



FISHER INVESTMENTS

**RESPONSIBLE
INVESTMENT
POLICY STATEMENT**



Photo: Fisher Investments' Camas, Washington offices with surrounding marshland.

INTRODUCTION

Fisher Investments (FI)¹ takes a client-centric approach to responsible investments and is dedicated to continuously improving our capabilities in this space to meet and exceed our clients' expectations. FI's Responsible Investment (RI)/Environmental, Social, & Governance (ESG) activities are organized in three main areas:

- **ESG Integration:** FI evaluates and integrates financially material ESG information throughout the investment process to help reduce risk and/or enhance returns across most assets² it manages.
- **Responsible Investment (RI) Strategies & Capabilities:** FI dedicates significant resources to meet our clients' RI goals and objectives. FI offers a wide range of RI strategies (including ESG, best-in-class³, impact, Paris-aligned/Net Zero, and religious/values-based investment strategies) and regularly partners with clients to tailor accounts for their RI goals.
- **Stewardship:** FI is an active investment manager engaging with portfolio companies and voting proxies on behalf of clients when authorized.

Implementation and fulfillment of the firm's RI Policy Statement occurs across several teams and structures including the Portfolio Management Group, Research teams, ESG Research Specialists, the Responsible Investment Committee, the Responsible Investments Team, and the Investor Responsibility & Engagement Team. Final approval and decision making responsibility rests with a member of FI's Investment Policy Committee (FI's IPC).

RI PHILOSOPHY

We strive to be an industry leader in responsible investments to meet our firm's vision of bettering the investment universe for all investors. This commitment is deeply rooted in delivering unparalleled service, being good stewards of the assets entrusted to us, and in continuous education and appropriate solutions for our clients; ideas reflected in the firm's Vision statement. We look to constantly build upon our history and strong RI capabilities with innovative solutions meant to meet our clients' goals and objectives. Further, we incorporate stewardship in a manner that simultaneously focuses on our fiduciary duty to clients and supporting client desires for long-term results while allowing for repeatability in the application of our investment process. These ideas form the basis for our definition of Responsible Investment (RI). Continued on pg. 3.

¹ Fisher Investments (FI) is an investment adviser registered with the Securities and Exchange Commission. As of December 31, 2024, FI and its subsidiaries managed over \$299 billion. FI and its subsidiaries consist of three business units – Fisher Investments Institutional Group, Fisher Investments US Private Client Group, Fisher Investments Private Client Group International. The Investment Policy Committee (IPC) is responsible for all investment decisions for the firm's strategies. Investment in securities involves the risk of loss. Past performance is no guarantee of future returns.

² Certain types of investments, including cash, cash equivalents, currency positions, certain derivatives, exchange traded funds and exchange traded notes are not evaluated for ESG factors as FI believes it is not practicable to do so.

³ The CFA Institute defines "Best-in-class Screening" as follows: Investment involves selecting only the companies that overcome a defined ranking hurdle, established using ESG criteria, within each sector or industry.

FI's Responsible Investment Philosophy

We believe investors maximize the likelihood of achieving both their desired performance goals and sustainability objectives through an investment process that integrates consideration of environmental, social, and governance factors at the country, sector, and security levels. This approach is strengthened by corporate engagement, supported by proxy voting, and guided by client-specific priorities such as positive portfolio targeting and harm avoidance.

HISTORY

FI has been managing accounts with various thresholds of environmental and/or social guidelines since the mid-1990s. Over that time, we have expanded the depth of our RI capabilities and offer a wide range of RI strategies including ESG, best-in-class, impact, Paris-aligned/Net Zero and religious/values-based investment strategies. FI considers financially material ESG information throughout the investment process to help reduce risk and/or enhance returns and is an active owner by voting proxies and conducting direct corporate engagements. As of December 31, 2024, FI and its subsidiaries managed accounts valued at over \$21 billion USD⁴ with ESG, climate, impact, or values-based investment guidelines.

