



ENGAGEMENT POOL  
INTERNATIONAL  
SUMMARY OF 2023 ACTIVITIES

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The **Ethos Foundation** is composed of more than 250 tax-exempt Swiss pension funds and institutions. Founded in 1997, its aim is to promote socially responsible investment and to foster a stable and prosperous socio-economic environment.

*Signatory of:*




















**Ethos Services** provides advisory services in the field of socially responsible investments. Ethos Services offers socially responsible investments funds, analyses of shareholders' general meetings with voting recommendations, a program of dialogue with companies as well as environmental, social and corporate governance ratings and analyses. Ethos Services is owned by the Ethos Foundation and several members of the Foundation.


















































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**Corporation**

# Table of contents

<b>ENGAGEMENT: AN OVERVIEW</b>	<b>6</b>
<b>1. PREFACE</b>	<b>7</b>
<b>2. PREAMBLE</b>	<b>8</b>
2.1 COMPANY UNIVERSE	8
2.2 THEMES FOR DIALOGUE	8
2.3 TYPES OF ENGAGEMENT	8
2.4 ENGAGEMENT PROCESS	9
2.5 RESOURCES	10
2.6 EEP INTERNATIONAL MEMBERS AS OF 31.12.2023	10
2.7 LIST OF MEMBERS	11
<b>3. 2023 KEY FIGURES</b>	<b>13</b>
3.1 ENGAGEMENT CAMPAIGNS	13
3.2 TARGET COMPANIES	16
3.3 ENGAGEMENT ACTIVITIES	17
3.4 ENGAGEMENT PROGRESS	17
<b>OVERVIEW OF THE CAMPAIGNS</b>	<b>18</b>
<b>4. CLIMATE CHANGE</b>	<b>20</b>
4.1 CREDIBLE NET ZERO STRATEGIES  	21
4.2 BANKING ON A LOW-CARBON FUTURE  	21
4.3 INVESTOR DECARBONIZATION INITIATIVE  	21
4.4 PARTICIPATION IN CDP  	22
4.5 CLIMATE ACTION 100+  	22
4.6 LETTER ASKING BANKS TO STOP FINANCING THE MOUNTAIN VALLEY PIPELINE  	22
4.7 AMBITIOUS METHANE EMISSIONS REGULATIONS FOR THE US OIL AND GAS INDUSTRY  	22
4.8 INVESTOR STATEMENT TO GOVERNMENTS ON THE CLIMATE CRISIS  	23
4.9 CAMPAIGN TO ENCOURAGE PUBLICATION OF GREENHOUSE GAS EMISSIONS IN THE EU TECHNOLOGY SECTOR  	23
4.10 INVESTOR STATEMENT ON THE LINE 3 PIPELINE  	23
4.11 LETTER TO THE SEC FOR THE RELEASE OF THE CLIMATE DISCLOSURE RULE  	23
4.12 NET ZERO ENGAGEMENT INITIATIVE  	24
4.13 BUSINESS LETTER FOR AMBITIOUS EU SUSTAINABILITY REPORTING STANDARDS  	24
4.14 SAY ON CLIMATE VOTE AT UK COMPANIES  	24
<b>5. BIODIVERSITY</b>	<b>25</b>
5.1 DEFORESTATION ACROSS THE CATTLE AND SOY VALUE CHAINS  	26
5.2 FROM PLASTIC POLLUTION TO PLASTIC CIRCULARITY  	26
5.3 INVESTOR POLICY DIALOGUE ON DEFORESTATION (IPDD)  	26
5.4 INVESTOR LETTER FOR DEFORESTATION-FREE LEGISLATION IN THE US  	26
5.5 VALUING WATER FINANCE INITIATIVE  	27
5.6 INVESTOR STATEMENT TO REDUCE PLASTIC PACKAGING AND WASTE  	27
5.7 NATURE ACTION 100  	27

<b>6. SOCIAL</b>	<b>28</b>
6.1 LABOUR RIGHTS IN TEXTILE SUPPLY CHAINS  	29
6.2 FORCED LABOUR IN THE SUPPLY CHAINS OF EUROPEAN TECHNOLOGY COMPANIES  	29
6.3 INVESTOR STATEMENT ON CORPORATE ACCOUNTABILITY FOR DIGITAL RIGHTS  	29
6.4 KNOWTHECHAIN  	29
6.5 EXTENSION OF THE "ACCORD ON FIRE AND BUILDING SAFETY IN BANGLADESH"  	30
6.6 WORKFORCE DISCLOSURE INITIATIVE (WDI)  	30
6.7 PLATFORM LIVING WAGE FINANCIALS  	30
6.8 ENVIRONMENTAL AND SOCIAL ISSUES IN RARE EARTH SUPPLY CHAINS  	31
6.9 IMPROVEMENT OF THE RESULTS OF THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)  	31
6.10 IMPROVING PERFORMANCE ON THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)  	31
6.11 INVESTOR ENGAGEMENT GROUP - XINJIANG UYGHUR AUTONOMOUS REGION  	32
6.12 LETTERS TO ENCOURAGE UK COMPANIES TO REPORT AS REQUIRED BY THE MODERN SLAVERY ACT  	32
6.13 INVESTOR INITIATIVE FOR RESPONSIBLE CARE  	32
6.14 INVESTOR STATEMENT ON FACIAL RECOGNITION TECHNOLOGY  	32
6.15 INVESTOR LETTER TO TACKLE CONFLICT MINERALS IN THE SEMICONDUCTOR SUPPLY CHAIN  	33
6.16 INVESTOR ENGAGEMENT ON PAID SICK LEAVE AT US COMPANIES  	33
6.17 DIGITAL INCLUSION COLLABORATIVE ENGAGEMENT  	33
6.18 ADVANCE - INVESTOR INITIATIVE FOR HUMAN RIGHTS AND SOCIAL ISSUES  	34
6.19 INVESTOR LETTER FOR EU CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE  	34
6.20 INVESTOR STATEMENT FOR A MEANINGFUL EU ARTIFICIAL INTELLIGENCE ACT  	34
6.21 BIG TECH AND HUMAN RIGHTS INVESTOR COLLABORATION  	34
6.22 TECH AND MENTAL HEALTH INVESTOR ENGAGEMENT  	35
6.23 INVESTOR STATEMENT ON BUSINESS ACTIVITIES AND HUMAN RIGHTS IN IRAN  	35
6.24 SUPPORT LETTER FOR A BAN OF NON-COMPETITION CLAUSES IN THE US  	35
6.25 IMPORTANCE OF SOCIAL STANDARDS WITH THE INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB)  	35
6.26 INVESTOR SUPPORT FOR A LIVING WAGE FOR US WORKERS  	36
<b>7. CORPORATE GOVERNANCE</b>	<b>37</b>
7.1 LETTER TO ASSET MANAGERS TO ENCOURAGE VOTING AT AGM 	38
7.2 TAX RESPONSIBILITY AT US COMPANIES  	38
7.3 INVESTOR STATEMENT FOR CORPORATE GOVERNANCE REFORM IN JAPAN  	38
7.4 GLOBAL ADOPTION OF THE ISSB SUSTAINABILITY REPORTING STANDARDS S1 AND S2  	39
<b>8. BREACHES OF INTERNATIONAL NORMS</b>	<b>40</b>
8.1 CAMPAIGN 2022  	41
<b>THE UNITED NATIONS GLOBAL COMPACT 10 PRINCIPLES</b>	<b>45</b>
<b>SUSTAINABLE DEVELOPMENT GOALS</b>	<b>46</b>
<b>GLOSSARY</b>	<b>47</b>





# ENGAGEMENT: AN OVERVIEW

# 1. Preface

In 2023, the willingness of listed companies to engage in serious dialogue with their shareholders on sustainability issues remained strong.

In June, the International Sustainability Standards Board (ISSB) published its first standards on sustainable development reporting: the International Financial Reporting Standards on sustainable development in general (IFRS S1) and on climate change reporting (IFRS S2). Thanks in particular to the support of the International Organisation of Securities Commissions (IOSCO), IFRS S1 and S2 are about to become mandatory in several countries. Our discussions have already shown that the standards are having a positive influence on companies' climate strategies.

The Ethos Engagement Pool International (EEP International) also supported a campaign for comprehensive regulation of human rights due diligence in the European Union (EU). The EU's agreement in December on the Corporate Sustainability Due Diligence Directive gave further impetus to our dialogues with companies.

Such policy engagements are an important part of the EEP International's work. The dialogue with the organisations and authorities that influence the framework conditions of listed companies is based on the conviction that sustainability challenges must also be tackled at the system-level.

Internationally, several new players have embarked on collaborative engagement campaigns. In Switzerland, too, the theme of engagement is gaining in importance. In October, the Swiss Stewardship Code was launched by Swiss Sustainable Finance (SSF) and the Asset Management Association Switzerland (AMAS). Engagement also plays an important role in the ESG reporting standard of the Swiss Association of Pension Funds (ASIP).

By the end of 2023, the EEP International already had 111 members and provides an excellent platform for credible engagement and dialogue between companies and shareholders. With CHF 280 billion in assets under management, the EEP International is one of the largest pension funds in Europe. The EEP International is therefore an important voice that is heard by companies' management bodies.

At the suggestion of the members of the EEP International, biodiversity became the fourth engagement priority two years ago. In 2023, the EEP International once again took part in several collaborative engagement campaigns on this theme. One of these flagship campaigns is Nature Action 100. The aim is to tackle the issue of the destruction of nature and its impact on the long-term value of the company.

In the social field, the theme of technology and its interaction with the protection of human rights remains important. In a collaborative engagement campaign, technology companies are invited to address the issue of mental health and to improve the protection of minorities and children. With the investor declaration for a meaningful European law on artificial intelligence, the EEP International members supported another policy engagement to anticipate and prevent the potential negative effects of artificial intelligence on fundamental human rights.

