

ENGINE NO. 1 LLC

PART 2A OF FORM ADV

FIRM BROCHURE

Engine No. 1 LLC
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This brochure provides information about the qualifications and business practices of Engine No. 1 LLC ("Engine No. 1"). If you have any questions about the contents of this brochure, please contact us at (628) 251-1222 or by email at compliance@engine1.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Any reference to Engine No. 1 LLC as a registered adviser does not imply a certain level of skill or training.

Additional information about Engine No. 1 is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure has been prepared and submitted as part of Engine No. 1 LLC's initial registration as a registered investment adviser with the United States Securities and Exchange Commission (the "**SEC**"). The Firm expects to become eligible for registration as an investment adviser with the SEC within 120 days of this initial registration filing, and will submit an updating amendment pursuant to Rule 203A-2(c) prior to that 120 day period expiring.

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Item 4: Advisory Business

The information in this Item 4 reflects the terms on which the Firm intends to provide investment advice to its clients.

Item 4.A.

Engine No. 1 LLC, founded in November 2020, is a Delaware limited liability company with a principal place of business in San Francisco, California. Engine No. 1 LLC has two advisory affiliates:

- Capital Management at Engine No. 1 LLC ("**Capital Management**") and
- Engagement at Engine No. 1 LLC ("**Engagement**"),

both of which are affiliates wholly owned by Engine No. 1 LLC.

Engine No. 1 LLC, Capital Management, and Engagement all operate a single advisory business, and are collectively referred to herein as "**Engine No. 1**" or the "**Firm**."

Engine No. 1 LLC's sole owner is Engine No. 1 LP and its general partner is Engine No. 1 GP LLC. Christopher James is the principal owner of the Firm.

Item 4.B.

As we discuss in greater detail in Item 8, the Firm is focused on delivering investment advice and fund management services with the goal of achieving capital appreciation for Clients and investors in the Clients (each, an "**Investor**" and collectively, the "**Investors**") while, at the same time, having a positive impact on the sectors of the broader community and economy, investing in and building companies that create sustainable growth and long-term value. The Firm does not limit its investment advice only with respect to certain types of investments. Please see Item 8.A. for a description of the Firm's investment strategy.

Engine No. 1 LLC provides investment advisory services through its ownership and control of Capital Management and Engagement.

Capital Management provides investment advisory services on a discretionary basis to two privately offered pooled investment vehicles in a master-feeder structure, Engine No. 1 Perennial Fund, LP (the "**Onshore Feeder**") and Engine No. 1 Perennial Master Fund LP (the "**Master Fund**") (each, a "**Fund**" and collectively, the "**Funds**").

Engagement intends to advise special purpose vehicles (each, an "**SPV**" and collectively, the "**SPVs**").

The Funds and SPVs are collectively referred to herein as the "**Clients**." In general, the Firm is granted investment discretion and authority to manage a Client's investments subject to any restrictions imposed by that Client's governing documents or its investment management agreement with the Firm.

The Funds are only offered to Investors that meet the definition of "accredited investor" as defined under

Regulation D of the Securities Act of 1933 and “qualified purchasers” under Section 2(a)(51) of the Investment Company Act of 1940 so as to comply with Section 3(c)(7) of that act. The Firm may choose to advise additional types of clients in the future.

Item 4.C.

The Firm’s advisory services are provided to the Clients pursuant to the specific terms, investment objectives, and strategies as outlined in each respective Client’s offering and governing documents, or in an investment management agreement. The advisory services Clients receive is tailored to meet the specified investment objectives and strategies as set forth in each respective Client’s offering and governing documents; the Firm does not tailor its advisory services to the individual specific needs of Investors.

Item 4.D.

Not applicable. The Firm does not participate in, nor does it sponsor, wrap fee programs.

Item 4.E.

As this Brochure has been prepared and submitted in connection with the Firm’s initial registration as a registered investment adviser with the SEC, Engine No. 1 does not currently advise any regulatory assets under management.

Item 5: Fees and Compensation

The information in this Item 5 reflects the terms on which the Firm intends to provide investment advice to its Clients.

Items 5.A. and 5.B.

For its advisory services to the Funds, Engine No. 1 generally charges a quarterly management fee (“**Management Fee**”) ranging from 0.25% to 0.375% (approximately ranging from 1 to 1.5% per year), depending on the class of interest held by the Fund Investor. The Firm, or a Fund's general partner (the “**General Partner**”), is generally entitled to an incentive fee or a special profit allocation, generally ranging from 15% to 20% per fiscal year, usually made or payable at the end of each fiscal year (and on any withdrawal by or distribution of funds to an Investor during a fiscal year). The Management Fee is paid in advance and calculated within 30 days after the first day of each calendar quarter.

