FISHER INVESTMENTS EUROPE™

ENGAGEMENT REPORT
Q1 2022

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 stock levels consistent with clients' investment goals and ESG policies maximises the likelihood of achieving desired performance and improving environmental and social 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 can impact our investment decisions. 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

Client ESG Priorities	Proprietary Top-Down Assessment of Material ESG issues	Ongoing Portfolio Monitoring	Proxy Voting Activities	Collaborative Engagement Initiatives

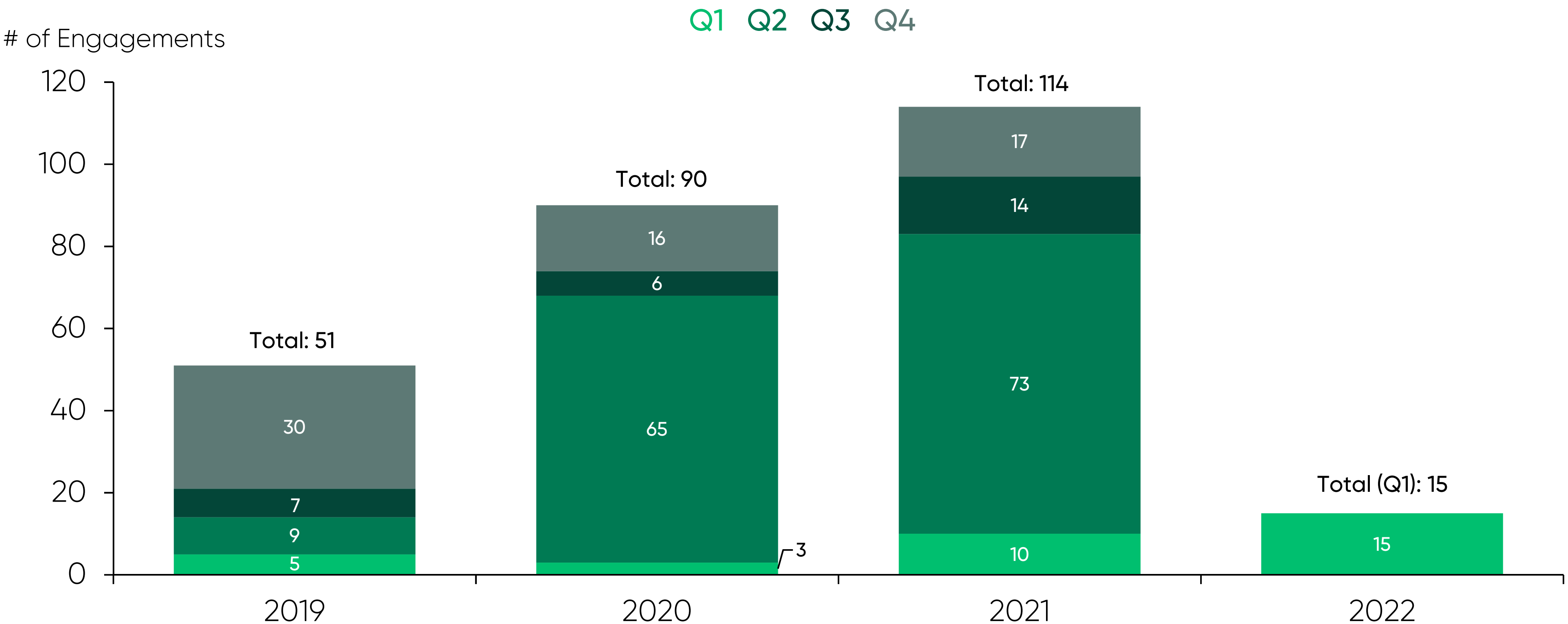
EACH ENGAGEMENT IS:

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

Q1 2022 ENGAGEMENT HIGHLIGHTS

- Increased our total Q1 engagements by 50%.
- Achieved our engagement objective with a Japanese automation company as it recently established a net-zero emissions target plus 2030 interim targets for Scope 1, 2 and its largest source of Scope 3 emissions – Use of Sold Products.
- Achieved our engagement objective with a European multinational energy company as it recently announced it would withdraw from Myanmar given the human rights concerns in the region.
- Our engagement activity continues to grow steadily year over year as reflected in the chart below, noting both newly initiated engagements and established, ongoing dialogues.

Year Over Year Engagement Activity, Broken Down by Quarter

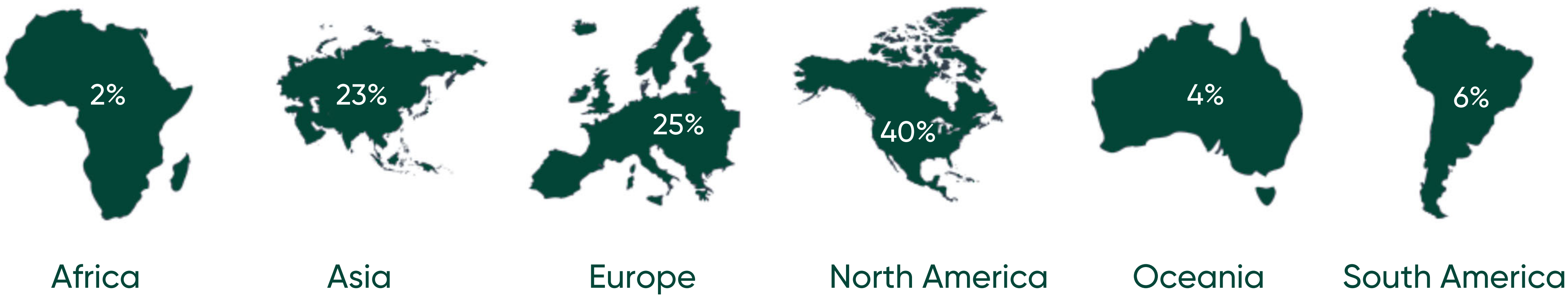


Data indicated above are based on engagement meetings for all institutional clients of Fisher Investments and its subsidiaries from Q1 2019 - Q1 2022.

