

FISHER INVESTMENTS™

**UN GLOBAL COMPACT**

COMMUNICATION  
ON PROGRESS

# FISHER INVESTMENTS™

December 3, 2021

H.E. António Guterres  
Secretary-General  
United Nations  
New York, NY 10017

Dear Secretary-General Guterres,

I am pleased to confirm Fisher Investments' support of the Ten Principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption.

With this communication we express our commitment to advance these principles. We are committed to incorporating the Global Compact and its principles into the strategy, culture and day-to-day operations of our company, and to engage in collaborative projects that advance the broader development goals of the United Nations.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes Fisher Investments' efforts to implement the Ten Principles. We commit to reporting on our progress annually in a manner consistent with the UN Global Compact COP Policy.

Sincerely,

DocuSigned by:  
  
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Damian Ormani  
Chief Executive Officer

## ORGANIZATIONAL OVERVIEW

Fisher Investments is a leading independent investment adviser for a global client base of diverse investors including corporations, public and multi-employer pension funds, foundations and endowments, high-net-worth individuals, insurance companies, healthcare organizations and governments. The firm offers a broad array of US, non-US and global equity strategies with various capitalization and style orientations. All strategies are supported by FI's global research platform, which has been developed over the firm's 40+ year history. Investment decisions are made by the firm's Investment Policy Committee (IPC), with two of the IPC members working together at the firm since 1983. FI maintains offices in Woodside, California; San Mateo, California; Camas, Washington; Tampa, Florida; and Plano, Texas. Additionally, Fisher Investments Europe Limited (FIE) based in the United Kingdom, Fisher Investments Australasia Pty Ltd (FIA) based in Australia, Fisher Investments Japan (FIJ) based in Japan, Grüner Fisher Investments GmbH (GFI) based in Germany, Fisher Investments, DIFC Branch (FI DIFC) based in Dubai, Fisher Investments Ireland Limited (FIIL) based in Ireland, and Fisher Investments Luxembourg, Sàrl (FIL) based in Luxembourg, are FI's wholly-owned subsidiaries, marketing their money management services to prospective clients throughout Great Britain, Europe, Middle East, Australasia, and Japan.

## HUMAN RIGHTS & LABOUR

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labor;

**Principle 5:** the effective abolition of child labor; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

## DESCRIPTION OF PRACTICAL ACTIONS

We are proud to manage pension and other retirement assets for a wide range of multi-employer and union plans. In an effort to work with companies that protect the rights of their employees, we work with a unionized vendor for some of our printing needs.

With regard to forced and compulsory labour, our UK Subsidiary has developed an Anti-Slavery and Human Trafficking Statement that was adopted by the Board of Directors of Fisher Investments Europe Limited under section 54 of the UK Modern Slavery Act 2015. Relevant excerpts are provided below:

### SUPPLY CHAIN

As a financial services company, we do not have an extensive range of local or international suppliers where modern slavery or human trafficking would generally be a material risk. The vast majority of our suppliers are other financial service providers (such as financial custodians and tied agents) and providers of professional services (such as accounting firms, legal firms, recruiting firms, and marketing firms) within the EEA. However, we do have some suppliers with an increased risk of modern slavery (for example, janitorial services and hotels where the Company rents event space) and we are committed to taking measures to combat modern slavery and human trafficking.

### ANTI-SLAVERY MEASURES

In seeking to eliminate modern slavery and human trafficking from our supply chain, it is our policy to request that every supplier sign an agreement with us certifying that the supplier will (a) not engage in any practice that amounts to slavery, forced labour or human trafficking, (b) conduct proper checks on

its suppliers, (c) assist us with complying with anti-slavery laws, (d) allow us to audit the supplier to ensure compliance, (e) notify us of any breach, and (f) remove anyone we suspect of being involved in modern slavery from our supply chain.

Whilst we endeavor to have every supplier sign its full anti-slavery certification, certain suppliers choose to sign a modified certification or may offer alternative indications of compliance with anti-slavery laws. In each such case, management, in consultation with the Fisher Legal Department, will evaluate the slavery risk presented by the supplier to determine whether such modifications or alternatives are acceptable to us. For example, we may determine that a financial custodian in the EEA that is unwilling to sign our full anti-slavery certification but that has its own anti-slavery policy on its website is still an acceptable supplier.

