

# Responsible Investment Policy

Fisher Funds Management Limited | 11 December 2020

# Responsible Investment Policy

## 1. Policy statement

Investing capital in a way that recognises Fisher Funds Management Limited's (Fisher Funds) fiduciary duty to act in the best economic interests of our clients but also encompasses Responsible Investing considerations, including taking into account environmental, social and governance (ESG) concerns, is an important consideration for Fisher Funds.

Fisher Funds aims to invest responsibly in three ways.

The first is by maintaining a Prohibited Companies List (the List) that identifies companies that do not meet Fisher Funds ESG standards. Fisher Funds will not invest in companies on the List.

Secondly, Fisher Funds incorporate ESG considerations in all our fundamental research and engagement with companies.

Lastly, Fisher Funds exercises our proxy voting rights in a way which takes into account our ESG standards.

## 2. Commitment

As an important part of Fisher Funds' commitment to Responsible Investment, Fisher Funds is a signatory to the United Nations sponsored Principles for Responsible Investment.

## 3. Implementation

Fisher Funds will maintain an ESG Committee consisting of members appointed by the CEO, from time to time.

The ESG Committee will maintain the List. Companies may be placed on the List because the products they produce, services they engage in, or their past conduct does not meet Fisher Funds' ESG standards.

The ESG Committee will ensure that the List achieves the exclusion of the following industries:

1. Fisher Funds will not invest in companies that produce core components or systems used in weapons. This includes, but is not limited to, cluster munitions, landmines, chemical and nuclear weapons.
2. Fisher Funds will not invest in companies where their core business includes the ownership of reserves of coal, oil or gas and deriving revenue from the upstream activities associated with these reserves.
3. Fisher Funds will not invest in companies that manufacture cigarettes, or other tobacco related products.
4. Fisher Funds will not invest in companies where their core business includes operating gambling establishments, or the manufacture of specialised hardware or software used exclusively for gambling.

Fisher Funds will not invest in companies that have exhibited unacceptable corporate behaviour that we regard as a fundamental breakdown of the integrity of the business.

Fisher Funds will consider demonstrable evidence of change in company governance, activities or behaviour when making inclusion decisions.

ESG factors are considered whenever Fisher Funds undertakes qualitative research on individual securities or companies. Insights from this research are incorporated into the final recommendation on whether the individual security or company would be a suitable investment for clients of Fisher Funds.

Fisher Funds will use tools and methodologies from respected ESG service providers to assist in improving our principles and generating the List, however companies placed on the List will be determined at the sole discretion of the ESG Committee (other than where it is illegal to invest in certain companies due to the products and/or services they provide).

**4. Divestment of prohibited securities**

If Fisher Funds holds a security that is subsequently placed on the List, the holdings will be divested from the relevant funds as soon as is practicable to do so.

**5. Responsibility, training and reporting**

The List will be updated at least quarterly by the ESG Committee. Existing portfolios will be reviewed against the List whenever the List is updated, and on a regular basis.

Portfolio Managers must take the List into account when determining new portfolio additions. In addition, the Head of Trading will not action a purchase of a security on the List.

Investment and other Fisher Funds’ staff will be introduced to this policy at induction.

**6. Transparency**

Fisher Funds will maintain open communication with our clients and give them an opportunity to contribute to our deliberations on ESG issues.

**7. Review of policy**

The Responsible Investment Policy will be reviewed bi-ennially or more frequently if required. This Policy is subject to change at any time.

<b>Approved:</b> Board	<b>Date:</b> Oct 2016, Dec 2017, Oct 2018, Sept 2019, Dec 2020
<b>Reviewed:</b> Mark Brighthouse/Doug Booth Monique Bon Frank Jasper Mark Brighthouse	<b>Date:</b> June 2017 <b>Date:</b> Oct 2017 <b>Date:</b> Oct 2018, Sept 2019 <b>Date:</b> November 2020
Draft: Monique Bon/Doug Booth	Date: Oct 2016