The Firm is authorized to deduct Management Fees, incentive fees and special profit allocations, and expenses directly from the Clients, and in effect, the Investors’ capital accounts. The Firm or a General Partner, as applicable, may, by agreement with particular Investors, reduce, waive, or modify the Management Fee or incentive fee or special profit allocation attributable to those Investors. Details regarding Management Fees, incentive fees and special profit allocations are set forth in the Clients’ relevant offering and governing documents.

Item 5.C.

The Firm and any Client’s General Partner bear their own operating, general, administrative and overhead costs and expenses, other than the expenses described below. All or a portion of these costs and expenses may be paid for by brokerage firms that execute trades for the Clients.

The Clients bear all costs and expenses of its organization and ongoing operation, including, without limitation, all research and trading costs and expenses (including brokerage commissions, expenses related to short sales and swap transactions (for example, financing costs), and clearing and settlement charges)) and legal, accounting, and bookkeeping fees and expenses. These expenses also include the fees and expenses charged by the Clients’ fund administrator (the “**Administrator**”) for its accounting, bookkeeping and middle office services.

It is important that Investors refer to the relevant governing documents for a complete understanding of expenses and fees they may pay through an investment in the Clients. The information contained herein in this Item 5 is a summary only and is qualified in its entirety by such documents.

Item 5.D.

As disclosed in Items 5.A. and 5.B above, Management Fees are paid in advance each quarter within 30 days of the first day of each calendar quarter. Investors who are permitted to withdraw their interests in a Client on a date other than the last day of a calendar quarter do not receive a refund of the Management Fees paid in advance for that calendar quarter.

Item 5.E.

Not applicable. Neither Engine No. 1 nor any of its supervised persons accept compensation for the sale of securities or other investment products.

Item 6: Performance-Based Fees and Side-by-Side Management

Engine No. 1 understands that certain potential conflicts of interest exist and are associated with the presence of a performance-based fee or special profit allocation. Such a fee or allocation creates an incentive for the Firm to cause a Client to make investments that are riskier or more speculative than would be the case if there were no performance-based fee or allocation or where the performance fees/allocations of different Clients are set at different rates. However, Engine No. 1 advises each Client in accordance with that Client's investment strategy and any restrictions set forth in each Client's governing documents and advisory agreement such that Clients and Investors are aware of the applicable investment strategy, restrictions, and risks.

In addition, Engine No. 1 understands that the provision of advisory services to multiple Clients could also create a potential conflict of interest to favor Clients to whom higher advisory and performance fees are charged. However, as stated above, Engine No. 1 advises each Client in accordance with its advisory agreement and governing documents and strives to ensure that all Clients are treated fairly and equally.

Item 7: Types of Clients

Engine No. 1 provides investment advice to pooled investment vehicles and special purpose vehicles. Please also see Item 4.B. for additional information. However, the Firm reserves the right to advise additional types of clients in the future.

The minimum investment amount by an Investor in a Client is generally \$2,000,000. The Firm and/or a General Partner retains the right to reduce or waive such minimum amount.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

There is no guarantee that the Firm will accomplish the Clients' investment objectives or that the Firm or Clients' investment strategies and risk management will be successful. Investing in securities involves significant risk of loss that Investors and prospective Investors should be prepared to bear.

Item 8.A.**Capital Management**

Capital Management believes that we are experiencing a secular inflection point for technological innovation which will result in nonlinear disruption across industries providing unique investment opportunities for investors with domain-specific expertise. The Master Fund will typically have long core investment positions which represent, what Capital Management considers to be, the most compelling technology-related investments over a three-year time horizon (although the actual holding period may be shorter or longer).

Capital Management seeks to identify out- and under-performing companies across industries or sectors that have the widest expectation gaps relative to consensus. In some cases, Capital Management may apply a catalyst driven investment approach to express its fundamental view with respect to a company. Also, Capital Management may engage in top-down macro-economic analysis to identify opportunities, whether on a directional or relative value basis, across a wide range of global markets and investment instruments. Economic, political and financial market conditions may be considered in seeking to identify attractive investment opportunities.

Capital Management generally uses a bottom-up analysis in an attempt to identify trends, investment themes and core investment opportunities across asset classes and geographies and will generally accept periods of higher short-term volatility as a trade-off for longer term returns and potentially greater tax efficiency.

Engagement

Engagement seeks to acquire equity or equivalent positions in the capital structures of issuers and to utilize that ownership position to encourage issuers to engage in commercial activities that are intended to generate profits for Investors while also creating sustainable growth and long-term value. Engagement intends to leverage its internal personnel and capabilities to assist issuers seeking to achieving these goals, and may also seek to enlist third parties to assist in this effort.

Items 8.B. and 8.C.

The following summary identifies and provides a brief explanation of the material risks related to the Firm's significant investment strategies and should be carefully evaluated before making an investment with the Firm or in any Client. However, the following does not intend to identify all possible risks of an investment with the Firm or provide a full description of the identified risks of an investment in any Client. Additional information regarding the material risks related to the Firm's significant investment strategies is set forth

in each Client's offering documents.