Please find below a list of international initiatives that Fisher Investments (or its subsidiaries) has joined:

- FI is a signatory to the PRI
- Fisher Investments Japan Limited, a wholly-owned subsidiary of Fisher Investments, declared acceptance of the Japanese Stewardship Code
- FI is a participant in the UN Global Compact
- FI is a signatory to the Carbon Disclosure Project (CDP)
- Fisher Investments Europe Limited, a wholly owned subsidiary of Fisher Investments, is a signatory to the Climate Action 100+
- Fisher Investments Europe Limited is signatory to the UK Stewardship Code
- Fisher Investments Europe Limited is a member of the Institutional Investors Group on Climate Change (IIGCC)
- Fisher Investments Australasia is a member of the Responsible Investment Association Australasia (RIAA)

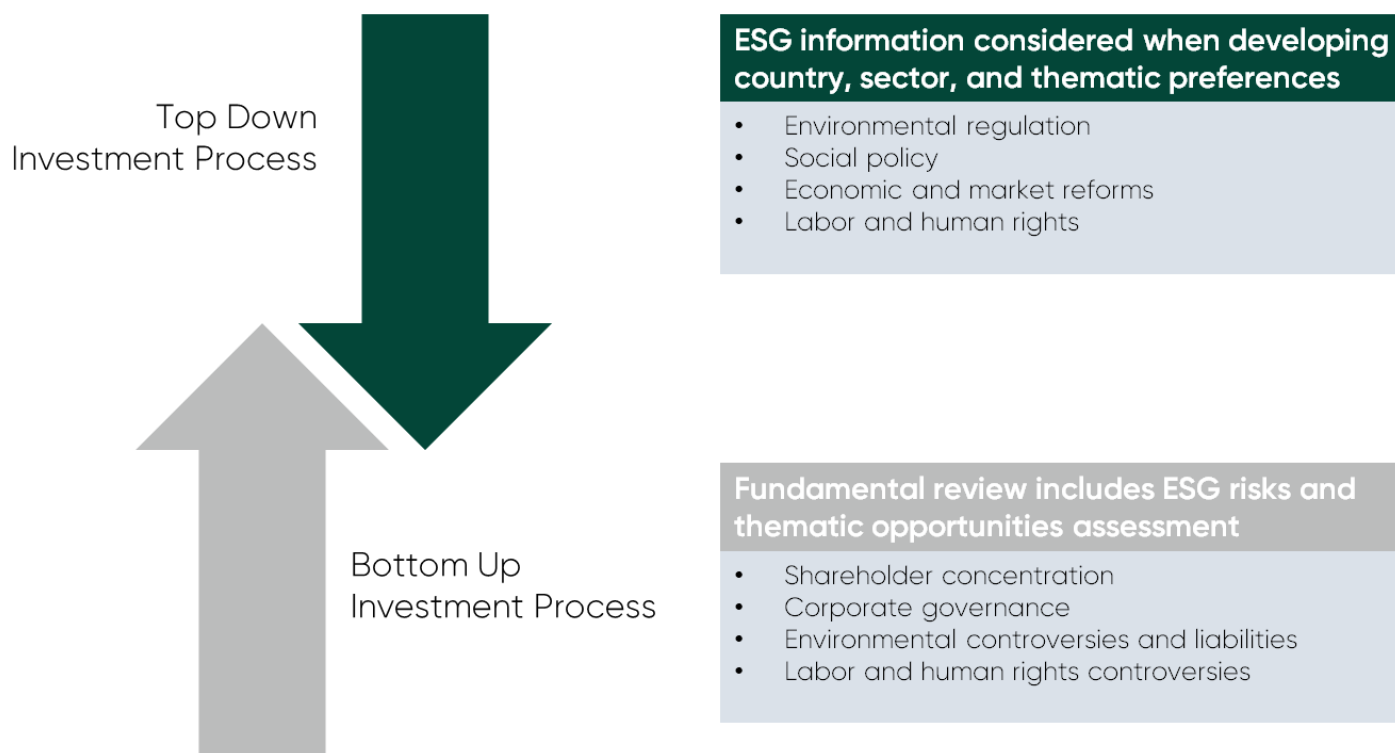
ESG INTEGRATION IN THE INVESTMENT PROCESS

FI evaluates and integrates financially material ESG information throughout the investment process to help reduce risk and/or enhance returns.

In the top-down portion of our investment process, ESG information is among the many drivers considered by FI's Capital Markets Analysts and IPC when developing country, sector, and thematic preferences. Environmental regulation, social policy (e.g. public health), demographics, economic and market reforms, social unrest and geo-political stability, government corruption, and labor and human rights are examples of ESG information considered, when relevant, in determining country and sector/industry allocations.

⁴ All assets as of December 31, 2024 are preliminary. Preliminary assets are subject to final reconciliation of accounts.