FI is an equal opportunity employer. It is our policy to provide equal employment opportunity for all applicants and employees. We do not discriminate on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical condition), gender, sexual orientation, national origin, age, disability, medical condition, marital status, veteran status, or any basis prohibited under law. We also provide reasonable accommodation for qualified individuals with disabilities in accordance with the Americans with Disabilities Act (ADA) and state law.

FI advertises employment opportunities through a variety of forums with the goal of reaching a broad range of candidates with a diverse set of skills. Examples of current and past employment opportunity advertising include: national and local job boards and employment websites, public and private universities, local newspapers, public transportation signage and direct mail.

FI reviews job descriptions and employment ads on a regular and as-needed basis to ensure the requirements, qualifications and specifications are current, relevant, lawful and non-discriminatory. Candidates are evaluated on the basis of their backgrounds and qualifications, and are considered for all positions for which they may be qualified.

FI maintains workforce management practices to ensure hiring, promotions, transfers, demotions, layoffs and terminations of both employees and contractors are made in a non-discriminatory manner. Job rotations and continuing education are provided to enhance the skills and provide upward mobility for the existing workforce.

Additionally, FI provides employees with generous, competitive pay. We embrace work-life balance by supplying generous time off and primary caregiver leave benefits. We strive to equip our people with the resources they need to live healthy, fulfilling lives.

### **SPECIAL FOCUS ON DIVERSITY & INCLUSION (D&I)**

We built upon our initial D&I program work (starting in 2019) and made significant progress toward our goals in 2021:

- We completed a talent management review, with the guidance of a third-party consulting firm, which examined our current practices in recruiting, development and retention of employees. The findings of this thorough review will play a significant role in driving our 2022 D&I efforts.
- FI works with additional external parties, such as Great Places to Work™ (GPTW), to measure employee engagement, sense of inclusion and sense of belonging. The results of these organizations' anonymous surveys drive positive change to FI's corporate culture by comparing our employees' responses to historical results and to peers.
- We also began testing employee affinity groups, which are a place for employees to network, learn and engage around shared interests. We tested two groups—Mosaic: Race & Ethnicity, and Pride: LGBTQ+. Soon, we plan to test two additional groups—GEM: Gender Equality Matters and Able: Disabled and Differently Abled.

- Career development is a priority at FI. Viewing it through a D&I lens led us to create new development programs – open to all – to increase interest in roles where diverse candidates have historically been underrepresented. Examples include hosting an “open house” for all employees to learn about portfolio management, launching a Sales Entry bridge program and launching a Research bridge program.

## MEASURABLE RESULTS OR OUTCOMES

As part of our efforts to mitigate the risk of modern slavery, our UK subsidiary trains employees and tied agents on the Modern Slavery Act 2015 on an annual basis.

FI has a designated Equal Employment Opportunity Officer who is responsible for ensuring all of the hiring and management practices are lawful and non-discriminatory. All record-keeping practices are in compliance with all applicable rules and regulations.

Our focus on D&I has led to several important outcomes:

- To ensure employees continue leading healthy, fulfilling personal lives while building lifelong careers at FI, we introduced a reduced schedule work program available to all employees globally. In addition, we provided all U.S. non-exempt employees with increased daily schedule flexibility.
- We are honored that anonymous FI employee feedback qualified us to again be certified as a Great Place to Work™. In addition, an annual inclusion index survey hosted by a third party D&I consulting firm showed significant improvement in all inclusion factors from 2019–2020. FI scored higher in 8 of 9 inclusion factors than both financial services and non-financial services (“best practices”) benchmarks. Our organization also has received several awards, including being recognized by *DiversityQ* as “Women in Asset Management: 2021 Employer of the Year” and being named to the “2021 UK Best Workplaces for Women” list by Great Place to Work™.

## ENVIRONMENT

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

## DESCRIPTION OF PRACTICAL ACTIONS

As a firm, Fisher looks for ways to promote our green values both internally and externally. Although our core businesses are not resource intensive, we aim to mitigate any negative impact we might have on the environment. Programs include: encourage employee carpooling, purchasing carbon offsets for business air travel, giving all employees reusable water bottles and mugs for office usage. In addition, our Institutional Group uses tablets in client/prospect meetings to reduce paper consumption. If we are asked to create hard copy presentations, we use recycled, double-sided paper.