General Investment Risks

Market Conditions and Disruptions; Interconnected Markets. Developments and disruptions in financial and securities markets generally, including aspects and attributes such as interest rates, the availability of credit, the liquidity of particular types of investments, as well as changes in general economic conditions, including unemployment and inflation, can significantly affect the prospects of companies in which the Clients invest, the Firm's ability to assess those prospects and the Clients' ability to adapt its portfolio and market exposures. Certain disruptions could emerge, including as a result of political or economic developments outside the markets in which the Clients mainly invest, that could have dramatic effects on the markets in which the Clients invest. Market disruptions could cause the Clients to incur major losses, particularly if they cause historical pricing relationships to become materially distorted or previously liquid positions to become illiquid. Market disruptions can result in otherwise historically low-risk strategies performing with unexpected volatility and risk.

The Clients are subject to the risk that war, terrorism, and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on the United States and world economies and markets generally, as well as have adverse effects on issuers of securities and the value of the Clients' investments. Those events as well as other changes in U.S. and non-U.S. political conditions could also adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of the Clients' investments.

Counterparty and Custody Risk. Institutions, such as brokerage firms and banks, generally have custody of the Clients' portfolio assets and may hold these assets in "street name." The Clients are subject to the risk that these firms, as well as other brokers, counterparties, clearinghouses or exchanges with which the Clients deal, may default on their obligations to the Clients. Any such default could result in material losses to the Clients. Bankruptcy or fraud at one of these institutions could also impair the Clients' operational capabilities or capital position. In addition, securities and other assets the Clients deposit with custodians or brokers may not be clearly identified as being the Clients' assets, causing the Clients to be exposed to a credit risk with regard to those custodians or brokers. The Clients will be an unsecured creditor of its trading counterparties in the event of bankruptcy or administration of these counterparties and in some jurisdictions the same may be true of the Clients' relationship to its brokers in the event of their bankruptcy or administration.

Custodial Risk. The Clients' prime brokers will have custody of the Clients' securities, cash, distributions, and rights accruing to the Clients' securities accounts. SEC rules require the prime brokers to maintain physical possession and control of fully-paid securities held in the Clients' accounts and to establish certain reserves for the benefit of customers. However, subject to these limitations, the prime brokers generally have the ability to loan, pledge, and rehypothecate the securities in the Clients' accounts, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the prime brokers. In such an event, the Clients would typically not have a right to recover its securities held by such prime broker, but would rather have only an unsecured claim against such prime broker and participate pro rata with other customers of such prime broker in the proceeds of the sale of customer securities. Also, even if a prime broker does have sufficient assets to meet all customer claims, there could be a delay before the Clients receive assets to satisfy its claims. In order to manage the risks associated with prime broker insolvency, the Clients expect to establish and maintain relationships with

multiple prime brokers. However, there can be no assurance that the Clients will be able to maintain such relationships. In addition, the Clients may not be able to identify potential solvency concerns with respect to the Clients' prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner. The prime brokers may hold the Clients' securities through third parties such as clearing corporations, other brokers or banks. In addition, certain of the Clients' assets may be held by non-U.S. affiliates of the Clients' prime brokers and entities other than the prime brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the United States. If the Clients have over-collateralized derivative contracts, it is likely to be an unsecured creditor of any such counterparty in the event of its insolvency. The Clients may change the brokerage arrangements described in their offering documents at any time without notice to Investors. There are likely to be operational and other costs and delays associated with changes in prime brokerage arrangements.

Governmental Intervention in Markets. Since 2008, financial crises and market disruptions have led to extensive new governmental intervention in financial markets and the structure and operation of financial institutions. Many governmental interventions have been unclear in scope and application and have included apparent inconsistencies, at times causing losses for market participants who assumed either no intervention or intervention consistent with past precedent, contributing to confusion and uncertainty as to important market forces, and in some cases, at least temporarily, to illiquidity in some markets. In particular, in the United States the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**") substantially altered the regulation of many markets, market participants and financial instruments. Rules adopted under Dodd-Frank, the ultimate impact of which remains uncertain, may have significant effects on various financial market participants' costs of investing and providing services and on the availability and costs of certain investments and services. European and other non-U.S. governmental entities have enacted and are still implementing their own regulations in response to the "credit crisis" and other market disruptions.

It is impossible to predict what additional interim or permanent governmental restrictions or other actions may be imposed on financial markets, particularly if new disruptions occur, and it is impossible to predict the effect those restrictions or other actions may have on the Firm's strategies or the Clients' portfolios when implemented. Those effects could well be to create or exacerbate market disruptions and further expose the Clients to risks of the kinds described above.