In the bottom-up portion of the investment process, Securities Analysts covering specific industries conduct their bottom-up fundamental research on prospect lists of companies. This process includes a strategic attribute review seeking firms with underappreciated competitive or comparative advantages relative to their peers via FI's unique, proprietary analysis. This proprietary analysis may include a review of a company's exposure to environmental thematic opportunities such as those related to the global low carbon transition (e.g. energy efficiency, alternative energy, electrical vehicle trends, green building and sustainable water management) or social thematic opportunities such as those related to trends in social and economic mobility (e.g. education, shifting consumer preferences, access to basic needs, infrastructure development). The fundamental review process also includes an operational risk assessment used to identify potential risks unrelated to valuations or day-to-day management. Examples of operational red flags include many off- balance-sheet items, environmental controversies, human or labor rights controversies, and corporate governance controversies. Generally, FI would choose not to invest in companies when, in its opinion, security level issues: (i) violate a client mandated exclusion policy or (ii) present an inordinate risk to a company's operational or financial performance or (iii) appear to present undue headline risk to share price performance.

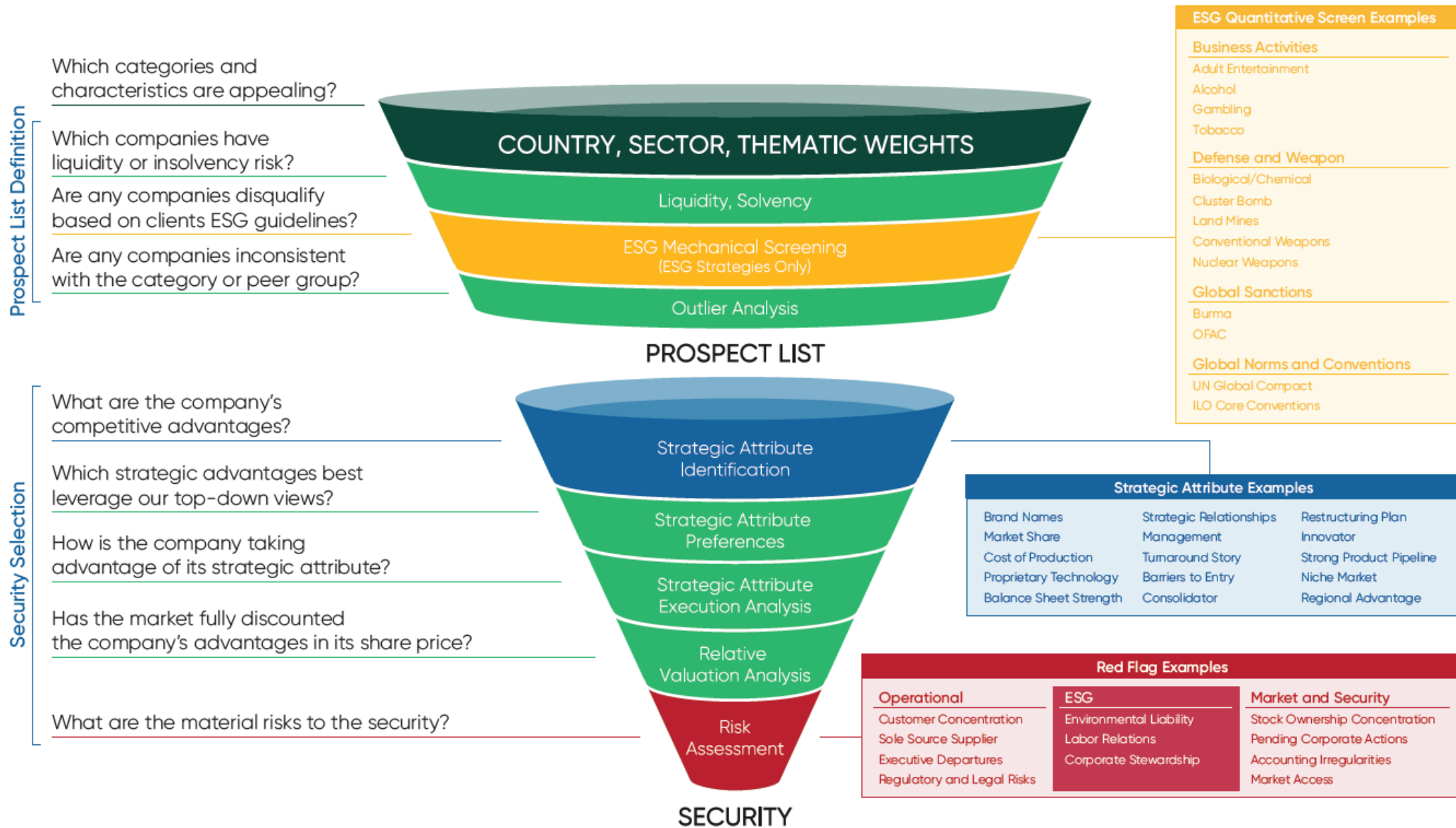


FI's IPC, with the assistance of FI's Securities and Capital Markets Analysts, determines the materiality of ESG risks and opportunities, which may influence country, sector, and individual security weightings. FI's strategy and positioning reflects our outlook over the next 12-18 months. FI believes its ESG integration can help enhance portfolio relative performance, particularly in modifying exposure to countries, industries, and securities whose value may be materially impacted by an ESG risk or opportunity.

Fixed Income

Our fixed income investment process also includes ESG integration, however the majority of our fixed income assets are managed in pooled vehicles such as ETFs. FI selects fixed income investments (primarily ETFs) to be included that are consistent with FI's market views about country, sector, industry, duration, yield curve, and credit quality positioning and what we believe are most likely to generate the highest expected returns and to control risk relative to the benchmark. As part of the initial and on-going due diligence process, when considering investments, FI focuses on information including but not limited to, a fixed income ETF's benchmark, its underlying holdings, and the degree to which the characteristics of the investment are aligned with FI's market views. Weights to fixed income ETFs in individual portfolios may also be influenced by the assessment of financially material ESG risks and opportunities as derived from the research group's assessment more broadly. Further, FI works with clients on their ESG objectives in fixed income strategies and offers strategies with ESG characteristics such as screening, as requested.

ESG Integration in the Investment Process



RI PERSONNEL