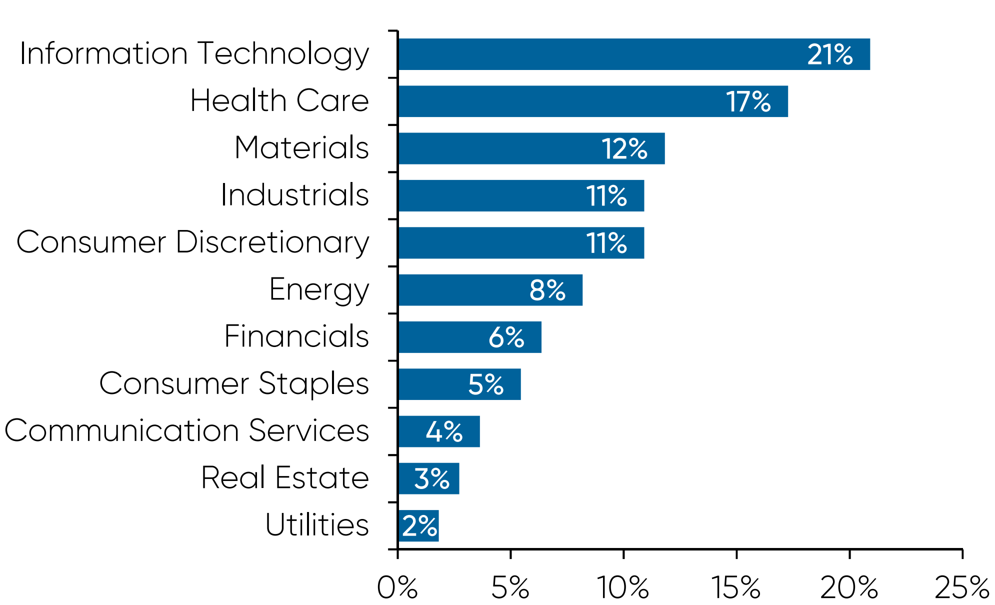
ENGAGEMENT DISTRIBUTION

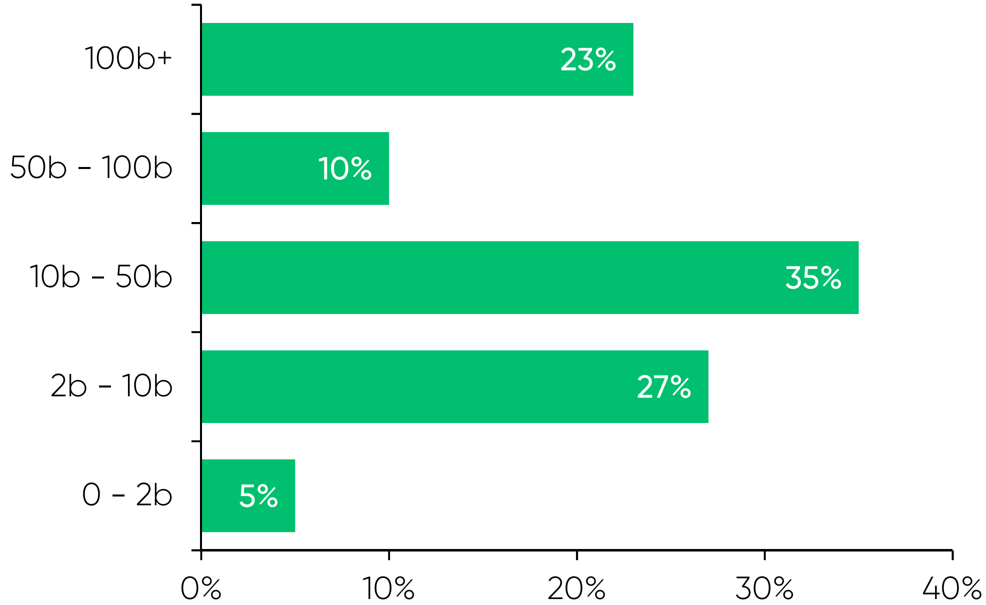
We engage across a range of geographies and sectors, as shown below.

Domicile of Engaged Companies, Trailing 1 Year as of Q1 2022



Engaged Companies by Sector & Market Cap (USD billions, Trailing 1 Year as of Q1 2022)





Source: FI data using Factset domicile, sector, and market capitalisation 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 Q1 2022.

ESG ENGAGEMENT FOCUS AREAS

We prioritise multiple issues in each ESG category.

ENVIRONMENTAL

- Climate Change
- Pollution & Toxic Waste
- Water Stewardship
- Biodiversity

SOCIAL

- Human Rights
- Human Capital
- Labour Relations
- Social Impact

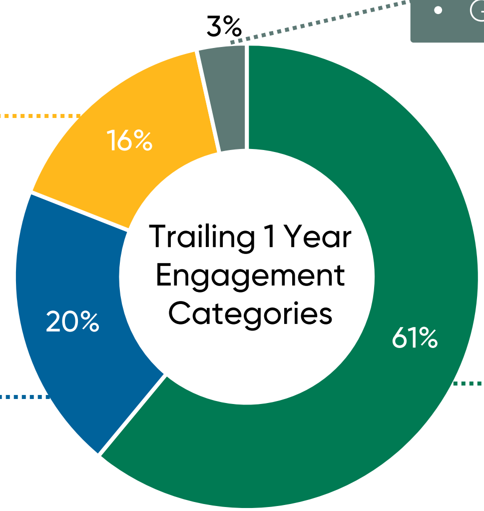
GOVERNANCE

- Executive Compensation
- Board Independence
- Board Diversity
- Proxy Voting

Engagement topics by proportion of the E, S, and G categories as of Q1 2022 (Trailing 1 Year)

- General ESG Disclosure

- Board Diversity
- Executive Compensation
- Proxy Voting



- Diversity & Inclusion
- Human Rights
- Human Capital

- Climate Change Strategy
- Environmental (Climate, Water & Forests) Disclosures
- Biodiversity

Data indicated above are based on engagement meetings for all institutional clients of Fisher Investments and its subsidiaries as of Q1 2022. Percentages above may not add up to 100% due to rounding.

ENGAGEMENT HIGHLIGHTS

GOVERNANCE ENGAGEMENT

REGION:	DM NORTH AMERICA
SECTOR:	CONSUMER DISCRETIONARY
TOPIC:	REGULATORY ACTIONS
STATUS:	ONGOING

OBJECTIVE
Discuss allegations of anti-competitive behavior.

SUMMARY
In March 2022, an ESG ratings firm issued a red flag to a global consumer discretionary company and its Italian subsidiaries, after the Italian Competition Authority (AGCM) fined the company €1.1 billion for anti-competitive behavior. According to the data provider, the issue equated to a "UN Global Compact fail."

According to the AGCM, the company linked its logistics service with exclusive benefits. Consequently, vendors who prefer not to use the company's logistics service are restricted from attaching the label to their orders. Additionally, according to an investigation by the Italian authorities, the company subjects sellers who do not use the company logistics service to stricter performance criteria, which in extreme cases can result in suspension of their account.

FI reached out to both the ratings firm and the company for additional information. We asked the company to engage with the data provider regarding the assessment and pointed out the implications of a red flag for investors that use such scores for portfolio construction.

The company strongly disagrees with the AGCM ruling and is appealing the fine. On March 10, an Italian Administrative Tribunal ruled the decision is to be suspended pending the outcome of the legal proceedings.