Climate change also remains an important issue, and the EEP International has launched a new engagement campaign in 2023 for credible net zero strategies. Companies in sectors with high CO<sub>2</sub> emissions are invited to implement such strategies. This includes setting reduction targets that are science-based and externally validated, ensuring climate change expertise at board level and linking reduction targets to variable management remuneration.

This annual report presents the developments and progress of the various engagement campaigns. The EEP International focuses on human and labour rights, climate change, biodiversity, and corporate governance. Your valuable support as a member of the EEP International enables Ethos to continue to maintain an intense and constructive dialogue with listed companies outside Switzerland.

On behalf of the Ethos Foundation Board, the Board of Directors of Ethos Services SA and the entire staff, we would like to thank you for your trust and support. You enable Ethos to maintain a quality dialogue with companies and to make concrete progress.



Matthias Narr

Head Engagement International

## 2. Preamble

This summary report on the 2023 activities of the Ethos Engagement Pool International (EEP International) presents a summary of the steps taken and the main results obtained as part of the dialogue conducted by Ethos Services with companies on behalf of the members of the EEP International. The detailed report is sent to the EEP International members only. As the dialogue with companies is essentially based on discretion, the detailed report is not public.

### 2.1 COMPANY UNIVERSE

The companies with which the EEP International engages are included in the MSCI World ex-CH and MSCI World Emerging Markets Top 250 indices. Where a particular issue is of particular relevance, dialogue may also be conducted with selected companies outside these indices.

In addition, certain Swiss companies may be targeted as part of certain international collaborative engagement campaigns.

### 2.2 THEMES FOR DIALOGUE

The themes for dialogue and the companies selected reflect the interests of EEP International members. At the annual meeting in November 2022, the members of EEP International decided to continue to focus for 2023 on climate change and biodiversity for environmental engagement and on human and workers' rights for social engagement. In the area of governance, the focus is on shareholder rights and remuneration.

The four themes cover a total of 19 topics defined by Ethos. A campaign may cover one or more topics. The topics as well as the UN Global Compact (UNGC) principles and the UN Sustainable Development Goals (SDGs) covered are indicated in each campaign presented in the version of the report reserved for EEP International members.

### 2.3 TYPES OF ENGAGEMENT

In order to provide the EEP International members with the most effective engagement service possible, Ethos uses a variety of shareholder dialogue approaches.

#### DIRECT ENGAGEMENT WITH COMPANIES

On behalf of the members of the EEP International, Ethos conducts direct dialogues with carefully selected companies. Direct dialogues can take different forms:

1. Direct dialogue within Ethos' own campaigns whose themes, indicators and target companies are directly validated by the members of the EEP International.
2. Direct dialogue with one or more companies as part of an international collaborative engagement campaign. The themes, indicators and target companies are validated by the organisation coordinating the campaign.

#### COLLABORATIVE ENGAGEMENT WITH COMPANIES

As agreed with the founding members, emphasis has been placed on the participation of the EEP International members in international campaigns of collaborative engagement. The EEP International members sign up to the campaigns individually unless the initiating organisation decides to include the EEP International as a single entity for administrative or strategic reasons.

These collaborative engagement campaigns make it possible to bring together many institutional investors and thus increase the impact of engagement activities. For each proposed campaign, Ethos prepares a dossier for the members of the EEP International and carries out all the administrative formalities required for their participation. In the case of recurring collaborative engagement campaigns spanning several years, Ethos monitors developments and ensures that the EEP International members remain integrated into the activities of these campaigns.



## POLICY ENGAGEMENT

This type of dialogue takes place with various organisations or authorities that have an influence on the framework conditions for listed companies (regulators, parliaments, standard-setters). In 2023, engagement took the form of letters or declarations signed collectively with other institutional investors.

### 2.4 ENGAGEMENT PROCESS

As far as possible, Ethos defines five steps to measure the progress of the direct engagement process with companies within its own initiatives:

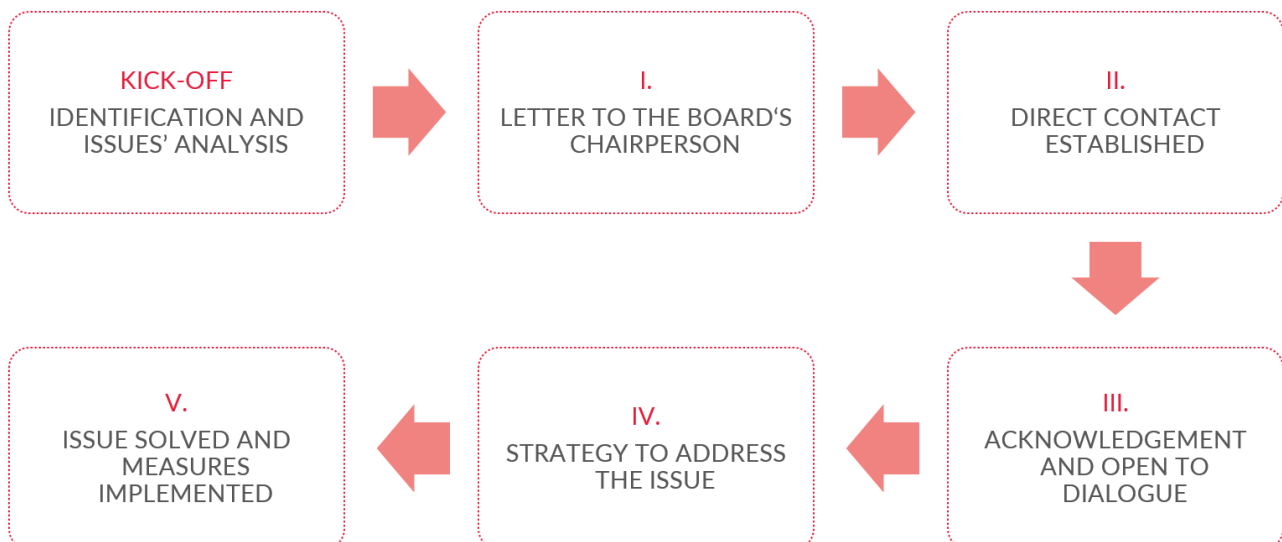
- Milestone ① : Letter to the Chair of the Board of Directors.
- Milestone ② : Direct contact with the company.
- Milestone ③ : The company accepts the challenge and is open to dialogue.
- Milestone ④ : The company develops a serious strategy on the issue.
- Milestone ⑤ : The issue is addressed and convincing measures are implemented.

These steps allow companies to monitor their efforts and measure their progress.

## ENGAGEMENT INTENSIFICATION

Direct dialogue with companies is confidential and based on mutual trust. However, when the dialogue is unsuccessful or with a company has serious shortcomings, Ethos may increase the intensity of the dialogue and take the following measures:

- Statement at the Annual General Meeting.
- Collaboration with other shareholders.
- Recommendation to vote against the proposals made by the governing bodies.
- Recommendation to vote against board members.
- Filing of a shareholder resolution.
- Initiation of legal proceedings.
- Recommendation for exclusion.



## 2.5 RESOURCES

Dialogue with companies outside Switzerland and the coordination of collaborative engagement campaigns are mainly handled by the International Engagement team (four members). Dialogue with listed companies in Switzerland is handled mainly by the Proxy Voting, Swiss ESG & Engagement team (nine members).

However, the two teams work closely together. Dialogues with Swiss companies targeted as part of collaborative international engagement campaigns are conducted jointly. In addition, the two teams receive support from the ESG International team (eight members), for

example in the form of analyses and studies on relevant sustainability issues and specific companies.

The members of the teams involved in shareholder dialogue have many years' experience in the fields of sustainability, proxy voting and engagement. The teams are gender balanced. The staff members also have different educational backgrounds - from economics to international relations to environmental science - which also ensures a diversity of opinions and enables different aspects to be understood and discussed. All team members and their functions are available at [www.ethosfund.ch](http://www.ethosfund.ch).

## 2.6 EEP INTERNATIONAL MEMBERS AS OF 31.12.2023

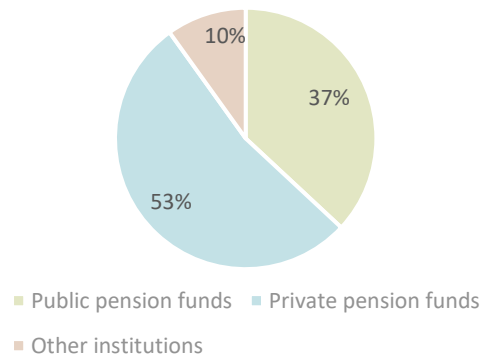
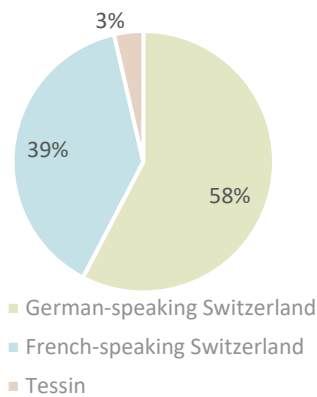
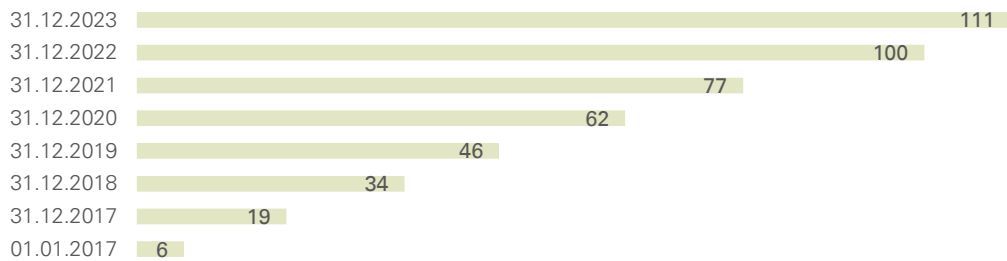
111

members

280

CHF billion assets under management

### GROWTH SINCE THE LAUNCH OF THE EEP INTERNATIONAL



## 2.7 LIST OF MEMBERS

### 2.7.1 MEMBERS JOINING THE EEP INTERNATIONAL IN 2023

- Fondation de prévoyance Skycare
- Gestion des Biens Universitaires Vaudois (GBUV)
- Istituto di previdenza del Cantone Ticino
- Kirchliche Pensionskasse Urschweiz-Glarus-Tessin
- NSV Nidwaldner Sachversicherung
- Pensionskasse der Generali Versicherungen
- Pensionskasse Graubünden
- Pensionskasse Hirslanden
- Pensionskasse Somedia
- Pensionskasse der Stadt Biel
- Personalvorsorgestiftung der Ringier Gruppe
- Vorsorgestiftung der Bourquin SA