Our Responsible Investment (RI) activities are integrated into several of our global teams, including FI's ESG Point-Person on the Investment Policy Committee (IPC), the Vice President – Responsible Investments and ESG Research Specialists, the Institutional Responsible Investments Team, the Investor Responsibility and Engagement Team, and the Client Guidelines and Assurance Team. Together these ESG resources play a central role in the application of ESG considerations in the following areas of our process: investment research, corporate engagement, guideline implementation and portfolio compliance. The Vice President – Responsible Investments and ESG Research Specialists also serve as a resource for clients and prospective clients, and are responsible for ESG-related training as needed.

Investment Research

As part of our research process, all Research Analysts evaluate and integrate financially material ESG information throughout the investment process to help reduce risk and/or enhance returns. Additionally, the firm appoints ESG Research Specialists who monitor ESG trends and act as subject matter experts supporting their respective teammates with ESG-related tools and best practices, and who brief the IPC directly as appropriate. Further, the ESG Research Specialists work with our ESG data providers to ensure high quality and comprehensive ESG data is available for decision-making and for use in relevant ESG analysis during the top-down and bottom-up portions of the investment process. The ESG Research Specialists also are responsible for providing ESG training to all analysts, Institutional Relationship Managers, and to select employees across the firm as needed. Furthermore, these ESG Research Specialists are further specialized in topics increasingly important in the RI space such as proxy, engagement, and carbon.

Investor Responsibility & Engagement

The Investor Responsibility & Engagement Team engages companies in dialogue on significant RI issues. The team utilizes top-down processes to prioritize sectors and issues, then applies bottom-up analysis to identify company leaders and laggards. Common engagement themes include climate change, stewardship of natural resources and respecting human rights. Engagement objectives are established at the outset and progress is tracked over time. The majority of FI engagements are conducted individually. However, we also engage collaboratively with other investors and clients to achieve common goals.

Guideline Implementation and Compliance

Additionally, the Vice President – Responsible Investments and ESG Research Specialists work with our Client Guidelines and Assurance (CGA) and the Portfolio Management Compliance (PMC) teams to appropriately apply client-specific ESG screens and portfolio targets as well to identify and resolve issues with ESG-related data provided by the data providers. The ESG Research Specialists also work with portfolio engineering and client operations teams to design, and define client-mandated ESG restrictions and RI objectives.

Client Resource

Finally, as the liaison between our Research teams and the Institutional Relationship Managers, the Vice President – Responsible Investments, the Responsible Investments Team, and the ESG Research Specialists help create ESG specific deliverables and reporting for our clients and prospective clients on ESG characteristics and how ESG is applied in our investment process.