The company stated that specific charges by the AGCM are incorrect and that logistics service is an optional service that sellers can use according to each product. There is another fulfillment option, which allows sellers to list their products and handle the fulfillment themselves. Sellers using alternative logistics service do not have to use the company's in-house logistics services.

The company confirmed to FI that it has reached out to the data provider to request a correction, and informed the firm of the March 10 ruling that delays the imposition of the fine.

OUTCOME
As requested, the company responded promptly to our engagement and contacted the data provider about the red flag. We believe the company is giving sellers appropriate choices and the alternative service e appears to be equivalent to the larger exclusive logistics platform. With regard to allegations of anti-competitive behavior, we believe the issuance of the red flag is premature because the company is appealing the ruling. Other ESG ratings firms have assessed the issue as a "moderate" controversy and noted the pending appeal. Waiting until the matter is resolved should allow investors to make fully informed decisions – including consideration of any changes the company makes to its practices, if the appeal is lost.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL & GOVERNANCE ENGAGEMENT

REGION:	DM EUROPE
SECTOR:	INFORMATION TECHNOLOGY
TOPIC:	EXECUTIVE COMPENSATION; DIVERSITY & INCLUSION; SUSTAINABLE SOURCING; WATER CONSERVATION
STATUS:	CONCLUDED

OBJECTIVE

Information gathering on the company's redesigned executive remuneration programme and other sustainability initiatives.

SUMMARY

FI met with the chair of the remuneration committee and other executives at a European technology company to discuss changes to its compensation programme and women in leadership goals.

Executive Compensation: The company has undertaken a major revamp of its remuneration programme driven by anticipated board and management transitions. The company's sizeable growth in the last five years has prompted a change in its peer group comparator in terms of market cap, revenue and number of employees. The company's guiding principles of the compensation revamp is to maintain internal fairness to align with local market practices while balancing extreme competitiveness to attract talent.

The 2022 performance measures were updated to reflect the current market size and strategic priority factors. Short-term incentive (STI) metrics include financial measures and technological leadership index; and the long-term incentive programme (LTIP) includes additional strategic value drivers, relative TSR (Total Shareholder Return), technology leadership index and ESG factors. The ESG metrics are reduction of energy use in its products as well as employee engagement and inclusion measures.

One of the company's main ambitions is to attract women in engineering and increase gender diversity in STEM (Science, Technology, Engineering, and Math) roles. The company has set a goal to increase female leadership candidates from 8% in 2021 to 12% by 2024, which is supported by specific onboarding, internal development and growth programmes.

Sustainability Targets: FI inquired about the water usage in its lithography technology as water is one of the major inputs in the wafer manufacturing process of its clients. The company responded that water usage is not a material concern for its novel lithography product, which helps reduce the number of steps in the microchip production process. The company highlighted the importance of the platform's sustainability gains – including reduced water inputs – in the full value chain of semi-conductor manufacturing. In its own operations, the company has achieved net-zero Scope 1 & 2 emissions.

Responsible Sourcing of Materials: The company is a member of a Responsible Business Alliance and encourages its 4,700 suppliers to adopt similar standards to help ensure the raw materials are sourced sustainably and responsibly. The company conducts annual risk assessments of critical suppliers and runs detailed screening to help ensure compliance with its code of conduct. Additionally, the company conducts third-party external audits of its suppliers every 2 years.

OUTCOME

Engagement concluded.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL & ENVIRONMENTAL DISCLOSURES ENGAGEMENT

REGION:	DM EUROPE
SECTOR:	FINANCIALS
TOPIC:	CLIMATE CHANGE STRATEGY; ENVIRONMENTAL OPPORTUNITIES; COMMUNITY IMPACT
STATUS:	ONGOING

OBJECTIVE

Information gathering on the bank's climate transition goals and sustainable financing targets and initiatives.

SUMMARY

FI engaged a European bank to seek information on its climate transition targets and inquired about its short- to medium-term goals on sustainable financing. One of the largest financial institutions in the world, the bank joined the Net-Zero Banking Alliance as a founding member in 2021.

The bank has announced a goal to reach net-zero emissions by 2050 and shared its 2030 decarbonisation goals, which include no longer financing power generation companies that generate more than 10% of revenue from thermal coal, as well as eliminating its direct exposure to thermal coal mining worldwide. The bank also aims to use 100% renewable electricity sources in all of its buildings.

The bank also has a goal to issue €120B in green financing by 2025 and €220B by 2030. For the last decade, the bank has been a global leader in renewable energy financing with its green financing portfolio total reaching €61B as of 2021.

In regards to its broader environmental goals, the bank recently signed a plan with two largest private banks in Brazil to promote protection of the Amazon rainforest and avoid deforestation from the beef value chain. The bank's credit analysis includes consideration of environmental and social risk, and it incorporates a sustainability rating into the credit scores of its clients.

The bank considers its social activities in the Latin American market as a social opportunity to empower retail clients to become financially educated. It currently has 7.4M clients in the region and has the goal to increase the number to 10M clients. The bank runs educational programmes to support students and empowers those at the risk of financial exclusion by offering accessible banking, which helps enable more customers to have access to financial services.

OUTCOME

FI is encouraged by the leadership shown by the financial company in founding the Net-Zero Banking Alliance and for pledging its disclosed decarbonisation targets. We will monitor its continued progress on its sustainable financing and climate transition goals.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

REGION:	EM ASIA
SECTOR:	MATERIALS
TOPIC:	HUMAN RIGHTS POLICY; HEALTH & SAFETY; EMPLOYEE RELATIONS
STATUS:	ONGOING

OBJECTIVE

Encourage the company to investigate reports of unfair labour practices at its operations in the Democratic Republic of Congo (DRC).

SUMMARY

FI engaged a global materials company regarding working conditions at its mining site in the Democratic Republic of Congo after global media reports alleged human rights violations there, including a video of a physical assault of a sub-contract worker at the mine. The alleged incidents are inconsistent with the company's disclosed policies, which are aligned to internationally recognised human rights standards such as the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Human Rights Council Guiding Principles on Business and Human Rights (UNGP).

The company responded that it could not authenticate the specific claims of mistreatment due to the anonymous nature of the reports, but it was able to ascertain that the video was not of its mine employee or contract worker, and was not filmed at its mine site or Its contractor camp. The company described how its human rights policies and practices are applied to both employees and contractors, including several steps to strengthen human rights protections at its operations in the DRC:

- Anti-corruption and human rights due diligence is applied equally to employees and contractors, including screening, questionnaires and site visits.
- 100% of its Congolese workforce is unionised, and contractors are encouraged to adopt collective bargaining.
- In 2020, the company began annual contractor assessments to track health, safety and human rights performance. It also enhanced its grievance mechanisms available to all employees and contractors.
- In 2021, third-party human rights experts conducted a four-day training at the mine. The company is also developing an action plan for its contractors that features a three-month employee awareness and training programme. Subjects include the code of conduct, rights of association, grievance mechanisms and behavior modification.
- Importantly, the company's ESG management systems at international sites are reviewed annually by Corporate Integrity, an independent consultant. Corporate Integrity's assurance is based on evidence of documents review, interviews with site and corporate personnel, and site visits.