### 2.7.2 MEMBERS BEFORE 2023

- Aargauische Pensionskasse (APK)
- Accenture Executive Pensionskasse
- ATISA Personalvorsorgestiftung der Tschümperlin-Unternehmungen
- AVENA – Fondation BCV 2e pilier
- Bernische Lehrerversicherungskasse
- Bernische Pensionskasse BPK
- BVG – Stiftung der SV Group
- Caisse Cantonale d'Assurance Populaire – CCAP
- Caisse de pension du Comité international de la Croix-Rouge
- Caisse de pensions Féd. int. des Stés. de la Croix-Rouge et du Croissant-Rouge
- Caisse de pension Hewlett-Packard Plus
- Caisse de pensions de l'État de Vaud (CPEV)
- Caisse de pensions du personnel communal de Lausanne (CPCL)
- Caisse de pensions ECA-RP
- Caisse de prév. des Fonctionnaires de Police & des Établissements Pénitentiaires
- Caisse de Prévoyance de l'État de Genève CPEG
- Caisse de Prévoyance des Interprètes de Conférence (CPIC)
- Caisse de prévoyance du personnel communal de la ville de Fribourg
- Caisse de prévoyance du personnel de l'État de Fribourg (CPPEF)
- Caisse de prévoyance du personnel de l'État du Valais (CPVAL)
- Caisse de retraite professionnelle de l'industrie vaudoise de la construction
- Caisse intercommunale de pensions (CIP)
- Caisse paritaire de prévoyance de l'industrie et de la construction (CPPIC)
- CAP Prévoyance
- CAPUVA Caisse de prévoyance des travailleurs et employeurs du commerce de détail
- Cassa pensioni di Lugano
- CIEPP - Caisse Inter-Entreprises de Prévoyance Professionnelle
- CPCN - Caisse de pensions de la fonction publique du canton de Neuchâtel
- Emmi-Vorsorgestiftung
- Établissement Cantonal d'Assurance (ECA VAUD)
- Établissement cantonal d'assurance et de prévention (ECAP- Neuchâtel)
- Evangelisch-reformierte Landeskirche des Kantons Zürich
- Fondation de la métallurgie vaudoise du bâtiment (FMVB)
- Fondation de prévoyance Artes & Comoedia
- Fondation de Prévoyance Edmond de Rothschild
- Fondation de prévoyance des Paroisses et Institutions Catholiques (FPPIC)
- Fondation de prévoyance du Groupe BNP PARIBAS en Suisse
- Fondation de prévoyance professionnelle en faveur de AROMED
- Fondation de prévoyance Romande Energie
- Fondation Interprofessionnelle Sanitaire de Prévoyance (FISP)
- Fondation Leenaards
- Fondation Patrimonia
- Fondazione Ticinese per il secondo pilastro
- Fondo di Previdenza per il Personale dell'Ente Ospedaliero Cantonale
- Fonds de Prévoyance de CA Indosuez (Suisse) SA
- Fonds interprofessionnel de prévoyance (FIP)

- Gebäudeversicherung Luzern
- Gebäudeversicherung St. Gallen
- GEMINI Sammelstiftung
- Liechtensteinische AHV-IV-FAK
- Loyalis BVG-Sammelstiftung
- Luzerner Pensionskasse
- Nest Sammelstiftung
- Pensionskasse AR
- Pensionskasse Bank CIC (Schweiz)
- Pensionskasse Basel-Stadt
- Pensionskasse Bühler AG Uzwil
- Pensionskasse Caritas
- Pensionskasse der Basler Kantonalbank
- Pensionskasse der Diözese St.Gallen
- Pensionskasse des Kantons Nidwalden
- Pensionskasse der Schweizer Paraplegiker-Gruppe Nottwil
- Pensionskasse der Schweizerischen Nationalbank
- Pensionskasse der Stadt Frauenfeld
- Pensionskasse der Stadt Weinfelden
- Pensionskasse der Stadt Winterthur
- Pensionskasse der Stadt Zug
- Pensionskasse Pro Infirmis
- Pensionskasse Römisch-katholische Landeskirche des Kantons Luzern
- Pensionskasse Schaffhausen
- Pensionskasse SRG SSR
- Pensionskasse Stadt Luzern
- Pensionskasse Stadt St. Gallen
- Pensionskasse der Technischen Verbände SIA STV FSAI USIC
- Pensionskasse Unia
- Personalvorsorgestiftung der Accenture Schweiz
- Personalvorsorgekasse der Stadt Bern
- Personalvorsorgestiftung der Würth-Gruppe Schweiz
- Previsa, fonds de prévoyance des professionnels du travail social
- Prévoyance Santé Valais (PRESV)
- Profelia Fondation de prévoyance
- Prosperita Stiftung für die berufliche Vorsorge
- Raiffeisen Pensionskasse Genossenschaft
- Rentes Genevoises
- RP - Fonds institutionnel
- Secunda Sammelstiftung
- Spida Personalvorsorgestiftung
- St. Galler Pensionskasse
- Stiftung Abendrot
- Stiftung Auffangeinrichtung BVG
- Stiftung Personalvorsorge Liechtenstein
- SVA Zürich
- Swissbroke Vorsorgestiftung
- Symova Sammelstiftung BVG
- Terre des hommes Schweiz
- Unfallversicherungskasse des Basler Staatspersonals
- Université de Genève (UNIGE)
- Verein Barmherzige Brüder von Maria-Hilf (Schweiz)
- Vorsorge SERTO

Membership of the Ethos Engagement Pool International does not require collective decision-making or action with respect to the acquisition, holding, disposal and/or voting of securities. Pool members are independent fiduciaries responsible for their own investment and voting decisions and act independently to define their own strategies, policies and practices according to their own interests.

# 3. 2023 Key figures

52

engagement campaigns during the year

730

engagement activities made by the EEP International as part of its engagement campaigns

2'048

target companies in these engagement campaigns

51

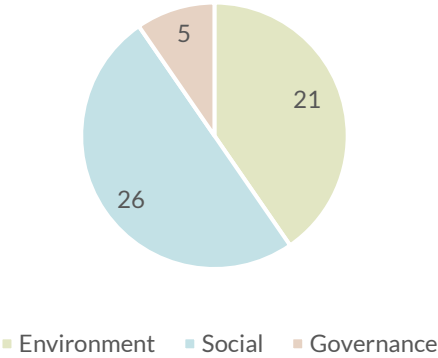
dialogues with target companies with Ethos' own campaigns

68

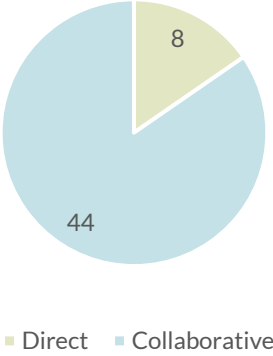
dialogues with target companies as part of collaborative campaigns