Woodside, CA, US



San Mateo, CA, US



Camas, WA, US



Plano, TX, US



Tampa, FL, US



London, UK



Dublin, IE



DIFC, AE



Sydney, AU



Tokyo, JP

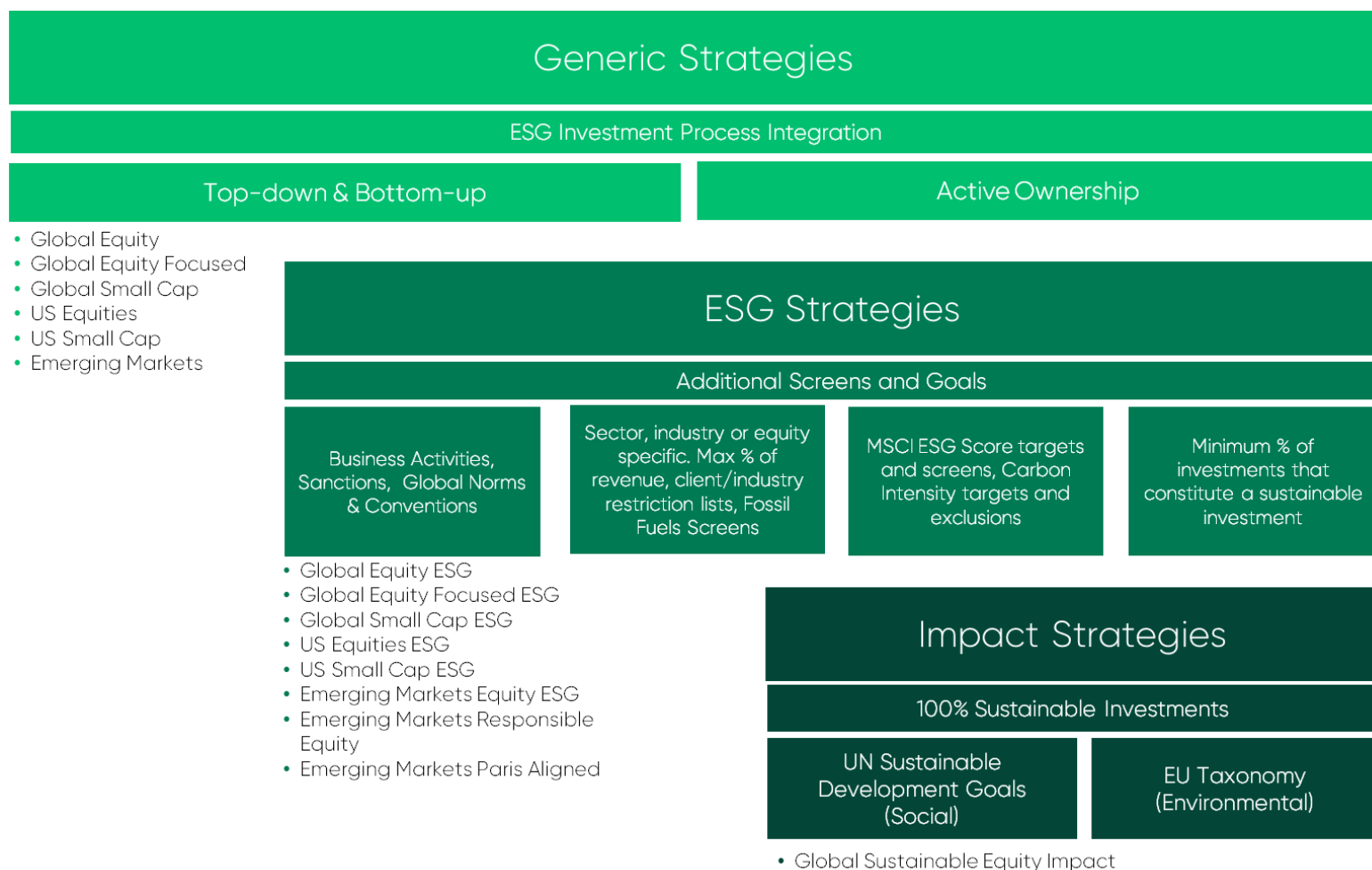
RESPONSIBLE INVESTMENTS STRATEGIES & CAPABILITIES

FI dedicates significant resources to meet our clients' RI goals and objectives. We offer a wide range of RI strategies and regularly partner with clients to tailor accounts for their sustainability priorities. Further, FI offers RI strategies to both High Net Worth private clients and Institutional investors across the globe utilizing multiple investment vehicles (segregated/separately managed accounts and funds). Examples of RI strategies include:

- ESG & Best-in-Class Strategies
- NetZero/Paris-aligned/Low Carbon Strategies
- Impact Strategies using EU Taxonomy and/or United Nations SDGs (Sustainable Development Goals) frameworks
- Religious Strategies including Catholic Values & Shariah
- Those with globally recognized sustainability labels (e.g. Belgian Towards Sustainability Label/Austrian Ecolabel)
- Fully customized strategies aligned with our clients' specific RI objectives and values

Fisher Investments ESG Solutions

Fisher Investments ESG Solutions are Designed to Meet and Evolve with Client Needs



Responsible Investment Data Resources

FI subscribes to data from several external service providers used in the fundamental research process and for client guidelines management. These subscriptions include, but are not limited to:

- MSCI ESG Ratings & Sustainalytics ESG Risk Ratings & ISS ESG Corporate Ratings
- MSCI ESG & Sustainalytics Business Involvement Screening
- MSCI ESG Global Norms & Controversies
- MSCI ESG Sustainable Impact Metrics
- MSCI ESG Climate Value-at-Risk & Climate Change Metrics
- MSCI ESG SFDR Adverse Impact Metrics & EU Taxonomy Alignment
- MSCI Barra Risk Metrics
- CDP (formerly Carbon Disclosure Project)
- Bloomberg, ISS, FactSet

Responsible Investment (RI) Committee

FI's Responsible Investment (RI) Committee includes leadership of the Portfolio Management Group and the Fisher Investments Institutional Group.

The Committee's duties and responsibilities include:

- Ensuring alignment of ESG activities with the firm's strategic priorities
- Supporting our ESG and sustainability activities and staying abreast of industry trends
- Overseeing progress toward Fisher's RI goals and objectives
- Initiating the development of new responsible and sustainable investment strategies
- Reviewing effectiveness of current ESG analysis, integration, data availability, and reporting
- Initiating ESG and sustainable research content

The committee, co-chaired by an IPC member and the Senior Executive Vice President of our Institutional Group, meets quarterly and includes the VP – Responsible Investments, the VP – Investor Responsibility and Engagement, the firm's ESG Research Specialists and 20+ members primarily from the firm's Institutional and Portfolio Management groups.

Compliance

FI's Client Guidelines and Assurance (CGA) Team is a dedicated and independent compliance team focused exclusively on Institutional client's guidelines while FI's Portfolio Management Compliance (PMC) Team focuses on compliance for Private Client Group clients along with US and International Sanctions monitoring of investments across the firm. Both the CGA and PMC teams are responsible for ESG-related screening and client guidelines for their respective groups. The teams subscribe to various regulatory body alerts to help identify sanctioned entities. Additionally, FI retains outside legal counsel and employs third party vendors such as MSCI ESG Research and FactSet to notify the firm of any changes or updates to sanctions. Sanctioned company data is directly loaded into FI's order management system, Charles River Investment Management Solutions (CRIMS), to flag any trades or existing holdings of a sanctioned entity. CGA is also responsible for monitoring any holdings violating an Institutional client's restrictions before and after purchase of the position, such as revenue generation in specific industries (gambling, weapons, alcohol, tobacco, etc.) utilizing various resources from MSCI ESG Research and FactSet. The teams also monitor the firm's exclusionary policy for ESG strategies and funds. Any violations or potential violations are elevated to the IPC for review.⁵

Internal Audit

FI has an Internal Audit Team within the Compliance Department tasked with testing the firm's policies and procedures including the firm's RI related policies and efforts at least annually.

⁵ Fisher Investments relies on some of the world's leading ESG data providers for information used in ESG screening. In very rare situations the IPC may grant an 'IPC-exception' to hold companies in the event the provider's methodology or data collection practices lack accuracy to appropriately account for a business involvement exposure. See Appendix 1 for additional screening details.