Investment Selection; Subjective Judgment. The Firm will select particular investments based on its analysis and subjective assessment of a wide variety of factors that it considers, from time to time, to be relevant to the prospects of these investments. Failures of that analysis or those assessments, as to particular investments or as to strategic direction and construction of the Clients' portfolios as a whole, may cause the Clients to incur losses or to miss profit opportunities. Areas in which the Firm's skill and potentially subjective judgment may be particularly important include the following: market judgment, fundamental strategies, risk management and technical analysis.

Activist Investing. The success of activist investment strategy depends upon, among other things: (i) the Firm's ability to properly identify portfolio companies whose securities prices can be improved through corporate and/or strategic action; (ii) a Client's ability to acquire sufficient securities of such portfolio companies at a sufficiently attractive price; (iii) a Client's ability to avoid triggering anti-takeover and regulatory obstacles while aggregating its position; (iv) the willingness of the management of such portfolio companies and other security holders to respond positively to the Firm's proposals; and (v) favorable movements in the market price of any such portfolio company's securities in response to any actions taken

by such portfolio company. There can be no assurance that any of the foregoing will occur.

Corporate governance strategies may prove ineffective for a variety of reasons, including: (i) opposition of the management or investors of the subject company, which may result in litigation and may erode, rather than increase, the value of the subject company; (ii) intervention of a governmental agency; (iii) efforts by the subject company to pursue a “defensive” strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) market conditions resulting in material changes in the prices of securities; (v) the presence of corporate governance mechanisms such as staggered boards, poison pills and classes of stock with increased voting rights; and (vi) the necessity for compliance with applicable securities laws. In addition, opponents of a proposed corporate governance change may seek to involve regulatory agencies in investigating the transaction or a Client and such regulatory agencies may independently investigate the participants in a transaction, including such Client, as to compliance with securities or other law. Furthermore, successful execution of a corporate governance strategy may depend on the active cooperation of investors and others with an interest in the subject company. Some investors may have interests which diverge significantly from those of a Client, and some of those parties may be indifferent to the proposed changes. Moreover, securities that the Firm believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the timeframe the Firm anticipates, even if a corporate governance strategy is successfully implemented. Even if the prices for a portfolio company’s securities have increased, no guarantee can be made that there will be sufficient liquidity in the markets to allow the Client to dispose of all or any of their securities therein or to realize any increase in the price of such securities.

Reliance on Key Personnel. The Clients’ and the Firm’s operations depend heavily on the skill, judgment and expertise and continued efforts of a relatively small number of key personnel, Christopher James in particular. If Mr. James or any key employee of the Firm were to cease to participate actively in the management of the Clients’ portfolios – whether due to death, disability or any other reason – the Clients’ ability to invest successfully could be severely impaired. Mr. James and other key personnel currently devote significant time to activities other than managing the Clients’ portfolios, including managing other accounts and investing in investments in which they do not cause the Clients to invest and could in the future devote more time and energy to those other activities, to the detriment of their activities in managing the Clients’ portfolios.

Changes in Investment Strategies. The Firm has broad authority to expand, contract or otherwise change the Clients’ activities without notice to, or the consent of Investors. Over time, the strategies the Clients implement can be expected to expand, evolve and change, perhaps materially. The Firm will not be required to implement any particular strategies and may discontinue employing any particular strategy, whether or not that strategy is specifically described in a Client’s offering documents, and without notice to Investors. Any change in strategies could expose the Clients’ capital to additional risks.

Conflicts of Interest. In managing the Clients’ portfolios, a General Partner, the Firm and their affiliates face conflicts between their interests and the interests of the Clients. These can arise from the nature of the Clients’ activities and common business practices (e.g., relationships with brokerage firms and other service providers) or from the Firm’s and its affiliates’ other activities, such as managing other Clients and engaging in personal and proprietary investing and trading activities.

Systems and Technology Risks. The Clients, a General Partner and the Firm depend heavily on information systems and technology. Any failure, deterioration or erroneous operation of these systems or technology,

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regardless of the cause, could severely disrupt the Clients' operations. A disruption in the infrastructure that supports the Firm's business, including a disruption involving order management systems, electronic communications or other services that the Firm or third parties with which it does business use, may affect the Firm's ability to continue to manage the Clients without interruption. The Clients, a General Partner and the Firm may also be prone to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other things, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Although the Firm has back-up facilities as well as technology and business continuity programs in place, there can be no assurance that these programs will mitigate harm that may result from a disaster, cyber-attack or infrastructure disruption. Also, the Clients, a General Partner, the Firm and the Administrators rely on third-party service providers and trading counterparties for certain aspects of their businesses, including trading, technology information services and certain financial operations, and those service providers and counterparties may also be adversely impacted by a disaster, cyber-attack or infrastructure disruption. Any interruption or deterioration in the performance of these third parties could materially impair the quality of the Clients' operations and negatively impact its performance.