OUTCOME

There were documented labour and human rights concerns at the mine site preceding the company's acquisition of the asset. Applying the UNGP framework, these issues should have surfaced when the company conducted its human rights due diligence assessment prior the acquisition. Nevertheless, the company was responsive to our inquiry and is taking positive steps to strengthen human rights there. FI will review the company's 2022 Human Rights report, and will continue to seek evidence that its practices are effective in protecting human rights.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL ENGAGEMENT

REGION:	DM EUROPE
SECTOR:	ENERGY
TOPIC:	CLIMATE CHANGE STRATEGY; BIODIVERSITY
STATUS:	ONGOING

OBJECTIVE

Seek company progress updates on the net-zero commitment and understand company's climate transition strategy.

SUMMARY

FI engaged a European-based global energy company on its climate strategy and biodiversity programmes.

Climate Strategy & Net-Zero Ambition: The company has an ambition to reach net-zero emissions on a Scope 1-3 basis by 2050, and to reduce Scope 1-2 emissions by 50% by 2030. FI inquired if the company is satisfied with the pace of energy transition and any challenges it faces. The company is positioned to achieve its emissions reduction targets amid 3% per annum growth in production. The main lever for the transition is electrification of its operational fields, which remains on track. Managing cost is another challenge that the company seeks to overcome.

FI inquired how the company's carbon intensity targets relate to absolute emissions. The company responded that 90% of its 2030 target will reflect absolute emissions data as the company started from a level of about half the industry's intensity. The company's targets are aligned with the Paris Agreement.

In terms of methane, the company uses a combination of direct measurement and modelling to disclose its emissions. All published results undergo third-party verification.

The company is also a leader in offshore wind and recently raised its renewable power targets. The company's objective is to have more than 50% of gross capex in renewables and low carbon solutions by 2030. It views carbon capture and storage (CCS) as a major pillar of its plan, especially leveraging its expertise in the long-term project in the Northern Lights site.

Biodiversity: FI inquired about the status of evaluating and disclosing the impacts that the company may have in areas of high biodiversity risk. The company noted that although its upcoming annual sustainability report will touch on biodiversity impact in detail, projects in high-risk areas will need to implement specific steps to achieve and demonstrate positive biodiversity impact.

OUTCOME

The company has a robust climate action plan. FI will monitor the company's methane emissions disclosures, and will review the company's energy transition plan when it is published. In addition, the company's board will present its energy transition plan for advisory shareholder vote in the upcoming annual general meeting in May 2022.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL & GOVERNANCE ENGAGEMENT

REGION:	DM NORTH AMERICA
SECTOR:	ENERGY
TOPIC:	CLIMATE CHANGE STRATEGY; PROXY VOTING
STATUS:	ONGOING

OBJECTIVE

Discuss the company's low-carbon transition plans and how newly-elected board members are influencing its climate strategy. Encourage continued development of its emissions reduction strategies.

SUMMARY

The company had six new directors elected to its board in the last two years, partly due to investor dissatisfaction with the company's actions to address climate change. FI supported board refreshment at the 2021 Annual General Meeting, and we met with the company to discuss how the new directors are shaping corporate climate strategy. The company stated that the new directors have brought a desire to participate and become leaders in the energy transition, which is reflected in:

- The company's restructure into three business units – including one that is dedicated to low carbon ventures.
- Its $15 billion commitment to low carbon solutions, where it expects >10% return on investment that will support earnings growth and cash flow targets.
- Establishment of a net-zero ambition for Scope 1 and 2 emissions from operated assets by 2050, and 2030 emissions reduction plans it says are consistent with Paris-aligned pathways.

The company's focus is on reducing its operational emissions, such as development of carbon capture and storage (CCS) projects, hydrogen and biofuels. The company believes that CCS is critical to its investments in low carbon solutions, and is examining 30 potential CCS applications across the globe. The company plans to expand its capacity in CCS and with additional supportive policy, CCS could become a viable solution across the industry. The company is resistant to setting Scope 3 targets (its largest category of emissions), citing the lack of standardised accounting systems for Scope 3.

OUTCOME

It is clear to see the refreshed board's influence in shaping the company's climate strategy. Its recent actions are meaningful and for the first time, provide a clear signal to investors of how the company intends to participate in the low carbon transition. However, there are gaps in its plans and we do not see the company as an industry leader on climate. We encouraged the company to include emissions from assets where the company has an equity investment (the current target only applies to assets that the company operates), and to set Scope 3 reduction targets, which comprise 85% or more of emissions in the company's value chain.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL & GOVERNANCE ENGAGEMENT

REGION:	DM ASIA
SECTOR:	INDUSTRIALS
TOPIC:	CLIMATE CHANGE STRATEGY; DIVERSITY & INCLUSION
STATUS:	CONCLUDED

OBJECTIVE
Encourage operational alignment with Japan's recently announced climate commitments, and express support for its Women's Participation and Advancement programme.

SUMMARY
In October 2020, Japan pledged to be carbon neutral by 2050. Our research showed a Japanese automation company was in the early stages of addressing sustainability, however, its approach to data gathering and disclosure made it difficult to compare the company's data to its competitors. In 2021-2022, we discussed the company's readiness to align with the Government's pledge, its environmental disclosures, and its programmes to increase the participation of women in its workforce.

We noted that the company did not have a formal emissions reduction programme, and its targets lacked the top-line category goals that allow investors to compare its performance to its peers. We recommended that it continue its efforts to map its Scope 1, 2, and 3 greenhouse gas emissions, and to set reduction targets at the category (rather than sub-indicator) level.

Another priority for the company is women's employment and advancement. The company established targets that by 2020, 10% of the workforce and 5% of newly appointed executives will be women. To support the targets, it implemented many women and family-supportive programmes. In 2020, the company exceeded its goal of 5% women among newly appointed executives, but had to extend the goal of 10% women in the general workforce. We believe the company's family-friendly policies are beneficial and should help the company achieve its goal.

OUTCOME
Objective achieved. The company was responsive and announced a goal of net-zero emissions by 2050, along with 2030 interim targets for Scope 1, 2, and its largest source of Scope 3 emissions – Use of Sold Products:

- Scope 1 and 2 emissions: 42% reduction by 2030, using a 2020 baseline.
- Scope 3 emissions: 12.3% reduction in the Use of Sold Products by 2030, using a 2020 baseline.