## 3.1 ENGAGEMENT CAMPAIGNS

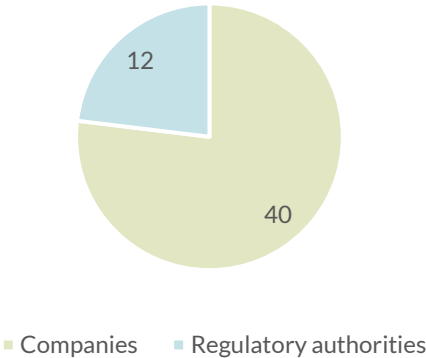
### 3.1.1 BY PILLARS



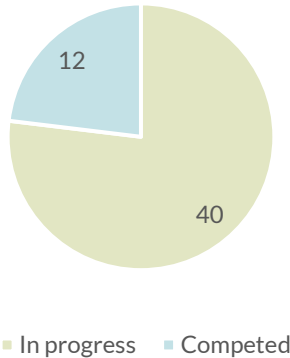
### 3.1.2 BY ENGAGEMENT TYPE



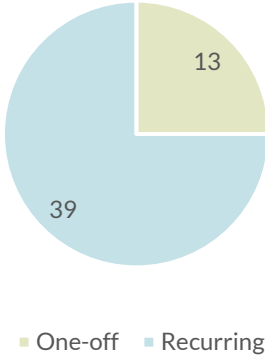
3.1.3 BY TARGET



3.1.5 STATUS AT 31.12.2023

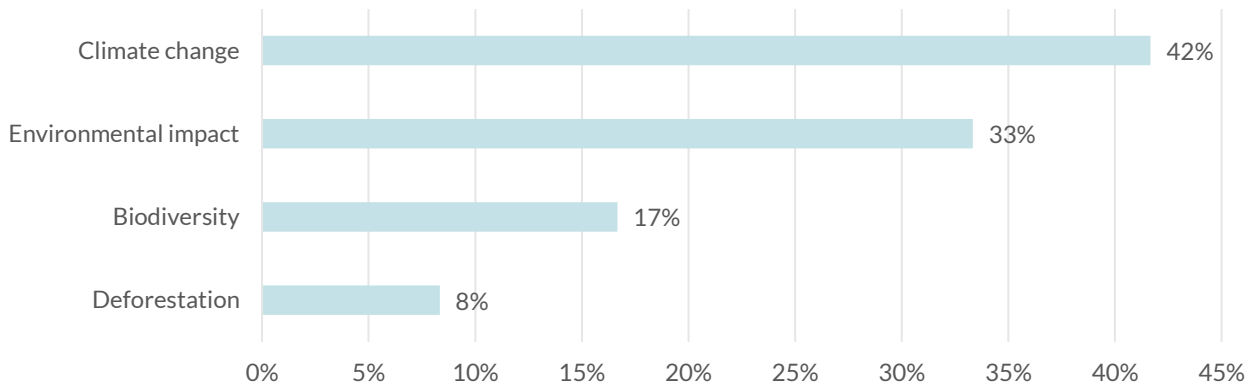


3.1.4 BY CHARACTERISTIC

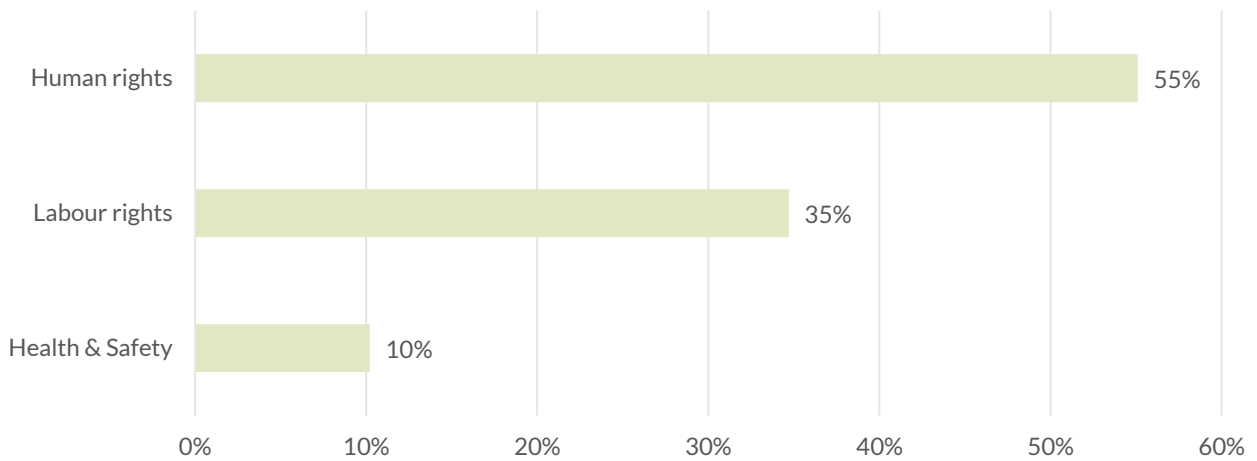


### 3.1.6 BY THEME

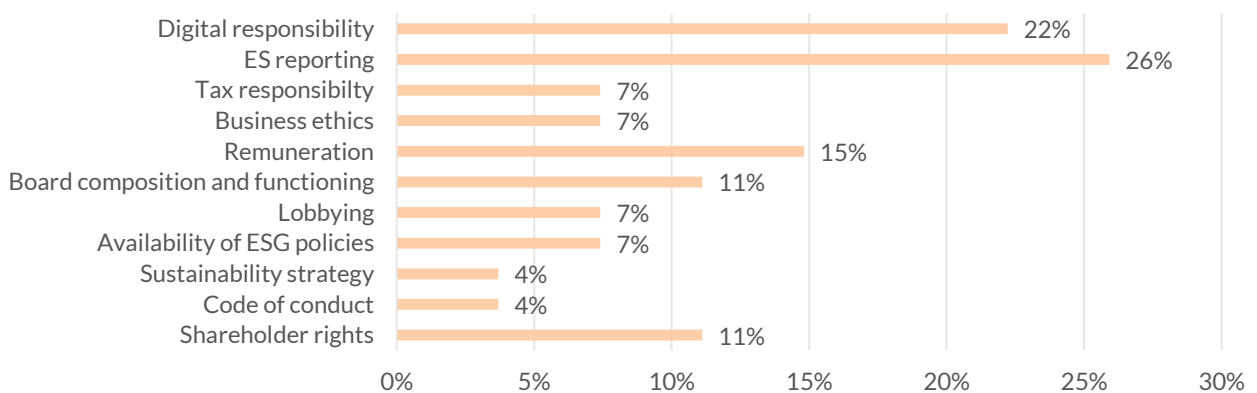
#### DISTRIBUTION OF “E” ENGAGEMENT THEMES



#### DISTRIBUTION OF “S” ENGAGEMENT THEMES



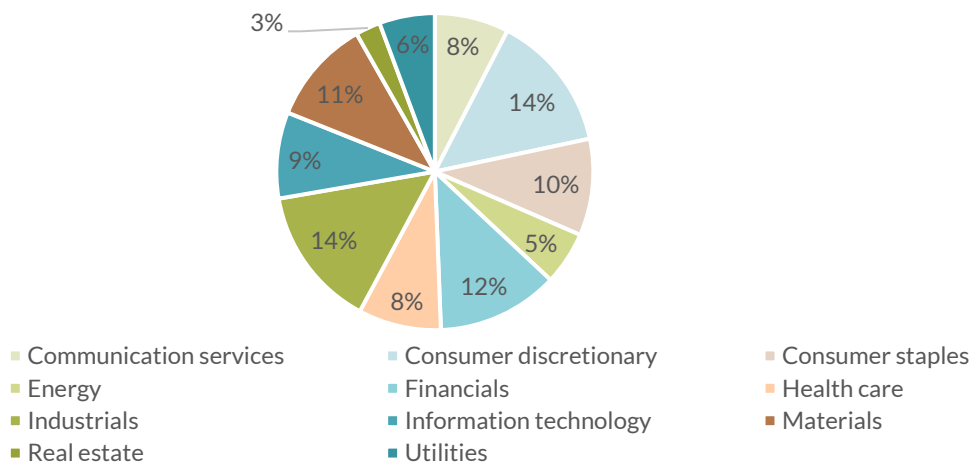
#### DISTRIBUTION OF “G” ENGAGEMENT THEMES



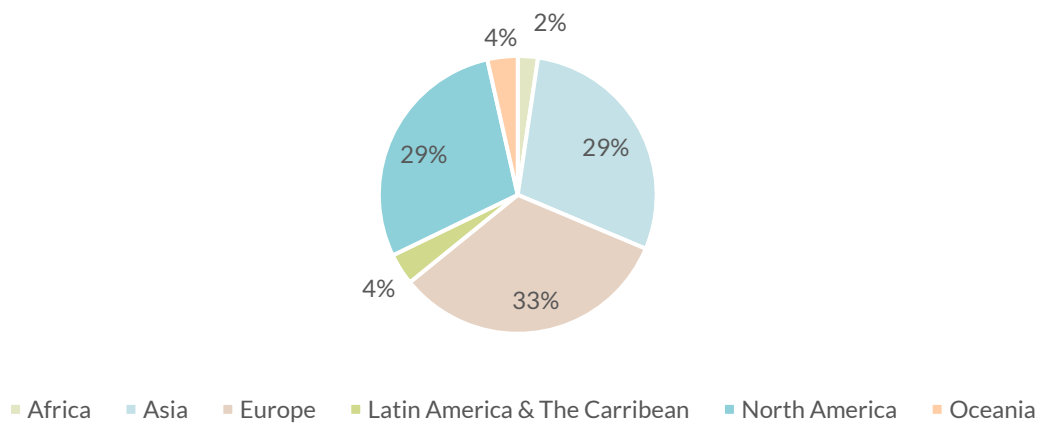
### 3.2 TARGET COMPANIES

NUMBER OF TARGET COMPANIES	2'048
Share of MSCI World (au 31.12.2023)	64%
Share of MSCI EM (au 31.12.2023)	34%
Share of MSCI ACWI (au 31.12.2023)	49%

#### 3.2.1 ENGAGED COMPANIES BY SECTOR

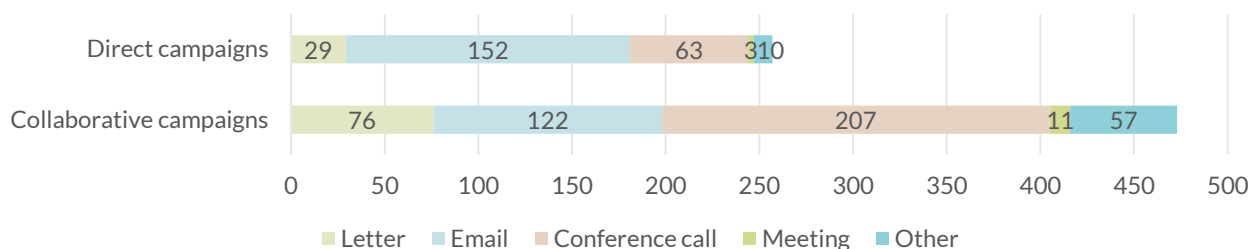


#### 3.2.2 ENGAGED COMPANIES BY REGION





### 3.3 ENGAGEMENT ACTIVITIES



Engagement activities range from emails, letters and conference calls with target companies to activities with other investors in the context of collaborative engagement campaigns, such as quarterly updates from campaign initiators to the institutional investors involved.

