STRIVE

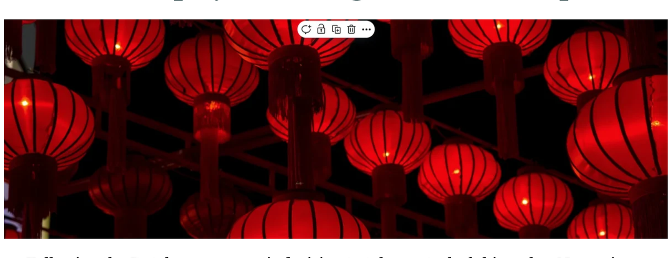
The Fiduciary Focus

Investment News From a Pro-Shareholder Perspective

October 28, 2025

This Week: Chinese employees go rogue at Dutch chip firm; UN proposes global climate tax; The Bitcoin Brief eyes Bitcoin's resilience when the internet goes down.

Chinese Employees Go Rogue At Dutch Chip Firm



Following the Dutch government's decision to take control of chipmaker Nexperia over national security concerns, the company's Chinese subsidiary Nexperia China has instructed employees that they have the "right to refuse" instructions from the company's head office, The Telegraph reports.

What's Going On:

- Nexperia is one of the biggest semiconductor groups in the world, manufacturing the low-tech chips used in many consumer electronics, with factories in both Europe and China.
- Last year, Nexperia's parent company was placed on the U.S. tech blacklist over concerns that the company aided CCP efforts to "acquire entities with sensitive semiconductor manufacturing capability." More recently, the federal government has threatened to sanction the company if its CEO Zhang Xuenheng (a Chinese national) remained in the post.
- The Netherlands therefore replaced Mr. Xuenheng with German CFO Stefan Tilger.
- The company's Chinese subsidiary, Nexperia China, then sent a letter to all China-based employees, advising them to "continue to follow instructions from Nexperia China" but ignore any "external instructions not authorised by the legal representative of Nexperia's domestic company—even if transmitted via Outlook, Teams, etc."

A CCP Demand: Notably, the letter doesn't appear to be a simple power move by Mr. Xuenheng or execs at the Chinese subsidiary. Like many China-based companies and subsidiaries, Nexperia is partially state-owned by the Chinese government, suggesting that the directive had the government's blessing. China's Commerce Minister is also reportedly involved.

China Risk Materializing: The episode is the latest—and perhaps boldest—example of China risk materializing. In the United States, it would be unimaginable that a company's subsidiary would simply refuse to recognize its parent company, and if it did so, there would be immediate legal redress. In Communist China, there's little that anyone can do. The event should therefore serve as a warning to all U.S. companies operating in the region. If trade tensions continue to escalate, there's nothing to stop the CCP from telling Starbucks' Chinese employees to stop remitting revenues to their parent company or telling GM's Chinese plant to stop manufacturing cars.

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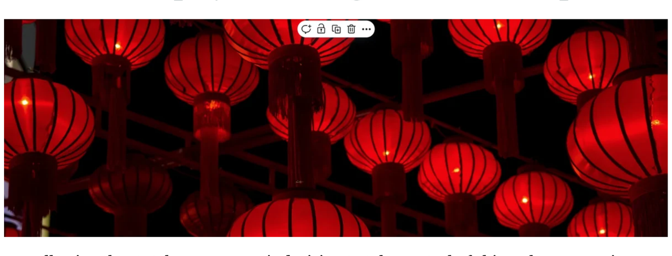

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UN Proposes Global Climate Tax

The United Nations has proposed a global climate tax on all cargo ships, potentially amounting to a 10% increase on worldwide shipping charges, The Wall Street Journal reports.

Taxation Without Representation: The UN gets virtually all of its funding from member governments, but it's now claiming the ability to levy taxes itself. At issue is the proposed tax of $100 or $380 per metric ton of cargo, to be paid directly into a UN-controlled fund.

A Net Zero Slush Fund: The UN has said it plans to use the money—which could amount to over $10 billion a year—to seed a "net zero" fund that would support green shipping innovation, as well as "just-transition initiatives in developing countries" and to "mitigate negative impacts" of climate change on "vulnerable States." The Wall Street Journal's translation: "this is another income redistribution scheme for whatever ideas the U.N. bureaucracy deems worthy."

The U.S. Pushes Back: The U.S. has responded by threatening to sanction any country that votes in favor of the UN proposal, calling it a "scam tax" that would hurt U.S. consumers. It also threatened not to allow any country that supports the tax to dock at U.S. ports. As a result, the vote on the tax will likely be delayed.

The Takeaway: No one likes taxes. Carbon taxes are no exception. That's precisely why climate activists have tried to impose the tax behind the scenes via a politically unaccountable global organization, via obscure cargo regulations that 99% of consumers have never heard of or thought about. But even this effort has faced staunch opposition, meaning the likelihood of a global, legally-binding carbon tax seems increasingly unlikely. And if that's true, then every business that has been pressured into adopting climate goals based on the assumption that they need to prepare for the transition to net zero or risk hefty carbon taxes should reevaluate their business strategies stat.