The company also announced its support for the Task Force on Climate related Financial Disclosures and began conducting scenario analysis. We believe its targets are sufficiently ambitious to put the company on a net-zero trajectory even as it grows its market share. We also look forward to the company achieving its goals on women's participation.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL & GOVERNANCE ENGAGEMENT

REGION:	EM SOUTH AMERICA
SECTOR:	CONSUMER DISCRETIONARY
TOPIC:	CLIMATE CHANGE STRATEGY; WASTE MANAGEMENT; DIVERSITY & INCLUSION; BOARD DIVERSITY
STATUS:	ONGOING

OBJECTIVE
Discuss the company's sustainability strategy and encourage it to set environmental management targets.

SUMMARY
FI met with a Brazilian consumer discretionary company to discuss its sustainability priorities, with emphasis on: alignment with the aims of the Paris Climate Agreement, packaging and waste management, and external verification of supply chains. The company is experiencing rapid growth – it doubled its online sales in one year. As a female founded company, it considers sustainability to be at its core. Its goal is to be included on sustainability indexes.

Environment: The company's recent growth is outpacing its efforts to reduce its environmental footprint. It is working with external consultants to map its organisational metrics as a precursor to setting targets, with the first data inventory expected in ~6 months. The company's business model focuses on matching buyers with local vendors, rather than using large distribution centers. It has a fleet of EVs for "last mile delivery" and said many of its products are delivered by bicycle, skateboard and on foot (reducing Scope 3 emissions). In addition, the company is working with its waste hauler build a recycling system as Brazil has little infrastructure.

Social & Governance: The company has the largest percentage of female directors of any company in BOVESPA. It has a female board chair and 57% of its directors are independent. Its guiding principle translates to "Give to the many the privileges of the few." The company strongly believes employment is a way to break the barriers of Brazil's socioeconomic inequity – all employees are trained as if they will be the next CEO, and many have been there for decades. More broadly, the company's business model has facilitated its customers having access to their first TV, cell phone, or banking services. However, the company could do a better job of quantifying the impact of these practices.

OUTCOME
FI recommended the company disclose both absolute and relative GHG emissions, and encouraged it to set environmental reduction targets. The company invited us to review the consultant data and provide feedback. Ongoing engagement

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

REGION:	DM ASIA
SECTOR:	INDUSTRIALS
TOPIC:	COLLECTIVE BARGAINING & UNIONS; EMPLOYEE RELATIONS
STATUS:	CONCLUDED

OBJECTIVE

Obtain company response on its alleged failure to respect union rights in Thailand.

SUMMARY

Through our service provider, FI engaged an electronics manufacturer regarding the company's alleged failure to support union rights in Thailand. The global industrial trade union federation, IndustriALL, made allegations of anti-union activities in the company Thai subsidiary. After the company dismissed a former union president, the Thai Supreme Court issued a ruling in January 2021 to reinstate the union president and pay back wages.

The engagement focused on the company's efforts to respect employees' right to collectively bargain and form labour unions in Thailand. The company publicly discloses its commitment to improve the working conditions of its labour union members, based on the company's social mission and responsibility. The thai has also publicly stated that it does not hinder workers' rights, including exercising union rights, freedom of association and collective bargaining as granted by Thai labour law.

In response to the investors, the company said that its Thai subsidiary maintains good relations with the employee union and that it had settled the disputes with the labour union and its international trade union IndustriALL in 2021. In addition, the company complies with labour-related laws and regulations of the countries where it operates, makes its Code of Conduct available in multiple languages and conducts compliance training for all employees. The company conducts regular audits and compliance checklists at each subsidiary to ensure that each is operating in accordance with the group's policies.

OUTCOME

The allegations of failing to respect union rights appear to be resolved. FI will continue to monitor the company's performance on the right to freedom of association and collective bargaining for its employees. The engagement is concluded.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

REGION:	DM NORTH AMERICA
SECTOR:	CONSUMER DISCRETIONARY
TOPIC:	SUPPLY CHAIN LABOUR STANDARDS
STATUS:	CONCLUDED

OBJECTIVE

Follow-up dialogue to discuss company policies on human rights due diligence in its supply chain.

SUMMARY

FI participated in an investor discussion with a consumer discretionary company on human rights due diligence in its supply chain. The company's compliance and due diligence programme governing its supply chain partners is based on the company's code of conduct, which was drafted more than 30 years ago and is regularly updated based on international best practices. The code outlines supplier expectations and is fully implementable and communicated to all partners. The company has long-term partnerships with its trusted contract factories, which have to abide by its stringent code of conduct requirements.

Regarding an investor question on the risk of forced labour in the supply chain, the company referenced that its code of conduct explicitly mentions "forced labour" as a major factor. The company stated that its evaluation of suppliers in higher-risk regions (including external risk metrics data) ensures adherence to the company code on banning forced labour throughout its supply chain.

In its evaluation of contract suppliers, the company uses region and country-based risk metrics to calibrate the level of communication, training and interactions. To ensure compliance of suppliers to its code requirements and limit any risks, the team conducts annual audits that are complemented by third party audits. The company said the main challenge facing complete adherence of its code of conduct and human rights due diligence is the need to balance the implementation of local law.

The compliance team is comprised of 150 staff members, the majority of whom are based in the local production regions. At the company headquarters, a roster of subject matter experts on environment and labour, health & safety are available to work with the local audit staff.

OUTCOME

FI will continue to monitor developments related to human rights due diligence in the company supply chain. For now the engagement on this topic is concluded.

ENGAGEMENT HIGHLIGHTS

SOCIAL ENGAGEMENT

REGION:	DM EUROPE
SECTOR:	ENERGY
TOPIC:	HUMAN RIGHTS POLICY
STATUS:	CONCLUDED

OBJECTIVE

Persuade the company to take steps to address business-related human rights risks in Myanmar.

SUMMARY

Beginning in mid-2021 FI collaborated with 35+ other institutional investors regarding the company's human rights-related business risks in Myanmar, based on the company's longstanding partnership with a state-owned enterprise. In February 2021, Myanmar's military overthrew the country's democratically-elected government, which was followed by reports of widespread human rights violations among Myanmar's civilian population. As a result of the coup, the state-owned enterprise was seized by the military and became a major source of the regime's financing. The company has a robust human rights programme, and investors asked the company to take steps to protect the safety of its workforce and ensure that the company is not complicit in enabling human rights abuses.

The company responded that it began taking steps to reduce its risk exposure, including decommissioning a new deep water gas drilling project in the country. The company also began suspending some cash distributions related to an existing pipeline, however, it expressed concern that enacting additional financial restrictions in the absence of governmental economic sanctions would breach its legal obligations and subject its local affiliate's management team to arrest and imprisonment.

The pipeline supplies electricity to Yangon and Western Thailand, and the company stated that stopping production would negatively affect residential and commercial customers in those areas. Other reports suggested that Thailand may have sufficient resilience to withstand the loss of Myanmar gas, although some level of disruption is likely.