Information Sources. The Firm relies heavily on the accuracy and completeness of information on which it bases investment decisions, but as to much of that information it is not in a position to confirm that completeness or accuracy: critical, and apparently reliable, information may be inaccurate or incomplete. Reliance on erroneous or incomplete information could cause the Firm to make investments that lead to losses in the Clients' portfolios or to refrain from making investments that would have resulted in gains.

Trade Errors. The Firm places orders on the Clients' behalf to buy, sell and otherwise trade in investments with brokers, dealers and other financial intermediaries and may make errors in doing so. Trade errors are not errors in judgment, strategy, market analysis, economic outlook, etc., but rather errors in implementing specific trades. Trade errors can occur in part because trading processes can be very complex and can vary for different types of investments and different markets. The Clients are responsible for any such trade errors, whether the error benefits or hurts the Clients. A General Partner, the Firm and their affiliates generally will not bear the cost of any trade error or reimburse the Clients for resulting costs or losses unless it results from the Firm's or its affiliate's gross negligence, willful misconduct or fraud.

Inside Information; Substantial Positions. The Firm's personnel may receive material nonpublic information about or relating to issuers of investments in which the Clients invest or propose to invest. Under various securities laws (and under the Firm's internal policies), this could restrict the Firm's ability to cause the Clients to buy or sell investments of a company for substantial periods when doing so could generate a profit or avoid a loss. If the Clients were to acquire more than certain percentages of the outstanding securities of some companies (determined, under certain circumstances, in combination with amounts held by other Clients), the Firm and/or the Clients could become subject to public reporting requirements and, in some cases, legal and regulatory limits on disposition of those securities. Limits of those kinds could prevent the Clients from disposing of those securities when it otherwise would or disposing them at favorable prices.

Tax Audits. The Clients may be audited by U.S. federal, state or other tax authorities. An income tax audit may result in an increased tax liability of the Clients, including with respect to years when an Investor was not an Investor in a particular Client, which could reduce the net asset value of a particular Client and affect the return of that Client's Investors.

Risks Relating to the Funds

Concentration of Investments. Except as otherwise set forth in the Funds' offering documents, the Funds' governing documents impose no particular limits as to concentration in particular issuers or types of investments, and the Master Fund's investment portfolio may at times consist of investments issued by relatively few issuers. Concentration of the portfolio in a particular industry or small number of issuers may materially increase the portfolio's risk: a loss in any one position or downturn in any one industry could reduce performance materially. The Master Fund is not required to maintain a minimum level of capital. If it were to incur significant losses or withdrawals, it may not have sufficient capital to diversify its investments broadly.

Limited Liquidity. No market for the Funds' interests exists or is expected to develop. It may be difficult or impossible to transfer any interests, even in an emergency. A Fund Investor may dispose of its interests only through periodic withdrawals, which are subject to substantial restrictions. The Fund Investor(s) requesting withdrawal will bear the risk of any decline in the value of the interests during the period from the date of notice of withdrawal until the effective withdrawal date. A General Partner has the power to suspend, limit and compel withdrawals. Fund Investors may not withdraw their Illiquid Sub-Capital Accounts (as defined in the Funds' offering documents). The Funds' interests may not be transferred or assigned without a General Partner's consent, which may be granted or withheld for no reason or any reason.

Effect of Substantial Withdrawals. Substantial withdrawals of capital from the Funds over a short period could require the Master Fund to liquidate investment positions more rapidly than would otherwise be desirable, possibly reducing the value of the Master Fund's assets and/or disrupting the Master Fund's investment strategy. Reduction in the Master Fund's size could make it more difficult to generate a positive return could make it more difficult to generate a positive return or to recoup losses. Among other things, such a reduction could impair the Master Fund's ability to take advantage of particular investment opportunities, including by impacting its ability to obtain financing and derivatives counterparties, and it would decrease the ratio of the Funds' income to its expenses. In addition, withdrawals or redemptions by investors in other Clients the Firm or an affiliate manages, some of which may have more advantageous information and/or liquidity rights than those provided to the Funds' investors, could adversely affect the value of the Master Fund's portfolio positions.

General Partner's Right to Dissolve the Master Fund and Expel the Funds. A General Partner may dissolve the Master Fund at any time on notice to the Funds' Investors. Accordingly, there is a risk that if the Master Fund's assets become depleted or the unrecovered losses become significant and, as a result, the Management Fee and Special Profit Allocation are reduced, a General Partner may elect to dissolve the Master Fund at a time when dissolution may be disadvantageous to the Funds' Investors. In addition, a General Partner may expel all or a portion of a Master Fund capital account from the Master Fund at any time, in which events the associated Fund Investor will be deemed to have withdrawn from the Fund to the extent of such expulsion. Such expulsion could result in adverse tax and economic consequences to the Fund Investor.