RESPONSIBLE INVESTMENTS REPORTING

FI has broad resources/data subscriptions to produce various ESG reports and can customize reporting to a client's specific format and frequency. Below are a few categories of ESG reporting that FI currently provides:

Climate & Carbon Footprint Reporting

- Carbon Footprint Reporting
- Carbon Portfolio Analytics Report
- TCFD/Climate Risk & Value-at-Risk Report
- Implied Temperature Rise (Paris-Alignment/NetZero)

ESG, Impact & Regulatory Reporting

- ESG Score Reporting (MSCI ESG & Sustainalytics)
- Impact, EU Taxonomy & UN SDG Reporting
- SFDR Principal Adverse Impact (PAI) Report

Stewardship Reporting

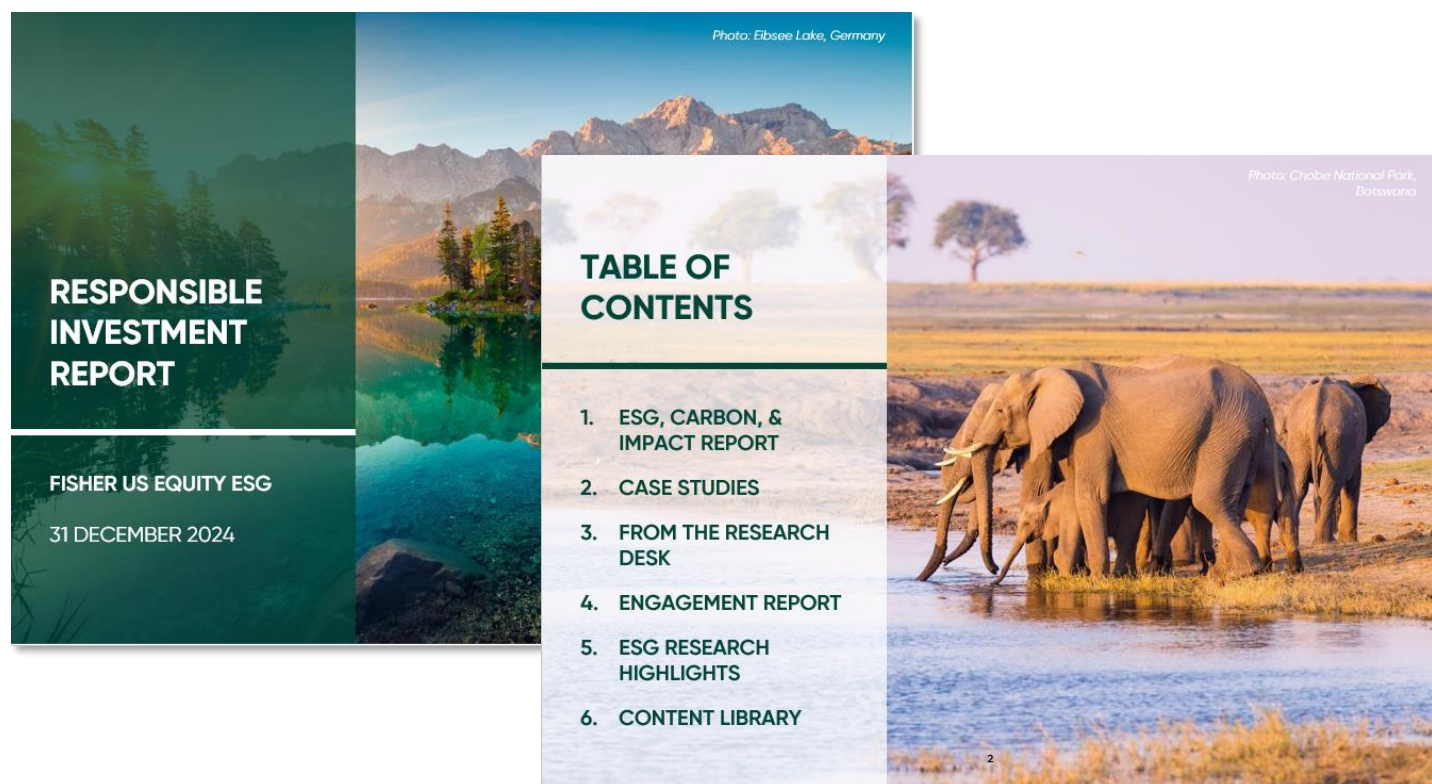
- Engagement Reporting
- Proxy Reporting
- Bi-annual FI ESG Newsletter

PRI Reporting

FI became a signatory to the Principles for Responsible Investment (PRI) in 2014 and we strongly encourage other asset management industry participants interested in responsible investing to become a PRI signatory (<https://www.unpri.org/signatories/signatory-resources/become-a-signatory>). FI's latest PRI Transparency Report is publicly available on the PRI website.

Responsible Investment Report

FI's proprietary 'Responsible Investment Report' is produced on a regular basis for our ESG and Impact strategies, and is available upon request.



