:	PROXY VOTING EXECUTIVE COMPENSATION
STATUS:	CONCLUDED

OBJECTIVE

Gather information to inform proxy vote.

SUMMARY

After our proxy advisor recommended that FI vote against a US bank's advisory vote on executive compensation, we met with the company to seek additional details. The proxy advisor had issued "cautious support" for several years, and indicated that pay-performance misalignment was the deciding factor in tipping the current recommendation to "against." However, when the recommendation was issued, half of the company's cohort had not yet filed their 2023 proxy statements and the proxy advisor used the prior year's data for the comparison. Due to the wide variation in stock market performance during the two-year time period, we viewed this as a meaningful discrepancy. When the analysis was run using comparable data, the company's pay-performance risk changed from "medium" to "low."

We also provided feedback to the company that the overall compensation plan structure could be strengthened with better disclosure of the short-term incentives' weightings, target metrics, and payout thresholds. We suggested that such improvements could remove the "cautious support" label its plan has consistently carried.

OUTCOME

Engagement concluded. We received the information we needed to cast our vote. The company welcomed our feedback on the short-term compensation plan.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL & SOCIAL ENGAGEMENT

SECTOR:	MATERIALS
TOPIC:	BIODIVERSITY COMMUNITY RELATIONS EMPLOYEE RELATIONS
STATUS:	ONGOING

OBJECTIVE

Review and assess the company's ongoing remediation efforts at a South American dam area and copper mine, and efforts to address allegations of workplace discrimination in Australia.

SUMMARY

FI joined our third-party service provider to discuss ongoing issues related to environmental impact, community relations, and workplace discrimination.

Remediation of dam disaster in South America: The company stated that it has spent nearly $6 billion in remediation following a mining tailings dam breach that resulted in multiple fatalities. Local authorities claim the company has not credibly implemented the agreed upon water remediation measures. Additional criticisms focus on the consultation with local stakeholders and community resettlement plans. The company referred to its 2022 third party (including the local government) verification of the remediation of the river pollution, confirming the water quality has generally returned to historical levels. In addition, the company said that compensation and financial assistance has been paid to approximately 410,000 people and approximately 70% of resettlement cases are complete.

Copper mine in South America: The company's majority owned subsidiary has long been criticized for negatively affecting the local water reserves. The company has been fined by a local environmental authority for excessive withdrawals at the mine site and for impacting water resources in a sensitive area. The company explained it had engaged with the local community for several years in line with its Indigenous Peoples Position Statement. This resulted in the company ceasing the groundwater withdrawal from aquifers in recent years. The company also stated that the legal proceedings by the local environmental authority had been suspended for 60 days, but it is focused on finding a mutually acceptable settlement agreement, which may include additional remediation measures.

Preventing workplace discrimination in Australia: We requested the company's plans to respond to a 2022 Parliament report, that documented widespread sexual harassment in the mining industry. The company said it began working to prevent gender-based discrimination in 2016, and has set a 2026 gender balance target. It treats sexual harassment as a health and safety material risk within the company's risk management framework. As a result, the company has established a Sexual Harassment Project Management Office through the office of the CEO to oversee and coordinate all sexual harassment work across the company. The company has provided sexual harassment prevention and behavior training to all employees as part of the prevention efforts.

OUTCOME

Ongoing engagement. FI is encouraged by the openness of the company in discussing and sharing information on these issues. The company has put in place numerous measures to address environmental protection and obtain community consent. We believe the company is sincere in its effort to address sexual harassment, but it will take time to know if the programs are effective. We will continue to monitor the company's progress, and will likely re-engage in the future.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

SECTOR:	CONSUMER DISCRETIONARY
TOPIC:	COLLECTIVE BARGAINING & UNIONS HUMAN RIGHTS POLICY
STATUS:	CONCLUDED

OBJECTIVE
Discuss the company's efforts to respect union rights in the Middle East.

SUMMARY
FI joined our third-party service provider to engage a British food service contractor, regarding allegations it did not respect union rights in its Middle Eastern subsidiary. Media reports and a local trade union had alleged that a subsidiary of the company undermined union activities at a factory in the Middle East. The union stated that since August 2022, 100+ workers were dismissed for organizing and that the local management subjected union members to threats including forced resignation.

In its response, the company refuted any allegations of anti-union practices and stated that any dismissals were unrelated to union participation. To improve employee relations at the plant, the company's subsidiary took measures to improve compensation, organizational structure, engagement, and strengthen its leadership.