### 3.4 ENGAGEMENT PROGRESS

<b>NUMBER OF COMPANIES TARGETED IN DIRECT INITIATIVES BY ETHOS</b>	<b>51</b>
With a positive evolution	35 (69%)
With a neutral evolution	14 (27%)
With a negative evolution	2 (4%)

The evaluation of progress is based on Ethos' own system of steps:

- Positive evolution: the company has reached at least one additional milestone during the reporting year.
- Neutral evolution: the company remained on the same milestone stage during the reporting year.
- Negative evolution: the company has taken at least one step backwards during the reporting year.

### FOCUS: DECARBONISATION THROUGH DIALOGUE

While there is no doubt that divestment can help reduce climate risks in investors' portfolios, it is difficult to determine the extent to which it contributes to decarbonising the real economy. This section shows how the EEP International has achieved concrete improvements in this area through active ownership.

Within the EEP International, 14 specific climate change initiatives were underway in 2023, targeting 1'370 companies. The EEP International's engagement activities covered:

- 81% of the absolute emissions of the MSCI World Index (58% of the market capitalisation of the index).
- 59% of the absolute GHG emissions of the MSCI EM index (41% of the market capitalisation of the index).
- 66% of the absolute GHG emissions of the MSCI ACWI (56% of the market capitalisation of the index).

(In each case scopes 1+2).



OVERVIEW OF  
THE CAMPAIGNS

In this chapter, the engagement campaigns are grouped according to the EEP International's four major themes of dialogue

- Climate change
- Biodiversity
- Social
- Governance

In each theme, Ethos' direct campaigns (👤) will be presented before the collaborative campaigns (👥) and in chronological order of their launch (from the oldest to the most recent),

A distinction is also made between campaigns targeted companies (🏢) and policy engagement (🏛️).

All documents related to the campaigns supported by the EEP International are available on the Ethos e-Services platform.

## 4. Climate change

Global warming is a material risk to companies, their strategies, and assets. It is therefore essential that all companies address this issue. The objectives of the dialogue are the following:

- **Improved transparency** : companies should measure their emissions according to an internationally recognized standard such as the Greenhouse Gas Protocol (GHG Protocol). This would allow company boards and management to set targets for reducing greenhouse gas emissions. Ethos believes that companies should also report in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- **Reduction Targets** : Companies should adopt ambitious greenhouse gas emission reduction targets to limit warming to 1.5°C. These targets are called Science Based Targets (SBT).
- **Consideration of indirect emissions (scope 3)** : The impact of climate change must also be measured at the level of the company's supply chain, which is often responsible for a large proportion of emissions.

## 4.1 CREDIBLE NET ZERO STRATEGIES

### CONTEXT AND OBJECTIVES

In July 2023, the EEP International launched a direct engagement campaign to encourage several companies to adopt credible net zero strategies. In this way, the campaign contributes to the decarbonisation of carbon-intensive industries and the reduction of climate-related risks faced by institutional investors. The target companies are : HSBC, JPMorgan Chase, Glencore, BP, Shell, TotalEnergies, Eni, Fortum, Nvidia and Honda.

As part of this, we are asking the targeted companies to implement net-zero strategies (or transition plans) that include the following elements: science-based reduction targets (SBT), sufficient climate change expertise at board level, reduction targets linked to executive variable pay, shareholder vote on climate strategy ('Say on Climate'), concrete set of measures to achieve reduction targets, alignment of capital expenditure with scenario 1.5°C scenario, no lobbying - either directly or through trade associations - against a progressive climate policy, and compliance of the climate report with the TCFD recommendations.

### ACTIONS AND RESULTS IN 2023

- Contact was established with all the target companies, which began to present their strategies and actions on the subject.
- 53 engagement activities took place during the year, including eight letters sent to the chairmen of the boards of directors and 12 conference calls with the target companies.

## 4.2 BANKING ON A LOW-CARBON FUTURE

### CONTEXT AND OBJECTIVES

As part of this multi-year campaign, coordinated by Boston Common Asset Management and ShareAction, EEP International and other institutional investors are calling on banks to critically review their financing of carbon-intensive activities and align it with the objectives of the Paris Agreement and the TCFD's recommendations on climate change reporting. The campaign's initiators regularly publish a study on the progress made by the targeted banks, which is then used as a basis for dialogue with these banks. Within the campaign, Ethos takes the lead in the dialogue with the targeted Swiss banks: Credit Suisse and UBS.

### ACTIONS AND RESULTS IN 2023

- The campaign is supported by 24 institutional investors with assets under management of USD 1'400 billion.
- ShareAction speaks at the Barclays AGM on behalf of Ethos, the EEP International and other institutional investors to call for stricter guidelines on fossil fuel financing.
- Letters sent to several European banks by the institutional investors involved asking them to stop directly financing new oil and gas fields.
- Intensive dialogue with UBS on the bank's climate strategy.

## 4.3 INVESTOR DECARBONIZATION INITIATIVE

### CONTEXT AND OBJECTIVES

In 2017, the EEP International joined the multi-year Investor Decarbonization Initiative (IDI) campaign coordinated by ShareAction in the UK. The initial aim of the campaign was to target companies in a range of sectors, including power generation, cement, automotive and retail, to encourage them to sign up to one or more of the following actions: adopt a science-based emissions reduction target (SBT), source 100% renewable energy (RE100), aim for high energy performance (EP100) and promote electric mobility (EV100).

Secondly, a specific campaign was launched in 2021 focusing on the decarbonisation strategies of 13 European chemical companies. This campaign highlights the need to electrify chemical production processes using only renewable energies and to replace fossil raw materials with hydrogen or green methanol.

### ACTIONS AND RESULTS IN 2023

- The network of investors supporting the chemical sector-specific campaign is 42 institutional investors with over USD 8'300 billion in assets under management.
- 50 engagement activities took place, including numerous conference calls with all targeted chemical companies.
- Intensified measures are planned for 2024 vis-à-vis certain companies, such as shareholder resolutions or letters to majority shareholders.

#### 4.4 PARTICIPATION IN CDP

##### CONTEXT AND OBJECTIVES

As part of this campaign, each year the EEP International and a large group of international institutional investors ask a number of companies that have not yet responded to the CDP's climate change, forestry and water questionnaires to do so. The CDP is a not-for-profit organisation that enables companies to draw up standardised reports on their greenhouse gas (GHG) emissions and other environmental indicators.

##### ACTIONS AND RESULTS IN 2023

- 288 investors representing assets under management of USD 29'000 billion took part in the campaign.
- A total of 1'590 companies were targeted, including 1'234 for the climate change questionnaire.
- 317 of these companies decided to complete the various CDP questionnaires (including 221 on climate change) following the engagement activities.
- Ethos was chosen as lead investor for the following companies: CK Hutchinson, Dassault Aviation, O'Reilly Automotive and Strabag.

#### 4.5 CLIMATE ACTION 100+

##### CONTEXT AND OBJECTIVES

As part of the Climate Action 100+ campaign, institutional investors, including the EEP International, are focusing on the 170 largest GHG emitters, which are responsible for around 80% of global industrial emissions. In this context, Ethos is conducting a direct dialogue with three companies (Nestlé, Holcim and Thyssenkrupp) on behalf of Climate Action 100+ and the EEP International. The campaign seeks to encourage the boards and management of companies classified as systemically important in terms of GHG emissions to take three actions. First, establish governance that includes board responsibility and oversight for climate risks. Secondly, reduce GHG emissions throughout the value chain, in line with the Paris Agreement objective of keeping the global average temperature increase to less than 2°C above pre-industrial levels. Thirdly, to improve reporting by following the recommendations of the TCFD.

##### ACTIONS AND RESULTS IN 2023

- According to the benchmark published in October, 59% of the companies targeted (52% in October 2022) are publishing the measures planned to achieve their GHG reduction targets. However, further progress is needed to quantify the various de-

carbonisation levers and to disclose the use of offset and mitigation technologies.

- 87% of targeted companies (81% in October 2022) have set medium-term GHG reduction targets.
- In 93% of the companies covered (91% in October 2022), the board of directors has some oversight responsibility for climate change.

#### 4.6 LETTER ASKING BANKS TO STOP FINANCING THE MOUNTAIN VALLEY PIPELINE

##### CONTEXT AND OBJECTIVES

In February 2021, the EEP International and a group of institutional investors sent letters to nine banks expressing concern about the climate, financial and reputational risks associated with the Mountain Valley Pipeline (MVP) and calling on them to stop funding the controversial project. The campaign, coordinated by the Sierra Club Foundation, was signed by 98 institutional investors representing a total of assets under management of USD 245 billion. In 2022, several shareholder resolutions were filed with the banks concerned regarding indigenous rights and the compatibility of financing such projects with the banks' climate objectives.

##### ACTIONS AND RESULTS IN 2023

- During the summer, the US Congress took the unusual step of accelerating the completion of the Mountain Valley gas pipeline.
- The project had been five years behind schedule due to various complaints but is expected to be completed in early 2024.
- The campaign was closed this year.

#### 4.7 AMBITIOUS METHANE EMISSIONS REGULATIONS FOR THE US OIL AND GAS INDUSTRY

##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors issued an investor statement in May 2021 calling on the US Environmental Protection Agency (EPA) to strengthen methane emissions regulations for the US oil and gas industry. The campaign is coordinated by the Interfaith Center on Corporate Responsibility (ICCR) and has been signed by 147 institutional investors representing USD 5'350 billion in assets under management. Methane emissions (from all sources) are responsible for 25% of current global warming. The oil and gas sector is

both the largest source of anthropogenic methane emissions and the area where reductions are easiest to achieve. The EPA then launched a public consultation on the regulations.

#### ACTIONS AND RESULTS IN 2023

- Three regulations on the subject are currently being developed by the EPA and have not yet been finalised.
- In September, the investor group sent detailed comments on one of these proposed GHG reporting regulations.