One of the company's core principles is the ability to operate in accordance with its internal safety guidelines. After the coup, the company was unable to access the villages around its operations due to security risks. The company expressed concern that if it ceased operations, its employees would be at high risk of criminal prosecution or forced labour. In an effort to provide assistance to employees it could not reach, the company matched the amount it paid in taxes with contributions to humanitarian organisations working in Myanmar.

OUTCOME

In early 2022, the company announced its support for governmental sanctions on Myanmar. On the heels of this development, the company announced that due to the ongoing human rights concerns and the deterioration in the rule of law, it was withdrawing from Myanmar without seeking financial compensation. A minority partner in the pipeline project simultaneously announced its withdrawal as well.

The withdrawal is expected to be completed in mid 2022. We concluded this engagement by encouraging the company to address worker protection issues throughout the period of its withdrawal and beyond, to the greatest extent possible.

ENGAGEMENT HIGHLIGHTS

ENVIRONMENTAL, SOCIAL & GOVERNANCE ENGAGEMENT

REGION:	DM NORTH AMERICA
SECTOR:	CONSUMER STAPLES
TOPIC:	CLIMATE CHANGE STRATEGY; SUSTAINABLE SOURCING; BIODIVERSITY; TRAINING & DEVELOPMENT; EXECUTIVE COMPENSATION
STATUS:	ONGOING

OBJECTIVE

Receive updates on the company's climate change strategy and human capital development programmes.

SUMMARY

FI met with an American multinational retail corporation to discuss updates on the company's climate change strategy and human capital development programmes. FI acknowledged the company's recently published emissions reductions targets, which align with the SBTi (Science Based Target Initiative). These targets include achieving net-zero emissions in its operations by 2040.

We asked for an update on the company's project aiming to reduce its global supply chain Scope 1 and Scope 2 emissions by one billion metric tons by 2030. Through this project, the company offers support and financial incentives to suppliers that reduce their emissions. Although more than 3,000 suppliers have signed up to the initiative, data is lacking on the proportion of suppliers that signed on to the initiative relative to the total supplier base.

Regarding biodiversity, FI inquired into the company's strategy around managing the ecological impacts of their operations. The company noted that its environmental compliance teams collaborate with its real estate teams to manage these sorts of impacts, specifically on land and water use. The company is also implementing a value chain approach to commodities as it hopes to reduce negative impacts related to each product. This includes vessel monitoring for seafood and aerial monitoring for beef and soy. The company hopes to continue its progress on a 'place-based' strategy where entire geographic areas can achieve certifications as socially or environmentally sustainable concerning particular commodities.

Social: During FI's 2021 engagement meeting with the company, it described programmes that focus on education, stability and upward mobility for all of its employees. The company noted that these programmes increase employee satisfaction and reduce turnover. In addition, as employees utilise these programmes it supports broader organisational human capital themes and influences the broader community.

Governance: FI also inquired into the structure of the company's executive compensation, specifically whether D&I and ESG metrics are included. The company is open to feedback, but currently, ESG metrics are tied to the executive most closely responsible for the goal. The company also noted that ESG goals affect Profit/Loss and Return on Investment metrics. FI will continue to monitor the company's progress in this area.

OUTCOME

FI will continue to track the company's progress toward its sustainability goals in addition to areas of human capital development.

DISCLOSURES

Source: Fisher Investments Research, as of March 2022.

Data indicated above are based on engagement meetings for all of Fisher Investments Institutional 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 programme 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 above demonstrates 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, labour 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 Ireland Limited is a private limited company incorporated in Ireland that trades under the name Fisher Investments Europe ("Fisher Investments Europe"). Fisher Investments Ireland Limited and its trading name Fisher Investments Europe are registered with the Companies Registration Office in Ireland under numbers 623847 and 629724. Fisher Investments Europe's registered address is: 2 George's Dock, 1st Floor, Dublin 1, D01 H2T6 Ireland. Fisher Investments Europe is regulated by the Central Bank of Ireland ("CBI"). Fisher Investment Europe's parent company is Fisher Investments (FI), a U.S. investment adviser registered with the Securities and Exchange Commission. As of 31 March 2022, FI and its subsidiaries managed or sub-managed over $198 billion. FI and its subsidiaries maintain four principal business units - Fisher Investments Institutional Group (FIIG), Fisher Investments Private Client Group (FIPCG), Fisher Investments International (PCGI), 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 organisations, 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 31 March 2022. Since Inception, Fisher Investments and its subsidiaries have been 100% Fisher-family and employee owned.

- Fisher Investments Ireland Limited trades as Fisher Investments Europe (FIE) and is regulated by the Central Bank of Ireland. Fisher Investments Ireland Limited and its trading name Fisher Investments Europe are registered with the Companies Registration Office in Ireland under numbers 623847 and 629724 . Fisher Investments (FI) is an investment adviser registered with the United States Securities and Exchange Commission. FIE is wholly-owned by Fisher Asset Management, LLC, trading as Fisher Investments, which is wholly-owned by Fisher Investments, Inc. Since inception, Fisher Investments, Inc. has been 100% Fisher-family and employee-owned.

- FIE outsources portfolio management to FI. FI's Investment Policy Committee is responsible for all strategic investment decisions. The joint Investment Oversight Committee is responsible for overseeing FI's management of portfolios that have been delegated to FI.

- This presentation relates to the Fisher Investments Institutional Group (FIIG) strategy sub-managed by FI.

- References to "We", "our," "us" and "the firm" generally refer to the combined capabilities of FI and its subsidiaries

- Investing in financial markets involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance neither guarantees nor reliably indicates future results. The value of investments and the income from them will fluctuate with world financial markets and international currency rates.

- This document has been approved and is being communicated by Fisher Investments Ireland Limited.

TERMS OF BUSINESS

1. Fisher Investments Europe

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2. Communications

Fisher Investments Europe can be contacted by mail at 2 George's Dock, 1st Floor, Dublin 1, D01 H2T6 Ireland; by telephone on +353 (0) 1 4876510; or by email to institutional@fisherinvestments.co.ir. All communications with Fisher Investments Europe will be in English only. Fisher Investments Europe's web address is **https://institutional.fisherinvestments.com/en-ie**.