Master-Feeder Structure. The Onshore Feeder invest through a "master-feeder" structure. Changes in U.S. tax law or any tax treaty between the United States or any tax treaty between the United States and a foreign jurisdiction may adversely affect the Onshore Feeder's investment in the Master Fund. The potential pooling in the Master Fund of the Onshore Feeder's with those of other funds could also, under

some circumstances, create pressure for the Firm to manage the Master Fund's portfolio in ways that are less advantageous to the Onshore Feeder than if the Onshore Feeder pursued its investment activities independently. For example, the Master Fund might forego investments that are attractive to the Onshore Feeder but that could give rise to withholding taxes or other tax burdens specific to other funds when other opportunities might provide lower pre-tax returns for the Master Fund, but better post-tax returns for other funds because they would not subject other funds to withholding or other taxes. Separately, withdrawals from the Master Fund as a result of redemptions from other funds could affect the Master Fund's investment activities.

Differing Terms for Particular Investors. The terms that apply to a particular Fund Investor may be more advantageous than those generally applicable to other Fund Investors. For example, some Fund Investors may receive the following terms and conditions that do not apply to other Fund Investors: a reduction, rebate or waiver of management fees, performance-based fees or allocations to be borne by the Funds' Investors (or terms that are otherwise preferential); rights to receive reports on a more frequent basis or that include information not provided to other Fund Investors (including, without limitation, more detailed information regarding portfolio positions); special rights to make future investments in the Funds, other investment funds or managed accounts; and such other rights as may be negotiated by those persons. In addition, if a Fund Investor also has an investment in another Firm account (such as a separately managed account) that uses an investment strategy that is similar to that of the Master Fund, that Fund Investor may use its knowledge of the portfolio in that other account to decide if and when to make an additional investment or to withdraw capital from the Funds. Such investments or withdrawals could occur at times when other Fund Investors would have made similar decisions had they had similar transparency.

Tax Considerations. The Onshore Feeder's income and gain for each taxable year will be allocated to, and includible in, an Investor's taxable income whether or not cash or other property is actually distributed. Furthermore, the Onshore Feeder does not anticipate that it will make current distributions. Accordingly, each Investor should have alternative sources from which to pay its U.S. federal income tax liability or be prepared to withdraw such amounts from the Onshore Feeder.

The Onshore Feeder may not be able to provide final Schedules K-1 to Investors for any given calendar year until after April 15 of the following year, although it will attempt to provide them as soon as practicable. Investors should be prepared to obtain extensions of the filing date for their income tax returns at the U.S. federal, state and local level.

The Funds will be required to disclose to the Internal Revenue Service (the "IRS") regarding each of its Investors, including each Investor's name, address and taxpayer identification number.

Dividend, interest and certain other payments on foreign securities may be subject to foreign withholding taxes, which could reduce net proceeds to the Funds.

The taxation of partnerships and Investors is complex. Potential Investors are strongly urged to review the Fund's offering documents in full and consult their own tax advisers.

Adverse Tax Consequences. The Master Fund's activities could cause adverse tax consequences to Fund Investors, including liability for interest and penalties. The Firm may refrain from making certain investments on the Master Fund's behalf because those transactions could have significant adverse tax effects for one or more feeder funds or feeder fund Investors (for example, investments that cause the

Master Fund to be considered to be engaged in a trade or business in the United States) but could be profitable for others (such as the Onshore Feeder and/or the Onshore Feeder Investors). The Firm also may consider the potential tax impact on some Investors of the timing of transactions (for example, whether disposing of an investment or closing a position at a particular time could have different tax effects than disposing or closing somewhat sooner or later). The tax implications of timing may benefit certain Investors including a General Partner and its affiliates, and not others, and in some cases could adversely affect the Fund Investors.

Private Offering Exemption. The Funds offer interests on a continuing basis without registration under any U.S. federal or state securities laws, relying on exemptions for “transactions by an issuer not involving any public offering.” While the Funds believe that reliance is justified, factors such as the manner in which offers and sales are made, concurrent offerings by other investment funds with which the Firm and its affiliates are involved, the scope of disclosure provided, failures to file notices or renewals of claims for exemption or changes in applicable laws regulations or interpretations could cause the Funds to fail to qualify for exemptions under U.S. laws. Loss of those exemptions could result in the rescission of sales of interests at prices higher than the current value of those interests, potentially materially and adversely affecting the Funds’ performance and business. Further, even non-meritorious claims that offers and sales of interests were not made in compliance with applicable securities laws could materially and adversely affect the Funds’ ability to conduct its business.

Item 9: Disciplinary Information

Engine No. 1 has no material legal or disciplinary events related to the Firm or its affiliates to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Item 10.A.

Neither Engine No. 1 nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Item 10.B.