The company also appointed a Human Rights Champion at its Middle Eastern headquarters to raise human rights awareness and provide training on Ethics, Integrity and Human Rights to the plant's leadership and supervisors during Q1 2023. According to the company, this training touched on the company's commitments to the four core ILO conventions, including freedom of association. Additionally, the company provides a confidential grievance reporting program that is accessible 24/7 in the local language to all employees. The group Ethics and Integrity team independently manages the grievance reporting mechanism.

OUTCOME
Engagement concluded. The company was forthcoming in providing information about its employee relations at its subsidiary. The company has instituted several steps to address the grievances, including better compensation and training leaders on core International Labour Organization conventions.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL, GOVERNANCE & GENERAL ESG DISCLOSURE ENGAGEMENT

SECTOR:	HEALTH CARE
TOPIC:	TRAINING & DEVELOPMENT EXECUTIVE COMPENSATION CLIMATE CHANGE STRATEGY GENERAL ESG DISCLOSURE
STATUS:	CONCLUDED

OBJECTIVE

Receive information on the company's sustainability and human capital development programs and encourage disclosure of its emissions data.

SUMMARY

A European biotechnology company acquired a US-based firm in 2021 and subsequent restructuring and centralizing of duplicative roles led to about 15% turnover of employees. For a company operating in a competitive environment that requires highly skilled labor, attraction and retention of talent is crucial. The company is leveraging excellent training and immersive orientation programs along with monetary incentives to boost employee retention. Most new hires undergo a 6-month orientation program, while lab technicians have specialized laboratory training. The company also offers wellness incentives and competitive health benefits. The company strives to be ISO 145001 certified for occupational health & safety by the end of the year.

Executive Compensation: FI's proxy advisor recommended a vote against the 2023 executive remuneration plan due to a provision that allows CEO/GM termination payments exceeding 24 months' pay. The company responded that it is transparent about its remuneration philosophy, which is proportionate to its peers in magnitude and adheres to local market practices.

In response to our inquiry about ESG metrics in the compensation plan, the company said the board of directors recently approved a three-year ESG achievement incentive plan. While the company is still finalizing the specific ESG objectives, the new bonus plans include achievement of the overall ESG goals in the variable pay incentives.

Climate Change Strategy: The company has disclosed its Scope 1 and Scope 2 GHG emissions data but has not taken action on its Scope 3 emissions due to the complexity of assessment. Although it has not specified emissions reduction targets, the company is already reducing its operational carbon footprint. It has installed solar panels in its Italian facilities and purchased renewable energy and hopes to extend similar programs in other global operations. The company has also begun a plastic free project – all its Italian operations, except for the labs, are now plastic-free.

General ESG Disclosure: We suggested that the company engage with ESG data providers to ensure data accuracy and have its assessment updated correctly to reflect developments.

OUTCOME

Engagement concluded. We provided feedback aimed at strengthening the company's ESG disclosures, which the company will consider. We will monitor the company's emissions reduction performance and seek future engagements if warranted.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

SECTOR:	INDUSTRIALS
TOPIC:	DATA PROTECTION & PRIVACY
STATUS:	CONCLUDED

OBJECTIVE

Follow up on the company's data protection and security performance after a 2020 data breach incident.

SUMMARY

FI joined our third-party service provider to re-engage a European multinational data analytics and credit reporting company regarding its data protection and security performance. We had engaged the company in Q1 2021 after a 2020 data breach in an Africa country, which potentially compromised approximately 25 million customer records. The company had affirmed its cooperation with a local regulator and said it enacted a number of mitigation measures to ensure customer data was protected by enhancing the management of its cyber security systems and governance. The company expected to be compliant with pending data privacy legislation.

In the current engagement dialogue, we inquired about the status of the remediation and administrative measures and if the company had reached a final resolution with the local regulator. In its response, the company highlighted that the incident was not a "cybersecurity" incident but actually a "fraud" incident. The company completed a root-cause analysis and risk assessment that led to additional controls and safeguards designed to prevent reoccurrence. An external audit firm appointed by the regulator recommended enhanced controls and some internal policy deviations but found no material adverse findings in the company's enhanced control and administrative processes. In its March 2022 report to the regulator, the company indicated that it deems the matter closed unless the Regulator informed the company otherwise.

OUTCOME

Engagement concluded. Overall, the company has responded with robust policy and program enhancements, and we believe the situation has been satisfactorily addressed. The company has also adhered to the local regulator's requirements.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL, GOVERNANCE & GENERAL ESG DISCLOSURE ENGAGEMENT

SECTOR:	HEALTH CARE
TOPIC:	ACCESS TO HEALTH CARE PRODUCT SAFETY & QUALITY CLIMATE CHANGE STRATEGY EXECUTIVE COMPENSATION GENERAL ESG DISCLOSURE
STATUS:	ONGOING

OBJECTIVE

Review the company's social programs and encourage it to disclose its emissions data.