3. Services

These Terms of Business explain the services offered to professional clients and will apply from when Fisher Investments Europe begins to advise you. Fisher Investments Europe offers restricted advice only (meaning it does not offer independent advice based on an analysis of the whole of the market and does not recommend investment management services of companies other than Fisher Investments Europe or its affiliates). As part of its services, Fisher Investments Europe seeks to:

a) Reasonably determine your client categorisation;

b) Understand your financial circumstances and investment aims to determine whether the full discretionary investment service described in Clause 4 and the proposed investment mandate and accompanying benchmark(s) (or an Undertaking for Collective Investment in Transferable Securities ("UCITS") with a similar mandate and benchmark for which Fisher Investments Europe's parent company serves as investment manager) are suitable for you;

c) Explain features of the investment strategy;

d) Describe investment performance as it relates to the investment strategy;

e) Provide a full explanation of costs;

f) Assist in the completion of documentation;

g) Where specifically agreed, review your position periodically and suggest adjustments where appropriate.

Fisher Investments Europe is conducting business in the European Economic Area (EEA) on a cross-border basis.

Fisher Investments Europe will not provide ongoing services unless you enter into an agreement for discretionary investment management services or invest in a UCITS as described in Clause 4.

4. Discretionary Investment Management Service and Investments

To help you achieve your financial goals, Fisher Investments Europe may offer its discretionary investment management services. In such case, Fisher Investments Europe will outsource the portfolio management function and may outsource servicing and trading functions to its affiliates. In particular, the portfolio management function will be outsourced to Fisher Investment Europe's parent company, Fisher Asset Management, LLC, trading as Fisher Investments ("Fisher Investments"), which is based in the USA and is regulated by the US Securities and Exchange Commission (SEC). Client servicing functions may be carried out by Fisher Investment Europe, its affiliate, Fisher Investments Europe Limited, trading as Fisher Investments UK ("Fisher Investments UK"), which is based in the UK and is regulated by the UK Financial Conduct Authority (FCA), or other affiliates. In addition, trading functions may be carried out by Fisher Investments Europe, its affiliate, Fisher Investments Luxembourg, Sàrl ("FIL"), which is based in Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier (CSSF), Fisher Investments, or other affiliates (each, a "Trading Delegate"). Fisher Investments Europe may also outsource certain ancillary services to Fisher Investments, Fisher investments UK, or other affiliates.

Subject to applicable regulations, for qualified investors Fisher Investments Europe may recommend an investment in UCITS regulated by the Central Bank of Ireland and for which Fisher Investments serves as investment manager.

5. Client Categorisation

Fisher Investments Europe deals with both retail clients and professional clients. All clients and potential clients who deal with Fisher Investment Europe's institutional directors (sales) ("Institutional Directors"), will be treated as professional clients, either through qualification as a professional client or, in the case of local municipal authorities, through opting up to be treated as a professional client. Accordingly, you are categorised as a professional client. You have the right to request re-categorisation as a retail client which offers a higher degree of regulatory protection, but Fisher Investments Europe does not normally agree to requests of this kind.

6. Investor Compensation Scheme ("ICS")

Whilst the activities of Fisher Investments Europe are covered by the ICS, compensation under the ICS in the event Fisher Investments Europe is unable to meet its liabilities because of its financial circumstances is only available to eligible claimants. Because you have been categorised as a professional client, you are unlikely to be eligible. In addition, the protections of the ICS, do not apply in relation to the services of Fisher Investments UK, FIL, Fisher Investments or any affiliates or entities located outside of Ireland. In addition, to the extent your assets are invested in non-Irish funds or ETFs, these protections will not apply. In the event you are eligible and do have a valid claim, the ICS may pay 90% of net loss up to a maximum of €20,000. You can contact Fisher Investments Europe or the ICS (www.investorcompensation.ie/) in order to obtain more information regarding the conditions governing compensation and the formalities which must be completed to obtain compensation.

7. Risks

Investments in securities present numerous risks, including various market and currency fluctuation, political, economic and political instability, differences in financial reporting, liquidity risk, interest rate risk, credit risk, and other risks, and can be very volatile.

Investing in securities can result in a loss, including a loss of principal. Using leverage to purchase and maintain larger security positions will increase exposure to market volatility and risk of loss and is not recommended. Investments in securities are only suitable for clients who are capable of undertaking and bearing a risk of loss. Specific risks associated with particular types of securities that may be held in your account are explained further below.

Past performance is not a guarantee nor a reliable indicator of future investment returns. Fisher Investments Europe cannot guarantee and makes no representation or warranty as to future investment returns or performance. There is no guarantee for avoidance of loss, which is impossible with investments in securities, and you have not received any such guarantee or similar warranty from Fisher Investments Europe or any representatives thereof.

Depending on your investment strategy, Fisher Investments Europe may invest in the following types of securities, which carry the following risks:

Investments in smaller companies may involve greater risks than investments in larger, more mature companies. Investing in derivatives could lose more than the principal amount invested in those instruments. Various investment techniques used by Fisher Investments Europe may increase these risks if market conditions are not accurately predicted.

Equity securities prices may fluctuate in response to many factors, including general market conditions, specific sector and country issues, and company specific information or investor sentiment. Individual equity securities may lose essentially all their value in the event of bankruptcy or other insolvencies of the underlying issuer.

Fixed income securities are subject to various risks, including price fluctuation due to changes in the interest rate environment, market liquidity, changes in credit quality of the issuer, prepayment or call features of the securities, and other factors, including issuer default. While some fixed income securities are backed by the full faith and credit of a sovereign government, this does not prevent price fluctuations nor fully eliminate the risk of default. If fixed income securities are not held to maturity, they may realise losses.

Using borrowed funds to purchase and maintain larger security positions will increase exposure to market volatility. In a declining market, investment losses may be substantially increased, occur more rapidly, or become realised. Fisher Investments Europe does not typically employ margin leverage (gearing) on the overall strategy, but may employ some leverage directly or indirectly as a defensive technique (e.g. margin borrowing of securities to sell short for hedging purposes), or indirectly on a limited basis through individual derivative securities, as described more fully below.

If Fisher Investments forecasts a prolonged and substantial market downturn, Fisher Investments Europe may adopt defensive posturing for your account by investing substantially in fixed income securities, money market instruments, structured or exchange traded notes, put options or other derivatives on securities or indexes or ETFs, selling short securities or ETFs, and other hedging techniques. There can be no guarantee that Fisher Investments will accurately forecast any prolonged and substantial downturn in the market, that Fisher Investments Europe will adopt a defensive strategy, or that the use of defensive techniques would avoid losses.

Derivatives typically derive their value from the performance of an underlying asset, interest rates or index. The price movements of derivatives may be more volatile than those of other securities and result in increased investment risk. Many of these investments may not enjoy as much liquidity as other securities.

Short sales may be used to fully or partially hedge other investments or to seek returns unrelated to other investments. "Short sales" means the borrowing of a security for a period of time and selling the borrowed security on the market; the seller is then required to buy the security on the market at a later time before it is due to be returned. Short sales result in gains or losses depending on whether the price of the security increases versus the price at the time of the short sale (which results in a loss) or decreases versus the price at the time of the short sale (which results in a gain). The loss from a short sale is theoretically unlimited depending on how much the security sold short increases in value.