STEWARDSHIP

FI and its subsidiaries take an active approach to stock ownership rights and responsibilities, founded on the principle that we are a fiduciary. The objective of FI's stewardship activities—specifically corporate engagement and proxy voting— is to understand and evaluate companies to help reduce financially material risk and enhance returns. FI incorporates stewardship in a manner that simultaneously focuses on our fiduciary duty to clients and supporting client desires for long-term results while allowing for repeatability in the application of our investment process. At FI, stewardship involves multiple teams across our Portfolio Management Group and Institutional Group. The teams work together to help ensure stewardship is aligned across the different functions.

Engagement

As an active investment manager on behalf of our and our subsidiaries' clients, FI engages with companies as part of its fundamental analysis and to clarify or express concerns over potential issues at the firm or industry level. We endeavor to engage across sectors and in both developed and emerging markets. Information uncovered during engagement is incorporated into our fundamental analysis.

We engage companies held in equity strategies and, to a lesser degree, fixed income strategies. The period of time needed to address engagement discussion topics may exceed our normal investment time horizon, therefore FI recognizes engagement as a way to address longer-term risks and opportunities. All engagement activities adhere to FI's compliance procedures relating to corporate interactions.

FI monitors investee companies on an ongoing basis, utilizing a combination of qualitative and quantitative resources such as: MSCI Barra Analytics, Bloomberg, Factset, MSCI ESG Research, ISS, company financial and sustainability disclosures, and research from responsible investment network partners. This information, supplemented by FI's in-house company research, is used to identify companies where there may be opportunities for engagement.

Engagement may also be considered when:

- Concerns arise related to a company's business, such as an announced restructuring plan or a pending corporate action.
- FI seeks to learn more about an upcoming proxy vote.
- A company's activity results in it being assigned a red flag (severe controversy) by a third-party data provider.
- FI's third-party environmental, social and governance ("ESG") ratings provider significantly downgrades a company's rating.
- At the request of an institutional investor.

More information can be found in FI's Stewardship Policy, which is available on our website or upon request. FI also publishes a quarterly Engagement Report that describes our engagement activities.

Proxy Voting

Where authorized to do so, FI votes proxies on behalf of clients. When doing so, FI evaluates issues and votes with the best interests of our clients in mind. FI utilizes Institutional Shareholder Services (ISS) as its third-party proxy voting service provider. FI generally applies custom proxy voting guidelines that take into account only financially material factors when recommending how to vote. For clients and funds that have implemented an RI Strategy and other RI Clients, FI generally applies custom ESG proxy voting guidelines when possible. In certain circumstances, FI may apply the ISS Benchmark proxy voting guidelines.

FI's Proxy Voting Committee oversees the firm's proxy voting and serves as the control point for decisions relating to proxy voting. The members of the Proxy Voting Committee include senior leadership from our Research, Portfolio Management, and Investment Operations groups.

APPENDIX 1 – SAMPLE OF ESG RESTRICTIONS/GUIDELINES

With the support of some of the world's leading ESG data providers FI is able to support a broad range of client exclusion requests for separately managed accounts. These include, but are not limited to, the following:

SAMPLING OF AVAILABLE MECHANICAL SCREENS

DEFENSE & WEAPONS

Companies with ties to:

- Controversial Weapons (including landmines, cluster munitions, biological, chemical & depleted uranium)
- Nuclear Weapons

Companies with 5% or greater revenue from:

- Conventional Weapons
- Civilian Firearms & Ammunition Production

BUSINESS ACTIVITIES

Companies with 5% or greater revenue from:

- Adult entertainment
- Alcohol
- Gambling
- Genetic engineering
- Tobacco
- Oil sands
- Thermal coal extraction
- Thermal coal power (5% or greater power generation)

Companies with ties to:

- Animal Testing (non-pharma without safeguards)

GLOBAL SANCTIONS

- US Office of Foreign Asset Control (OFAC)
- EU sanctioned entities
- Canada's Special Economic Measures Act (SEMA)
- Australian Department of Foreign Affairs and Trade (DFAT)

GLOBAL NORMS AND CONVENTIONS & ESG CONTROVERSIES

Global Norms and Conventions

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business & Human Rights
- ILO Fundamental Principles

ESG Controversies

- Companies directly involved with very severe ongoing Environmental, Social, Governance, or child labor controversies



Photo: Fisher Investments' Woodside, California offices.