Neither Engine No. 1 nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Item 10.C.

The General Partner to a Client may be an affiliate of Engine No. 1 and, in this capacity, may receive incentive fees or special profit allocations.

Item 10.D.

Not applicable. Engine No. 1 does not recommend other investment advisers to its Clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Item 11.A.

In order to address conflicts of interest that may exist between the Firm and its Clients, Engine No. 1 has adopted a Code of Ethics (the “**Code**”), which is applicable to all of Engine No. 1’s officers, directors, managers, members, and employees (collectively, “**Access Persons**”). The Code generally sets the standard of ethical and professional business conduct that Engine No. 1 requires of Access Persons, sets forth the fiduciary obligations that Engine No. 1 and each Access Person owes to each Client, and requires Access Persons to comply with applicable federal securities laws and regulations.

The Code sets forth Engine No. 1’s policies and procedures with respect to personal trading and requires Access Persons to obtain written approval from the Chief Compliance Officer before transacting in certain personal securities transactions, including transactions in private placements, limited offerings and initial public offerings. Access Persons must also report personal securities holdings initially and annually and personal securities transactions on a quarterly basis. Additionally, the Firm’s Compliance Manual includes policies and procedures with respect to material non-public information and other confidential information, political contributions, gifts and entertainment, electronic communications and other matters related to potential conflicts of interest.

The Code is circulated at least annually to all Access Persons, and each Access Person at least annually must certify in writing that he or she has received and read the Code and any amendments thereto.

A copy of the Code is available to any Client or Investor or prospective Client or Investor upon request by contacting the Chief Compliance Officer at (628) 251-1222 or by email at compliance@engine1.com.

Items 11.B., 11.C. and 11.D.

Access Persons may invest in the same securities that the Firm recommends to the Clients. In order to monitor any conflict of interest, Access Persons are required to pre-clear contemplated transactions for a personal account, as outlined in the Code.

Item 12: Brokerage Practices

Item 12.A.

Engine No. 1 has full discretion to determine the broker-dealers used to purchase and sell investments on behalf of its Clients. When selecting the brokers and/or dealers through whom transactions for the Clients are executed, Engine No. 1 will allocate those transactions to such brokers or dealers for execution on such markets, at such prices and at such brokerage commission rates, mark ups or mark downs (which may be in excess of the prices or rates that might have been charged for execution on other markets or by other brokers or dealers) as in Engine No. 1's good faith judgment are appropriate, subject to Engine No. 1's duty to seek best execution.

When selecting broker-dealers to execute transactions, Engine No. 1 considers best execution capabilities and certain services provided by the broker-dealer, such as, quoted prices, commissions and other execution or operational fees, research, general market commentary, economic information, portfolio strategy advice, industry and company commentary, technical data, recommendations, general reports, quotations and other market data or information, arrangement of meetings with the management of companies, online pricing, execution capabilities (including the ability to execute transactions with appropriate levels of confidentiality), willingness to commit capital, trading and block positioning capabilities, quality of the operational infrastructure and frequency of operational errors or difficulties, error resolution, the adequacy of its trading infrastructure, technology, capital, quality and timing of investment opportunities presented to the Firm or other brokerage and research services that may benefit Engine No. 1, its affiliates and Clients.

Item 12.A.1.

The Firm may cause the Clients to pay a brokerage commission that exceeds that which another broker might charge for effecting the same transaction in recognition of the value of the brokerage, research, other services and soft dollar relationships provided by that broker. The Firm benefits from soft dollar arrangements because the Firm does not have to produce or pay for any such research, products or services.

Engine No. 1 may receive soft dollar credits on principal, as well as agency, transactions with brokers or direct a broker that executes transactions to share some of its commissions with a broker that provides soft dollar benefits to the Firm. Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" to investment advisers who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities.

Acquiring services or products using soft dollars creates a potential conflict of interest for the Firm, who may have an incentive to select a broker-dealer based on the Firm's interest in receiving research or other products and services, as opposed to the Clients' interest in receiving the most favorable execution. In addition, Engine No. 1 has an incentive to cause the Clients to pay higher compensation, use different brokers, and effect more transactions than it might otherwise do, possibly at the Clients' expense.

However, Engine No. 1 uses soft dollars only to acquire services and products that constitute “research” and “brokerage” within the meaning of Section 28(e).

The Firm may use products and services acquired with a Client’s soft dollars in managing other Clients, and vice versa, and may use those soft dollars to acquire products and services it uses primarily or even exclusively in managing other Clients.

On an annual basis, the Firm prepares a budget for allocating trades to various brokers, including its prime brokers, during each calendar year, which is reviewed and adjusted periodically to accommodate new investments added to the Firm’s watch list.