SUMMARY

A US pharmaceutical company has recorded impressive revenue growth on its commercialized treatments over the last few years. We inquired about expanding access to the company's innovative healthcare solutions for rare diseases. The company has a comprehensive compassionate use program and engages with patients and patient advocacy groups to make its treatments widely available. To ensure product safety and quality, the company's quality management department has robust guidelines that address product quality in the production process.

The company does not currently disclose its GHG emissions but all its facilities meet the regulatory environmental management requirements. The company produced its first sustainability report in 2021, and it intends to publish the next updated version this year. The upcoming report will disclose relevant metrics, which we will review and assess for performance.

We recommended enhanced disclosure of ESG data. We also suggested that the company reach out to ESG data providers to ensure its ratings are accurate and reflect recent developments. For example, the sustainability report highlights a robust talent pipeline program that was initiated in 2020 but it has not been captured by our data provider.

OUTCOME

Ongoing engagement. We will monitor the company for its updated disclosures on its emissions data and climate strategy and continue to evaluate the impact of its access to compassionate use programs.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

SECTOR:	ENERGY
TOPIC:	HUMAN RIGHTS
STATUS:	ONGOING

OBJECTIVE

Discuss a European energy company's human rights programs in conflict-affected areas and consider including conflict as a salient factor in the company's Vigilance Plan.

SUMMARY

The company engages in the exploration and production of fuels, natural gas and low carbon electricity. Local law requires companies to implement a Vigilance Plan that includes mechanisms to prevent human rights violations and environmental impacts throughout their operations. After reviewing the company's plan, FI led a collaborative engagement to discuss the company's human rights program with a focus on conflict-affected areas.

The company has a robust risk assessment framework that features multiple impact assessments for all projects, including environmental, human rights, health and safety and cultural heritage. In addition, each business segment has a human rights coordinator, and there are 100+ in-country personnel to provide an immediate local response.

The company's Vigilance Plan views areas of conflict as an operational issue. We suggested the company consider elevating it within the Plan due to the amount of capex deployed in areas of conflict, the increase in areas of conflict worldwide, and the systemic nature of human rights risks.

The company's human rights program incorporates the UN Guiding Principles on Business and Human Rights framework. Country human rights assessments from a independent third party guides their determination on which level of human rights due diligence is required.

The biggest obstacle the company encounters is gaining access to local stakeholders. On-the-ground situations can change quickly, as they did in Ukraine with Russia's invasion and in Myanmar after the military coup d'etat overthrew the democratically elected government. Security concerns may impede the company's ability to reach locations and communications may be interrupted. In Myanmar, the company worked with external experts to figure out how to responsibly exit the country and referenced the elevated human rights risks in its public statements regarding the decision to leave.

As the company shifts its strategy from its legacy business to low carbon energy, it is aware that it will need to manage a different set of human rights conditions. New focus areas will include forced or child labor in the supply chain, conflict minerals, and respect for migrant workers. It is encouraging to see the company proactively incorporating human rights in its new business plan.

OUTCOME

Ongoing engagement. The company will consider adding Areas of Conflict to its Vigilance Plan, and suggested a follow up meeting after its human rights risks report is published later in the year.

COLLABORATIVE ENGAGEMENT

CDP NON-DISCLOSURE CAMPAIGN

REGION:	MULTIPLE
SECTOR:	MULTIPLE
ISSUE:	ENVIRONMENTAL (CLIMATE CHANGE, WATER & FOREST DISCLOSURES)
STATUS:	ONGOING

OBJECTIVE

Persuade companies to report to CDP (formerly Carbon Disclosure Project) using the organization's Climate, Water and Forest questionnaire templates.

ENGAGEMENT SUMMARY

CDP manages a global environmental data disclosure platform – currently, ~20,000 companies voluntarily report to CDP.

FI participated in CDP's 2023 non-disclosure campaign (NDC), which pools investors to engage global companies. The goal of the engagement is to request companies to report to the CDP using the organization's Climate, Water and/or Forest disclosure questionnaires, which serve as a valuable resource for comparable data for investors and stakeholders.

On behalf of CDP 2023 NDC, in Q2 2023 FI initiated collaborative engagements with 30 companies in 10 countries listed in the table to the right as a lead investor.

OUTCOME

The results of this initiative will be available in Q3 2023.