#### 4.8 INVESTOR STATEMENT TO GOVERNMENTS ON THE CLIMATE CRISIS



##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors launched a global investor statement in May 2021 ahead of the COP26 climate conference in Glasgow. The statement contained concrete demands for governments to step up their efforts to tackle climate change and meet the goals of the Paris Agreement. The campaign is supported by 604 institutional investors with USD 42'000 billion in assets under management.

##### ACTIONS AND RESULTS IN 2023

- No engagement activities were carried out.
- The campaign was closed this year.

#### 4.9 CAMPAIGN TO ENCOURAGE PUBLICATION OF GREENHOUSE GAS EMISSIONS IN THE EU TECHNOLOGY SECTOR



##### CONTEXT AND OBJECTIVES

As part of this campaign, companies are invited to publish their GHG emissions. The campaign is coordinated by Arabesque Asset Management and has been supported by 98 institutional investors representing USD 925 billion in assets under management. The campaign closed for 5 of the 6 companies initially targeted at the end of 2022.

##### ACTIONS AND RESULTS IN 2023

- No engagement activity took place in 2023.
- The campaign was closed this year.

#### 4.10 INVESTOR STATEMENT ON THE LINE 3 PIPELINE



##### CONTEXT AND OBJECTIVES

As part of this campaign, the EEP International and a group of institutional investors, coordinated by the Investors & Indigenous Peoples Working Group (IIPWG), are focusing on the various risks associated with financing oil sands projects linked to the Line 3 gas pipeline between Alberta and Wisconsin, taking into account the damage caused to indigenous peoples. This campaign is supported by 158 institutional investors with assets under management totalling USD 2'090 billion.

##### ACTIONS AND RESULTS IN 2023

- This year, our engagement intensified, particularly with the filing of shareholder resolutions.
- At the general meetings of Bank of Montreal, Citigroup, Royal Bank of Montreal, Toronto-Dominion Bank and Wells Fargo, motions were passed relating to guidelines on free, prior and informed consent, an international human right for the self-determination of indigenous peoples.
- The campaign was closed this year.

#### 4.11 LETTER TO THE SEC FOR THE RELEASE OF THE CLIMATE DISCLOSURE RULE



##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by the As You Sow Foundation, have launched a collaborative campaign targeting the US SEC, calling for the swift publication of the final Climate Disclosure Rule and the inclusion of Scope 1, 2 and 3 emissions in the rule. This campaign is supported by 143 institutional investors with USD 965 billion in assets under management.

##### ACTIONS AND RESULTS IN 2023

- There has been no engagement activity on this campaign although As You Sow continues to lobby generally to accelerate the publication of this regulation.
- No date is yet known for the publication of this regulation, which has been postponed several times due to strong business opposition and the threat of legal action by the US Chamber of Commerce.

#### 4.12 NET ZERO ENGAGEMENT INITIATIVE



##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by the Institutional Investors Group on Climate Change (IIGCC), have launched a pledge campaign in the first quarter of 2023 to encourage more than 100 of the largest greenhouse gas emitters, mainly in Europe, to adopt and implement net-zero strategies.

##### ACTIONS AND RESULTS IN 2023

- At the end of September, the campaign was supported by 102 institutional investors.
- 85 companies had initiated a dialogue with investors.
- 68 companies had formally responded to the launch letter.

#### 4.13 BUSINESS LETTER FOR AMBITIOUS EU SUSTAINABILITY REPORTING STANDARDS

##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors and real economy companies, coordinated by CDP, sent a letter to the European Commission at the beginning of 2023 calling for the adoption of ambitious European Sustainability Reporting Standards (ESRS) to ensure that the final version expected in summer 2023 is not watered down.

##### ACTIONS AND RESULTS IN 2023

- The ESRS were adopted on 31 July 2023 by the European Commission and will be applied from 2025 based on 2024 figures.
- Cooperation announced between EFRAG and CDP to work together to implement these new European standards.
- The campaign was closed this year.

#### 4.14 SAY ON CLIMATE VOTE AT UK COMPANIES

##### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by CCLA Investment Management and the Local Authority Pension Fund Forum (LAPFF), launched a campaign in September 2023 to encourage 35 high-carbon-emitting UK companies to submit their transition plans for shareholder approval at their AGMs in 2024.

##### ACTIONS AND RESULTS IN 2023

- 18 institutional investors with GBP 1'800 billion in assets under management are supporting the campaign.
- 13 companies have responded to the investor letter, and one has committed to submit its transition plan for shareholder approval. Several have offered to hold meetings with investors to discuss their strategies.



# 5. Biodiversity

The dialogue theme on biodiversity was introduced in 2021. It covers diversity within terrestrial and marine species and different ecosystems. It is a broad and complex theme, and the dialogue focuses on:

- **Deforestation:** it is at the heart of climate, biodiversity, food, and water security issues and represents a growing financial risk. Halting deforestation can be one third of the solution to meeting the Paris Agreement's climate target for CO<sub>2</sub> emissions as well as reducing biodiversity loss. Yet deforestation continues unabated.
- **Protection of the oceans and access to water:** Water and access to it generate many risks and vulnerabilities for companies and human beings. These include increased competition for water, water pollution from agriculture or chemical companies and health impacts, and risks to industries that depend on water as a raw material.
- **Plastic pollution:** Plastics are multi-purpose materials that we use excessively and irresponsibly. They are derived from oil and gas and are usually designed to be used only once before being thrown away. Every year, millions of tonnes of plastic have a negative impact on the environment.

## 5.1 DEFORESTATION ACROSS THE CATTLE AND SOY VALUE CHAINS

### CONTEXT AND OBJECTIVES

In August 2021, the EEP International launched a direct engagement campaign aimed at encouraging various companies in the beef and soy value chain, which are heavily involved in deforestation, to adopt effective practices to prevent deforestation. The campaign covers producers, distributors and retailers. These companies are Ahold Delhaize, Archer Daniels Midland, BRF, Bunge, Carrefour, JBS and Sainsbury.

To this end, we have identified international best practice and formulated specific expectations for investors in this area: to establish a policy prohibiting deforestation, to commit to establishing full traceability of the supply chain, to adopt a monitoring and verification system, to engage in dialogue with stakeholders, to encourage voluntary certification and to publish a report on the implementation of this policy.

### ACTIONS AND RESULTS IN 2023

- 42 engagement activities took place during the year, including seven conference calls with companies.
- In this third year of the campaign, the results were mixed: four companies made progress on the subject, while two took a step backwards.

## 5.2 FROM PLASTIC POLLUTION TO PLASTIC CIRCULARITY

### CONTEXT AND OBJECTIVES

In June 2023, the EEP International launched a direct engagement campaign with a number of consumer goods companies with significant use of plastic packaging to adopt effective practices to tackle plastic waste and pollution and support the building of a circular economy. These companies are Coca-Cola, Colgate-Palmolive, Mondelez International, PepsiCo, Procter & Gamble and Unilever.

To this end, we have identified best practice and set out investors' expectations in this area: to adopt a 'reduce, reuse, replace and recycle' strategy; to implement innovation measures in favour of circularity; to engage with stakeholders and advocate for regulations favouring circularity and minimising the negative impact of plastic use on human health; and to publish information transparently.

### ACTIONS AND RESULTS IN 2023

- Contact was established with all the targeted companies, which began to present their strategies and actions on the subject.
- 33 engagement activities took place during the year, including six letters sent to the chairmen of the boards of directors and five conference calls with the targeted companies.

## 5.3 INVESTOR POLICY DIALOGUE ON DEFORESTATION (IPDD)

### CONTEXT AND OBJECTIVES

In June 2022, the EEP International joined a group of institutional investors, coordinated by the Tropical Forest Alliance, the World Economic Forum (WEF) and supported by the Principles for Responsible Investment (PRI), which has set up a campaign with the authorities and industry associations in certain countries (Brazil, Indonesia) about deforestation. The aim of the Investor Policy Dialogue on Deforestation (IPDD) is to coordinate a dialogue on halting deforestation with political decision-makers in the countries concerned.

### ACTIONS AND RESULTS IN 2023

- This campaign is supported by 79 investors representing USD 10'000 billion in assets under management.
- Numerous contacts have been made with the new Brazilian administration, and physical meetings have been held with the Central Bank, the Ministry of the Environment and the Ministry of Planning and Budget.

## 5.4 INVESTOR LETTER FOR DEFORESTATION-FREE LEGISLATION IN THE US

### CONTEXT AND OBJECTIVES

The Seventh Generation Interfaith Coalition for Responsible Investment (SGI) has created a coalition of investors supported by the EEP International in support of the passage of the FOREST Act in the United States. This law aims to reduce illegal deforestation worldwide by restricting trade in certain agricultural commodities.

### ACTIONS AND RESULTS IN 2023

- No engagement activity took place during the year.
- The campaign was closed this year.

## 5.5 VALUING WATER FINANCE INITIATIVE



### CONTEXT AND OBJECTIVES

In July 2022, the EEP International and a group of institutional investors, coordinated by Ceres, launched the Valuing Water Finance Initiative, which encourages companies in the food, beverage, technology and textile sectors to better manage and protect water resources in their global business operations and supply chains. The campaign is supported by 64 investors representing USD 9'800 billion in assets under management.

### ACTIONS AND RESULTS IN 2023

- Ethos was chosen as lead investor for two companies: LVMH and Restaurant Brands International.
- Contact has been established and telephone conferences have been organised with these two companies.

## 5.6 INVESTOR STATEMENT TO REDUCE PLASTIC PACKAGING AND WASTE

### CONTEXT AND OBJECTIVES

In April 2023, the EEP International and a group of institutional investors, coordinated by VBDO (Dutch Association of Investors for Sustainable Development), published an investor statement calling on FMCG companies and food retailers to reduce their use of plastic packaging and waste. A collaborative engagement campaign with these companies has also been set up and Ethos has been chosen as lead investor for one company: Danone.