The relationships with brokers that provide soft dollar services to Engine No. 1 influence the Firm’s judgment in allocating brokerage transactions and create a conflict of interest in using the services of those brokers to execute the Clients’ brokerage transactions. The brokerage fees that the Clients pay benefit Engine No. 1 at the expense of the Clients to the extent that soft dollars are used to pay any Firm expenses that are not otherwise reimbursable by the Clients. Engine No. 1 believes that these relationships benefit both itself and the Clients, but Client trades executed through these firms or any other broker may or may not be at the best price otherwise available. Additionally, Engine No. 1 manages this potential conflict by conducting a review of the brokerage firms’ execution services on at least an annual basis.

Item 12.A.2.

Not applicable. Engine No. 1 does not select or recommend broker-dealers in exchange for client referrals from such broker-dealers or third parties.

Item 12.A.3.

Not applicable. Engine No. 1 does not permit its Clients to provide directed brokerage instructions and does not recommend, request or require Clients to direct the Firm to execute transactions through specified broker-dealers.

Item 12.B.

The Firm may aggregate and execute a single transaction and allocate portions of the execute trade among the Clients, consistent with the Firm’s duty to seek best execution. The Firm determines whether to aggregate an order for multiple Clients and the aggregation and allocation methodology used. Although the Firm anticipates that the aggregation of an order will benefit each participating account for which the order is aggregated overall, aggregating orders may disadvantage a particular Client. Conversely, not aggregating orders may disadvantage a particular Client. In accordance with applicable regulations, the Firm may allocate futures transactions made pursuant to investment strategies to be used for the Clients (including accounts in which the Firm and/or its affiliates may have an interest) after execution. These allocations will be made such that all Clients are treated reasonably and non-preferentially over time.

Item 13: Fees and Compensation

Item 13.A. and 13.B.

Each Client's portfolio is reviewed on a regular basis to determine conformity with the Client's stated risk parameters, investment objectives, and guidelines.

Engine No. 1's investment personnel convene regularly to evaluate each Client's portfolio's conformance with the Client's offering and governing documents and any investment limitations, restrictions or risk parameters.

Item 13.C.

Fund Investors receive monthly reports indicating their capital balances. Additionally, U.S. investors in the Funds are generally issued Schedule K-1's after the close of each fiscal year-end. Audited financial statements prepared in accordance with generally accepted accounting principles are generally provided to Fund Investors within 120 days of each financial year-end.

In addition, a General Partner, on behalf of the particular Client, may elect to send or provide to Investors weekly and monthly summary reports containing estimated weekly and monthly performance. All of the aforementioned reports are provided in written form.

Item 14: Client Referrals and Other Compensation

Item 14.A. and B.

The Firm does not receive any economic benefits for providing investment advice or other advisory services to Clients. Neither Engine No. 1 nor any of its related persons directly or indirectly compensate any person who is not a supervised person for client referrals.

Item 15: Custody

To comply with Rule 206(4)-2 under the Advisers Act, the Clients will be subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. The audited financial statements of each Client will be prepared in accordance with U.S. generally accepted accounting principles and distributed to each Client's Investors within 120 days of the end of the Fund's fiscal year. The Clients' assets generally are held at qualified custodians, unless an exception to this requirement is applicable under Rule 206(4)-2.

Item 16: Investment Discretion

Engine No. 1 has full discretion to manage assets on behalf of the Clients and determine which securities and amounts of securities the Firm buys and sells for each Client. This authority is granted in accordance with the authority granted to Engine No. 1 by means of the relevant organizational and/or advisory agreements that sets forth the scope of the Firm's discretion with respect to each Client.

Item 17: Voting Client Securities

Engine No. 1's authority to manage the Clients generally includes proxy voting and the Firm has adopted and implemented proxy voting policies and procedures to vote proxies in the best interest of the Clients. The Firm's proxy voting policies and procedures requires Engine No. 1, when voting proxies, to identify and address material conflicts that may arise between its interests and those of its Clients.

With respect to material conflicts, Engine No. 1 will determine whether it is appropriate to disclose the conflict to the applicable Client (or Investors) and give the Client (or Investors) the opportunity to vote the proxies in question themselves. Engine No. 1 may also abstain from voting, delegate the voting decision for such proxy proposal to an independent third party to determine how the proxies should be voted, or take any other course of action that, in the opinion of Engine No. 1, adequately addresses the potential for conflict.

Clients may request information on how Engine No. 1 voted with respect to the securities of the Clients and obtain a copy of Engine No. 1's proxy voting policies and procedures by contacting the Chief Compliance Officer at (628) 251-1222 or by email at compliance@engine1.com.

Item 18: Financial Information

Item 18.A.

Engine No. 1 does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.

Item 18.B.

Engine No. 1 is not aware of any financial conditions that may impair the Firm's ability to meet its contractual and fiduciary commitments to its Clients.

Item 18.C.

Engine No. 1 has not been subject to a bankruptcy petition at any time, past or pending.