Our Camas, Washington campus was constructed with the environment in mind. We preserved and enhanced over 130 acres of on-site wetlands. We also planted over 400 trees and 7,000 wetland plants and shrubs during construction. Our London office is managed by the Canary Wharf Group, which incorporates the UN Sustainable Development goals and has adopted commitments towards net zero emissions, enhancing biodiversity, and creating a circular economy.

## MEASURABLE RESULTS OR OUTCOMES

We value creating environmentally conscious office facilities. Our Camas, Washington, campus uses natural bioswales and filters to purify storm water runoff from our campus and the surrounding area. Our buildings are energy efficient and use outside air 80% of the time to provide cooling.

Our London office resides in the world's first commercial center to be awarded plastic-free community status. The building features comprehensive recycling and compost services and since 2012, all of the building's electricity has been provided by renewable sources. The facility is managed by the Canary Wharf Group, which reports on its progress toward 20 goals in four areas: climate action, beyond zero waste, wellbeing and biodiversity, and responsible business.

Within our institutional group, we purchase carbon offsets for our air travel. The projects we support are certified by an independent third-party and feature a Peruvian conservation initiative to restore and protect 450,000 acres of forest and a U.S wind farm that powers 220,000 homes annually.

## ANTI-CORRUPTION

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

### DESCRIPTION OF PRACTICAL ACTIONS

The bedrock of FI's business is based on maintaining a culture of ethics and integrity with the highest possible emphasis on clear and transparent communications with the investing public. Embedded within the firm's culture is its embrace of the fiduciary duty to put client interests first. FI fosters a culture that hires, trains, and rewards employees in direct support of the values of openness, honesty, integrity, and trust.

As a US Securities and Exchange Commission (SEC) registered investment adviser, FI maintains written policies and procedures in accordance with the Investment Advisers Act of 1940 designed to collect and update (as applicable) the client information necessary to deliver our asset management services.

The SEC has not promulgated Anti-Money Laundering rules for registered Investment Advisers. FI monitors prospects and clients against OFAC and OSFI lists and would implement complete Anti-Money Laundering policies and procedures for clients in the United States once specific SEC requirements are mandated. To comply with Canadian regulatory requirements, FI does have explicit "Know-Your-Client" policies and procedures for clients in Canada. FI relies substantially upon the anti-fraud, anti-money laundering, and consumer identification policies and procedures of custodians of client assets to detect and prevent fraud, including money laundering and identity theft.

FI employees with responsibility for dealing with non-U.S. governments, including government-controlled businesses or other entities, public international organizations, and non-U.S. political parties (including employees, officials, representatives, or agents of such governments and organizations, as well as candidates for office), are subject to the Foreign Corrupt Practices Act ("FCPA"), as well as any anti-corruption or anti-bribery laws in force in the non-U.S. jurisdiction.

In addition, FI's UK subsidiary has established an Anti-Corruption Policy that is specific to employees and persons carrying out duties on behalf of the organization. Employees undergo training on a regular basis to ensure they are aware of the types of bribery and corruption, the risks of engaging in bribery and corrupt activity, and how they may report suspected corruption and bribery.

### MEASURABLE RESULTS OR OUTCOMES

Our Compliance Program is designed to comply with applicable rules and regulations to help prevent violations of securities laws, to detect any violations should they occur, and to correct any violation as necessary. The

Compliance Program is implemented through a Compliance Manual and Supplements, procedures designed to implement such compliance policies, training to the business units, and review and oversight of FI's activities by the Compliance Department and senior management. We have adopted written policies and procedures designed to set standards for the firm, its employees, and its businesses. These policies are reasonably designed to detect and prevent any violations of regulatory requirements and our policies and procedures. Every manager is required to be responsible for and monitor those individuals and departments he or she supervises to help detect, prevent, and report any activities inconsistent with our procedures, policies, and high professional standards.

## DISCLOSURES

*Fisher Investments (FI) is an investment adviser registered with the US Securities and Exchange Commission (SEC). As of September 30, 2021, FI managed over \$189 billion USD, including assets sub-managed for its wholly-owned subsidiaries. All assets as of September 30, 2021 in this document are preliminary and subject to reconciliation of accounts. FI and its subsidiaries consist of four business units – Fisher Investments Institutional Group (FIIG), Fisher Investments US Private Client Group, Fisher Investments Private Client Group International, and Fisher Investments 401(k) Solutions Group. The Investment Policy Committee (IPC) is responsible for all investment decisions for the firm's strategies.*