### ACTIONS AND RESULTS IN 2023

- 183 investors representing USD 10'000 billion in assets under management are supporting the campaign.
- 36 companies in Europe and the United States are targeted by the campaign.
- Contact was established with Danone and two conference calls were organised.

## 5.7 NATURE ACTION 100

### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by IIGCC and other investor networks around the world, launched a major collaborative engagement campaign in summer 2023 for investors to engage with companies and regulators to reduce harm to nature and biodiversity loss.

100 companies from different business sectors that have a major impact on the loss of wildlife habitat, overexploitation of resources and pollution of soil, water and waste have been selected. The aim of the campaign is to encourage companies to be more ambitious and to take concrete steps in favor of nature and biodiversity.

### ACTIONS AND RESULTS IN 2023

- 190 institutional investors representing USD 23'600 billion in assets under management are supporting this campaign.
- Ethos has been chosen as lead investor for 3 companies: Nestlé, Novartis and Roche Holdings.
- Engagement activities will not begin until 2024.

## 6. Social

The management of human resources and working conditions is a key element of a company's sustainability strategy. Companies are expected to put in place a transparent policy that confirms that these issues are identified and managed in an exemplary manner.

This includes ensuring that these policies are also applied to employees of supply chain companies, often located in emerging economies. This requires companies to establish a clear strategy for dealing with these issues, including the establishment of a specific code of conduct for their suppliers. To ensure that these measures are implemented, companies should conduct regular audits of their suppliers. The objectives of the dialogue can be described as follows:

- Transparent policy on workers' rights.
- Publication of human resources indicators (accidents, fatalities, turnover, diversity, satisfaction, etc.) satisfaction, etc.).
- Publication of a code of conduct for suppliers.
- Establishment of a due diligence process, particularly about human rights issues.
- Introduction of a living wage in supply chains.

## 6.1 LABOUR RIGHTS IN TEXTILE SUPPLY CHAINS

### CONTEXT AND OBJECTIVES

Following the Rana Plaza accident in Bangladesh, the EEP International encouraged companies to support and expand the "Accord on Fire and Building Safety in Bangladesh" (the Accord) by launching a direct engagement campaign on the subject. Since then, this engagement has grown to address a range of issues related to workers' rights and supply chain sustainability in the textile industry. In 2020, the campaign focused on companies' response to the COVID-19 pandemic. In 2021, the increase in publications on alleged forced labour in the Xinjiang Uyghur autonomous region attracted attention. Finally, in 2023, companies were invited to join the pilot project for insurance against accidents at work in the Bangladeshi textile industry. Under this scheme, the brands undertake to pay monthly compensation to those permanently unable to work and to the families of deceased workers.

The companies involved are : Adidas, Associated British Foods (Primark), H&M, Hugo Boss, Marks & Spencer, Next and Puma.

### ACTIONS AND RESULTS IN 2023

- The pilot project was initiated by H&M and Primark. During the year, only Puma joined the project.
- Next and Marks & Spencer have not responded despite several email reminders.
- Hugo Boss has stressed that it would be interested in the pilot project if it were incorporated into the International Agreement.
- Adidas does not plan to support the pilot project due to the low volume of production in Bangladesh but is monitoring the situation closely.
- Inditex does not wish to support the pilot project because it disagrees with the structure.

## 6.2 FORCED LABOUR IN THE SUPPLY CHAINS OF EUROPEAN TECHNOLOGY COMPANIES

### CONTEXT AND OBJECTIVES

In September 2020, the EEP International launched its own direct engagement campaign with the aim of encouraging six European technology companies to adopt effective practices to combat forced labour.

The EEP International plans to run the engagement for at least three years. At the start of the engagement campaign, an introductory letter was sent to the chairmen of the boards of directors of the companies concerned. The letters were also signed by interested members of

Shareholders for Change (SfC). Subsequently, an intensive dialogue was initiated with all the companies.

The companies concerned are : ASML, Ericsson, Hexagon, Infineon Technologies, Nokia und NXP Semiconductors.

### ACTIONS AND RESULTS IN 2023

- A conference call was organised with the six targeted companies.
- Emails were also exchanged, during which examples of good practice were shared.
- Progress was noted with two companies. The engagement ended with three of them, while no progress was noted for Infineon Technologies.

## 6.3 INVESTOR STATEMENT ON CORPORATE ACCOUNTABILITY FOR DIGITAL RIGHTS

### CONTEXT AND OBJECTIVES

In April 2022, the EEP International joined an investor campaign launched in 2015 and coordinated by ICCR and Ranking Digital Rights (RDR) involving social media and telecoms companies on digital rights. The engagement covers 26 companies that are assessed each year by the non-governmental organisation (NGO) RDR on their respect for the right to freedom of expression and protection of privacy. These results are directly taken into account in the engagement with the companies.

### ACTIONS AND RESULTS IN 2023

- Three conference calls were held with Meta Platforms but no reaction from Amazon despite a letter and reminders.
- The RDR celebrated its tenth anniversary and, through its dashboards and sustained engagement, has helped to create a level playing field.
- The RDR will enter a reflective phase in early 2024 to best organise the next cycle of engagement.

## 6.4 KNOWTHECHAIN

## CONTEXT AND OBJECTIVES

In May 2018, the EEP International joined a group of institutional investors supporting the KnowTheChain (KTC) campaign. KTC is a partnership between the NGOs "Humanity United", "Business & Human Rights Resource Centre", "Vérité" and the research company Sustainalytics. The partnership aims to promote transparent and responsible supply chains by comparing the practices of different companies. By identifying best practice in responsible supply chain management, the group hopes that these practices will gradually be adopted by as many companies as possible and that they will manage the risks associated with forced labour in their supply chains. KTC has been conducting assessments since 2016, focusing on the information and communication technology (ICT), food, beverage, and textile sectors. By the end of 2023, 108 institutional investors with assets under management of USD 7'000 are supporting this campaign.

### ACTIONS AND RESULTS IN 2023

- In 2023, Ethos continued its role as lead investor in Puma and Associated British Foods.
- Email exchanges took place with both companies regarding the provisional benchmark results to be published in 2024.
- A conference call was also held with Associated British Foods.
- Ethos participated in an online panel at the benchmark launch event in the food sector.

## 6.5 EXTENSION OF THE "ACCORD ON FIRE AND BUILDING SAFETY IN BANGLADESH"

### CONTEXT AND OBJECTIVES

Following the Rana Plaza tragedy in 2013, textile companies with supply chains in Bangladesh created the Accord on Fire and Building Safety in Bangladesh (the Accord). Local producers, trade unions and textile companies agreed to improve the safety of local factories, including through the creation of works councils and the implementation of independent inspections. Thanks to their engagement, the EEP International and a group of institutional investors succeeded in getting textile companies to sign up to the agreement. In addition, the investors have obtained several extensions of the agreement in Bangladesh. In 2021, the signatories reached a new phase in their partnership by creating the International Agreement for Health and Safety in the Textile and Clothing Industry (International Agreement). This agreement is still legally binding and was taken over by Pakistan in December 2022 due to its success; it once again covers the clothing sector and will be in force for an initial period of three years.

### ACTIONS AND RESULTS IN 2023

- In November 2023, it was announced that the future of the international agreement was assured for the long term. The Agreement will automatically be extended by three years beyond its current duration. It will therefore continue until the end of 2029.
- The Pakistani agreement began in 2023 with the implementation of the national programme and was signed by 88 brands at the end of 2023.

## 6.6 WORKFORCE DISCLOSURE INITIATIVE (WDI)

### CONTEXT AND OBJECTIVES

In April 2018, the EEP International joined a group of international investors supporting the Workforce Disclosure Initiative (WDI) campaign. The aim of the campaign is to improve transparency on how large multinational companies manage their human capital as well as the quality of the jobs they provide both at group level and throughout their supply chain. The WDI is modelled on the CDP and uses existing reporting standards. The data it asks companies to publish concerns the composition of their workforce, employee development and employee involvement. At the end of December 2023, the WDI was supported by 65 institutional investors managing assets of over USD 11'500 billion.

### ACTIONS AND RESULTS IN 2023

- 166 companies took part (out of 1'000 contacted).
- Ethos contacted some of the Swiss companies listed on the Swiss Market Index (SMI). Five of them responded to the questionnaire in 2023.
- Ethos also contacted 10 international companies.

## 6.7 PLATFORM LIVING WAGE FINANCIALS

### CONTEXT AND OBJECTIVES

In January 2022, the EEP International joined an investor campaign on the Living Wage in the textile industry. The engagement is aimed at around 30 companies that are analysed annually by participating institutional investors on their progress in introducing a Living Wage in the supply chain. The EEP International participates in the platform as a supporting entity.

### ACTIONS AND RESULTS IN 2023

- At the end of 2023, the platform was supported by 20 financial institutions with assets under management of USD 6'900.
- Ethos coordinated a statement with other investors calling on Nike to pay unpaid wages and severance pay in two cases in Thailand and Cambodia. The statement generated considerable interest, but Nike did not respond.
- Of the 31 companies analysed, 15 improved their score in the annual assessment.
- One of the reasons for this is that companies are increasingly carrying out studies on the impact of non-payment of living wages and providing evidence of responsible purchasing practices.