FI AS LEAD INVESTOR

Lead investor denotes FI's role as the primary conductor of engagements in collaboration with a global pool of institutional investors and asset managers.

Domiciled Country	# of Companies
USA	12
China	9
Republic of Korea	2
Ireland	1
Australia	1
Poland	1
Taiwan	1
Indonesia	1
Japan	1
Brazil	1

PROXY ENGAGEMENTS

REGION:	MULTIPLE
SECTOR:	MULTIPLE
ISSUE:	GOVERNANCE – PROXY VOTING
STATUS:	CONCLUDED

OBJECTIVE

Discuss proxy voting proposals and vote outcomes to gather information and/or provide feedback

ENGAGEMENT SUMMARY

To the extent FI is authorized and directed to vote proxies on behalf of a client pursuant to the applicable investment management agreement or confidential client agreement, FI utilizes ISS as a third-party proxy service provider. ISS provides vote recommendations and evaluates agenda items in accordance with FI's policy guidelines. ISS also ensures the ballots are counted by the corporate issuer.

Many proxy issues fall into well-defined, standardized categories, and as a result we have developed guidelines in conjunction with ISS for these categories. When FI votes proxies on behalf of clients, we vote with the best interests of our clients in mind. FI's Investment Policy Committee reserves the right to override ISS recommendations as they, and the Research team, see fit.

As an active owner, FI frequently engages with company management on proxy voting issues.

Domicile	Sector	Proxy Topic
USA	Consumer Discretionary	Advisory vote on executive compensation and shareholder proposals.
USA	Financials	Advisory vote on executive compensation.
USA	Energy	Advisory vote on executive compensation.
USA	Financials	Advisory vote on executive compensation and Independent Board Chair.
USA	Information Technology	Proposal to require Independent Board Chair.
USA	Information Technology	Advisory vote on executive compensation.
Ireland	Materials	Proposal to amend the stock plan.

DISCLOSURES

Source: Fisher Investments Research, as of June 2023.

Data indicated in this report are based on engagement meetings for all Fisher Investments clients. For Professional Client Use Only. Past performance is never a guarantee of future returns. Investments in securities involve the risk of loss. Any investment program will always involve the risk of loss. Global investing can involve additional risks, such as the risk of currency fluctuations.

As an asset management firm, Fisher Investments (FI) manages investments in shares of a wide range of companies on behalf of our clients. These shares entitle the holders to vote on various issues put forth by the company and its shareholders at the company's annual meeting or at a special meeting.

The report showcases selected engagement highlights to demonstrate how FI engages with company management on ESG issues: environmental issues include but not limited to: climate change, toxic emissions & waste, vulnerability to legislation and impact on local communities; social issues include but not limited to: animal rights, human rights, labor relations, involvement with UN, EU and OFAC sanctioned countries, controversial weapons and governance issues include but not limited to: routine business, corporate governance, board independence, executive compensation, corporate stewardship and bribery & corruption.

FI engages according to Fisher Investments Engagement Policy and identifying engagement opportunities is a part of FI's fundamental analysis and to clarify or express concerns over potential ESG issues at the firm or industry level.

Fisher Investments (FI) is an investment adviser registered with the Securities and Exchange Commission. As of June 30 2023, FI managed $211 billion, including assets sub-managed for its wholly-owned subsidiaries. FI and its subsidiaries maintain four principal business units - Fisher Investments Institutional Group (FIIG), Fisher Investments Private Client Group (FIPCG), Fisher Investments International (FII), and Fisher Investments 401(k) Solutions Group (401(k) Solutions). These groups serve a global client base of diverse investors including corporations, public and multi-employer pension funds, foundations and endowments, insurance companies, healthcare organizations, governments and high-net-worth individuals. FI's Investment Policy Committee (IPC) is responsible for investment decisions for all investment strategies. For purpose of defining "years with Fisher Investments," FI was established as a sole proprietorship in 1979, incorporated in 1986, registered with the US SEC in 1987, replacing the prior registration of the sole proprietorship, and succeeded its investment adviser registration to a limited liability in 2005. "Years with Fisher Investments" is calculated using the date on which FI was established as a sole proprietorship through June 30 2023. FI is wholly owned by Fisher Investments, Inc. Since Inception, Fisher Investments, Inc. has been 100% Fisher-family and employee owned, currently Fisher Investments Inc. beneficially owns 100% of Fisher Investments (FI), as listed in Schedule A to FI's Form ADV Part 1. Ken and Sherrilyn Fisher, as co-trustees of their family trust, beneficially own more than 75% of Fisher Investments, Inc., as noted in Schedule B to FI's Form ADV Part 1.