Structured notes and ETNs are debt instruments whose return is derived from the performance of a reference index or other underlying securities or investments. The performance of a note is determined primarily by the performance of the underlying investments; therefore, despite technically being a corporate debt instrument, notes can be designed to provide returns similar to other asset classes. These notes may include leverage, which increases risk and volatility. These notes are issued by third-party financial institutions, at the request of Fisher Investments, and thus bear the credit risk of those entities. Whilst a feature of such notes is a maturity date, they may be sold in the market or redeemed with the issuer before maturity. Given the limited number of market makers involved in quoting a given note, price dislocation versus fair value may occur should limit orders not be utilised when sold in the open market. Alternatively, such notes may be redeemed daily back to the issuer, minus a redemption fee specific to each issuer (generally close to 0.10%), implicitly charged in the execution price.

TERMS OF BUSINESS

8. Data Protection
   To offer and provide the services described in Clause 3, Fisher Investments Europe may collect and process personal data that is subject to data protection laws, in accordance with its Privacy & Cookie Policy. You acknowledge the Privacy & Cookie Policy, which can be found here: https://institutional.fisherinvestments.com/en-ie/privacy

9. Custody and Execution
   None of the Fisher Investments group companies (the "Fisher Group"), including Fisher Investments Europe, are authorised to hold client money. No Fisher Group company will accept cheques made payable to any of the Fisher Group companies in respect of investments, nor will they handle cash. All client assets are held at external custodian banks where each client has a direct account in their own name.

If you appoint Fisher Investments Europe as your discretionary asset manager, Fisher Investments Europe will arrange (including through its Trading Delegates) for the execution of transactions through selected custodian banks and brokers and at such prices and commissions that it determines in good faith will be in your best interests. Further information regarding selection of brokers is governed by your investment management agreement ("IMA") with Fisher Investments Europe. Fisher Investments Europe does not structure or charge its fees in such a way as to discriminate unfairly between execution venues.

The brokers and dealers to which your transactions may be allocated will use various execution venues, including without limitation:

a) Regulated Markets in the USA or elsewhere (usually those exchanges where companies have their primary listing and other exchanges on which their securities are admitted to trading);

b) Multi-Lateral Trading Facilities ("MTF") and Organised Trading Facilities ("OTF") in the USA or elsewhere (i.e. a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments—in the system and in accordance with non-discretionary rules—in a way that results in a contract);

c) Systematic Internalisers (which are investment firms dealing as principal and providing liquidity on a systematic basis);

d) Other liquidity providers that have similar functions to any of the above;

e) Counterparties that may access the above venues on behalf of Fisher Investments Europe and/or its Trading Delegates (or their clients) or trade on their own account.

You must be notified and approve of any off-venue trades prior to execution unless previously agreed to by you directly with the custodian. As a result of brokers/dealers using the execution venues mentioned above, your transactions may be executed on an execution venue that is neither a regulated market in the European Union nor an MTF/OTF in the European Union and therefore you will be required to expressly consent to the execution policy of Fisher Investments Europe by signing the IMA.

Fisher Investments Europe's top five trading venues are listed on its website.

Generally, financial instruments will not be affected if a custodian bank suspends payments or goes bankrupt. This is due to the fact that you will normally be able to take possession of your financial instruments based on the bank's registration of your rights. Generally, it is only if the bank fails to handle your financial instruments or register your rights correctly where you may not be able to take possession of the financial instruments.

If you appoint Fisher Investments Europe as your discretionary asset manager, you will receive a periodic statement every calendar quarter. This statement compares the performance of your account with that of a relevant benchmark in order to facilitate the assessment of performance achieved by the account. For performance, management fee calculation and reporting purposes, exchange traded equity securities are valued based upon the price on the exchange or market on which they trade as of the close of business of such exchange or market. All equity securities that are not traded on a listed exchange are valued using a modelled estimate of the bid price, also known as a bid evaluation, provided by Fisher Investments Europe's primary pricing service. Fixed income securities are valued based on market quotations or a bid evaluation provided by Fisher Investments Europe's primary pricing service. All securities are valued daily given a price from Fisher Investments Europe's primary pricing service is provided; otherwise, all securities are valued on at least a monthly basis.

TERMS OF BUSINESS

10. Conflicts of Interest
Fisher Investments Europe has a conflicts of interest policy to identify, manage and disclose conflicts of interest Fisher Investments Europe, its affiliates or any of their employees or representatives may have with a client of Fisher Investments Europe, or that may exist between two clients of Fisher Investments Europe. Fisher Investments Europe's conflicts of interest policy covers gifts and favours, outside employment, client privacy, inadvertent custody, marketing and sales activities, recommendations and advice, and discretionary investment management services. Institutional Directors of Fisher Investments Europe are paid a variable component of their total remuneration, calculated as a percentage by reference to management fees paid to Fisher Investments Europe during the first three to ten years of a client relationship. Such remuneration will not increase or impact the fees payable by you. Fisher Investments Europe and Fisher Investments have a financial incentive for Fisher Investments Europe to manage client assets. Details on Fisher Investments Europe's conflicts of interest policy are available on request.

11. Fees
If you enter into an IMA with Fisher Investments Europe, you will pay management fees to Fisher Investments Europe as detailed in the IMA. Fisher Investments Europe will pay a portion of such management fees to Fisher Investments as the sub-manager. If you invest in a UCITS fund managed by Fisher Investments, Fisher Investments will receive its management fee indirectly through the UCITS. Fisher Investments Europe does not charge a separate fee for its introducing or distribution services. You will also incur transaction and custody fees charged by brokers and custodians. However, any such additional fees will be payable directly to those brokers/custodians, and no Fisher Group company will receive any commission or other remuneration from those brokers/custodians.

12. Termination
If you wish to cease using the services of Fisher Investments Europe at any time, then send notification in writing and the arrangement will cease in accordance with the IMA. However, if a transaction is in the middle of being arranged on your behalf at that time and it is too late to unwind it, then the transaction may need to be completed first.

13. Complaints
Fisher Investments Europe seeks to provide a high standard of service to clients at all times. If you have a complaint about services by Fisher Investments Europe or its affiliates, please contact:

by writing to: Head of Compliance
Fisher Investments Ireland Limited
2 George's Dock, 1st Floor, Dublin 1, D01 H2T6
or by calling: +353 (0) 1 4876510

Subsequently, you may have a right to complain directly to the Financial Services and Pensions Ombudsman ("FSPO"). A copy of Fisher Investment Europe's complaints handling procedure is available on request. Further details in respect of FSPO can be found at this website: https://www.fspo.ie/make-a-complaint/.

14. Governing Law
These Terms of Business are governed by, and will be construed in accordance with, the laws of Ireland.