Federal Banking Regulators Pull Climate Risk Guidance

The Fed, FDIC, and Office of the Comptroller of Currency have rescinded guidance that pressured banks and other large financial institutions to focus on climate risk, ESG Dive reports.

The Guidance:

- In 2023, the trio of federal banking regulators adopted the Principles for Climate-Related Financial Risk Management for Large Financial Institutions.
- The guidance pressured banks to integrate climate-focused metrics into virtually every aspect of their business—from lending to operations to strategic planning.
- It also urged banks to consider how climate change could disproportionately affect low-income and underserved communities, and therefore evaluate how their "risk mitigation measures potentially discriminate against consumers on a prohibited basis, such as race, color, or national origin."

The Rationale: In a joint statement, the regulators said the framework is unnecessary and expressed concerns that "such principles could distract from the management of other potential risks identified and addressed by financial institutions' existing risk management processes and the agencies' other risk management rules and guidance."

Why It Matters: For years, federal banking regulators have pressured banks to make lending decisions based on non-financial concerns, and banks have been largely happy to oblige. Major institutions made pledges to stop funding new coal projects, and charge more interest to fossil fuel companies compared to renewables, leading to a misallocation of capital. Now, the tide is slowly turning. U.S. banks have largely left climate alliances, and the banking regulators have now made clear that climate risk should be considered only if it is financially material and on equal footing with all other financially-material risks. That's good news for banks, energy companies, and shareholders alike.

When the Internet Goes Down, Bitcoin Stays Up

Last week, Amazon Web Services (AWS) suffered a major outage disrupting thousands of websites and applications worldwide. For Bitcoin, the incident served as an unexpected stress test—and a reminder of why decentralization matters.

Digital assets promise freedom from centralized control, offering financial infrastructure that no single entity can shut down. Yet when AWS's Virginia data center experienced technical failures, much of the crypto ecosystem went dark. Major platforms including Coinbase, Robinhood, and Coinbase's Base layer-2 network reported service disruptions, leaving users unable to access their accounts or execute trades. Infrastructure provider Infura, which connects wallets like MetaMask to blockchains, reported disruptions affecting Ethereum Mainnet, Polygon, Optimism, and more.

The irony was immediate and brutal. One industry executive put it bluntly: "If your blockchain is down because of the AWS outage, you're not sufficiently decentralized." Roughly 2,368 Ethereum execution layer nodes—about 37% of the network's total—run on AWS, creating a dangerous concentration of infrastructure on a single provider.

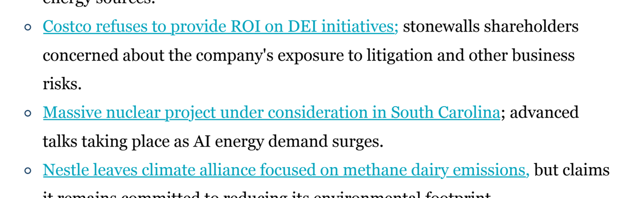
In comparison, Bitcoin's layer-1 blockchain fared far better. It operated normally throughout the entire outage, producing blocks and processing transactions without interruption. Bitcoin's globally distributed network of independent node operations meant that even when AWS faltered, the network's infrastructure remained untouched. No single cloud provider could bring it down.

But Bitcoin wasn't entirely immune. The Lightning Network, built atop Bitcoin's blockchain to enable faster, cheaper transactions, experienced some disruptions. Lightning service provider Voltage, for example, relies heavily on cloud computing giants including AWS to host its infrastructure. When those centralized pipes break, even systems built on Bitcoin's decentralized foundation can stumble—a reminder that true decentralization requires vigilance at every level of the stack.

The outage didn't just impact digital assets, of course. To the contrary, the AWS outage disrupted banks, airlines, streaming services, 911 dispatchers, and countless businesses. Just three companies—Amazon, Microsoft, and Google—control most of the internet's infrastructure, creating systemic vulnerabilities across the entire digital economy.

Yet that shared vulnerability may paradoxically work in crypto's favor. The severity and breadth of last week's outage forced rapid action. AWS restored most services within hours, and companies across industries were compelled to reevaluate these risks. Much like concerns about quantum computing and sophisticated cyberattacks, AWS vulnerabilities affect everyone, not just digital assets. That's actually good news, because it means the world's smartest engineers, largest governments, and biggest corporations have strong incentives to solve these problems.

This was AWS's second major disruption in 2025, following a similar outage in April. Six months between wake-up calls may finally be spurring real change. Bitcoin's relative resilience during the outage demonstrates what genuine decentralization looks like—and a model for others to emulate.



MSTR True North Chats with Phong Le

Last week, MSTR True North sat down with Strategy President & CEO Phong Le for a wide-ranging interview on Strategy's software business, the 2030 vision, the Bitcoin treasury ecosystem and more. Check out the full interview below.

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Additional stories about ESG investing, company happenings, and more.

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- Data centers move into fracking country; colocation offers access to abundant energy sources.
- Costco refuses to provide ROI on DEI initiatives; stonewalls shareholders concerned about the company's exposure to litigation and other business risks.
- Massive nuclear project under consideration in South Carolina; advanced talks taking place as AI energy demand surges.
- Nestle leaves climate alliance focused on methane dairy emissions, but claims it remains committed to reducing its environmental footprint.

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