## 6.8 ENVIRONMENTAL AND SOCIAL ISSUES IN RARE EARTH SUPPLY CHAINS

### CONTEXT AND OBJECTIVES

Following a study on rare earths carried out by SfC, the EEP International, in collaboration with SfC, sent letters to 12 relevant companies in the automotive, chemicals and energy sectors in June 2020. These companies are active in low-carbon technologies such as renewable energy, energy storage and energy efficiency. Companies are asked to ensure appropriate environmental and social practices in their supply chains, both in terms of the health and safety of workers and the negative consequences of extraction, in particular deforestation, soil erosion, groundwater pollution and toxic mining waste. This engagement has aroused keen interest among the companies concerned and has enabled rapid progress to be made. The engagement to five companies was successfully completed by the end of 2020. The engagement continued with the remaining seven targeted companies in 2021. Ethos is the lead investor in Siemens Gamesa Renewable Energy (SGRE). The first phase of the engagement was successfully concluded in 2021.

### ACTIONS AND RESULTS IN 2023

- A report published by SfC at the end of 2023 gives an overview of the progress made over the four years of the engagement campaign.

- For the targeted companies in the wind energy sector, the campaign has achieved positive results for Siemens-Gamesa and Orsted.
- Progress was made in auditing suppliers beyond level 1 and in Siemens-Gamesa's efforts to recycle rare earths and metals. The company also improved transparency on the results of supplier assessments.
- The campaign was completed this year.

## 6.9 IMPROVEMENT OF THE RESULTS OF THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)

### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by the Investor Alliance for Human Rights (IAHR), sent an investor statement to 50 banks in March 2020 to urge them to close the gaps identified by the NGO BankTrack. The updated statement was signed by 48 institutional investors in August 2023. Despite some isolated positive events since joining the campaign, which show that banks are increasingly applying human rights due diligence obligations, there is still a lot of ground to make up.

### ACTIONS AND RESULTS IN 2023

- At the end of March, Banktrack published its 2022 annual report.
- The investor statement, published in August, contains five urgent recommendations on how the banking sector can meet its human rights responsibilities.
- The year 2023 marked the 20th anniversary of the Equator Principles. As the banks have not yet set up a complaints mechanism for these rules, BankTrack has created an online mechanism specifically for this purpose.

## 6.10 IMPROVING PERFORMANCE ON THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)

### CONTEXT AND OBJECTIVES

In 2021, the EEP International and a group of institutional investors sent letters to companies that have been identified as laggards for failing to manage human rights risks and implement due diligence in their supply chains. The letters ask companies to demonstrate their commitment to human rights by publishing information about their human rights systems and processes. The campaign is coordinated by the IAHR and the World

Benchmarking Alliance (WBA). Ethos has been responsible for the dialogue with Infineon Technologies since 2021.

#### ACTIONS AND RESULTS IN 2023

- Publication of the campaign progress report for the period 2022 - June 2023.
- In November, the WBA launched its new benchmark for the raw materials and clothing sector.
- In a conference call with Infineon in August, the company expressed doubts about further interaction with the benchmark. However, Infineon Technologies has given assurances that it will participate in the Workforce Disclosure Initiative 2023

### 6.11 INVESTOR ENGAGEMENT GROUP - XINJIANG UYGHUR AUTONOMOUS REGION

#### CONTEXT AND OBJECTIVES

In December 2020, the EEP International joined a group of international investors addressing human rights abuses against Uyghurs in Xinjiang. As part of this campaign, letters were sent to over 40 companies in the first quarter of 2021 asking them to examine the risks associated with forced labour in China's Xinjiang Uyghur Autonomous Region. The "Uyghurs for Sale" report published in March 2020 by the Australian Strategic Policy Institute (ASPI) and the reports by the Helena-Kennedy Center at Sheffield Hallam University are an important source of information. They confirm the widespread use of forced labour and identify the companies and sectors exposed to the risks of these widespread human rights violations. The campaign is coordinated by ICCR and Rathbones Investment Management. Within the investor group, Ethos has taken the lead in direct dialogue with Puma and Marks & Spencer.

#### ACTIONS AND RESULTS IN 2023

- Following the publication of new reports, the engagement was extended to the automotive sector, for which Ethos was appointed lead investor with BMW.
- Despite several recalls, Marks & Spencer did not wish to continue the dialogue this year.
- Puma responded in detail and was one of the first companies to partner with a laboratory to independently verify the origin of the cotton.

### 6.12 LETTERS TO ENCOURAGE UK COMPANIES TO REPORT AS REQUIRED BY THE MODERN SLAVERY ACT

#### CONTEXT AND OBJECTIVES

In March 2022, the EEP International and a group of institutional investors, coordinated by Rathbones Investment Management, sent letters to companies listed on the FTSE 350 index that were not complying with Section 54 of the UK Modern Slavery Act. Under Section 54, a company's statement on due diligence and measures against modern slavery and human trafficking must be publicly available. The statement must also be approved by the board of directors and updated annually. At the beginning of each year, the companies in the FTSE 350 that do not comply with this law are analysed.

#### ACTIONS AND RESULTS IN 2023

- This year, 27 of the 29 targeted companies published a report in compliance with the Modern Slavery Act.
- Conference calls were held with 19 companies.

### 6.13 INVESTOR INITIATIVE FOR RESPONSIBLE CARE

#### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors launched an investor declaration in April 2021 to improve working standards and quality of care in care homes. UNI Global Union is coordinating the campaign, which has been signed by 133 institutional investors representing USD 3'800 billion in assets under management.

#### ACTIONS AND RESULTS IN 2023

- Engagement targeting more than 50 publicly traded nursing home companies.
- Support for an investor statement on minimum staffing standards for nursing homes in the US.

### 6.14 INVESTOR STATEMENT ON FACIAL RECOGNITION TECHNOLOGY

#### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by Candriam, sent an investor statement on responsible facial recognition technology to more than 25 companies in November 2021. The state-



ment calls on companies to identify and reduce human rights risks associated with their products. Alongside 20 other investors, the EEP International has joined the working group on dialogue with companies and has been chosen to lead the dialogue with NXP Semiconductors. The campaign is supported by 55 institutional investors with USD 5'000 billion in assets under management. The interim report published in October 2022 contains examples of good practice from the first phase of engagement.

### ACTIONS AND RESULTS IN 2023

- In January, the second phase of engagement began, during which examples of good practice from the first phase and expectations were shared with companies.
- Ethos continued the dialogue with NXP Semiconductors, although the chipmaker did not feel concerned about human rights due diligence in the end use of its products.
- The engagement will be merged with another campaign in 2024 to generate more impact.

## 6.15 INVESTOR LETTER TO TACKLE CONFLICT MINERALS IN THE SEMICONDUCTOR SUPPLY CHAIN

### CONTEXT AND OBJECTIVES

In November 2021, the EEP International and a group of institutional investors, coordinated by "Steward Investors", sent letters to more than 25 companies active in information and communication technologies. The letters ask companies to introduce and extend good practice in responsible mineral sourcing in the semiconductor supply chain. In particular, all companies have been asked to improve traceability. The campaign is supported by 160 investors with assets under management totaling USD 6'590 billion.

### ACTIONS AND RESULTS IN 2023

- Establish close relations with the Responsible Minerals Initiative (RMI).
- Establish trusted relationships with leading US electronics companies who are also members of the RMI Steering Committee.

## 6.16 INVESTOR ENGAGEMENT ON PAID SICK LEAVE AT US COMPANIES

### CONTEXT AND OBJECTIVES

In January 2022, the EEP International and a group of institutional investors launched an engagement campaign with US companies to ask them to be more transparent about their paid sick leave policies. The campaign is coordinated by ICCR and supported by 150 institutional investors with assets under management of USD 3'600 billion. In 2022, letters were sent to 40 companies along with shareholder resolutions calling for greater transparency of paid sick leave policies.

### ACTIONS AND RESULTS IN 2023

- Seven shareholder resolutions were tabled, two of which were withdrawn following an improvement in the situation.
- In the case of Norfolk Southern, the shareholder resolution was withdrawn after the company reached an agreement with the unions, granting four new days of paid sick leave per year and offering the flexibility to use up to three additional days of existing paid leave as sick leave.
- Another rail company, Union Pacific, also reached an agreement to grant paid sick leave to its 5'600 train drivers.

## 6.17 DIGITAL INCLUSION COLLABORATIVE ENGAGEMENT

### CONTEXT AND OBJECTIVES

In August 2022, the EEP International and a group of institutional investors sent an investor statement to companies in the digital technology sector, urging them to make a public commitment to the ethical use of artificial intelligence. The WBA is coordinating this campaign supported by 34 investors representing USD 6'900 billion in assets under management and targeting more than 150 companies. Ethos has been chosen as lead investor for two Swiss companies: Swisscom and Logitech.

### ACTIONS AND RESULTS IN 2023

- Following a constructive dialogue, Swisscom published principles for the ethical use of artificial intelligence at the beginning of the year.
- In 2024, the campaign will focus on the implementation of these principles and their impact on human rights.

## 6.18 ADVANCE – INVESTOR INITIATIVE FOR HUMAN RIGHTS AND SOCIAL ISSUES



### CONTEXT AND OBJECTIVES

The EEP International and a group of institutional investors, coordinated by PRI, joined the Advance Investors initiative for human rights and social concerns in June 2022. This five-year collaborative engagement campaign was officially launched on 1 December 2022 and calls on 40 companies in the metals and mining and renewable energy sectors to promote human rights and implement the UN Guiding Principles on Business and Human Rights. The campaign is supported by 220 institutional investors with USD 30'000 billion in assets under management.

### ACTIONS AND RESULTS IN 2023

- Ethos conducted a total of four conference calls with ENGIE and E.On, for which Ethos acted as co-leader.
- Several discussions were held with various stakeholders in order to gain a comprehensive view of the human rights issues facing the two companies.

## 6.19 INVESTOR LETTER FOR EU CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE

### CONTEXT AND OBJECTIVES

In November 2022, the EEP International and a group of institutional investors issued a statement in support of an ambitious and effective European Corporate Sustainability Due Diligence Directive. The statement contains five key recommendations aimed at making the directive ambitious and consistent with the European Union's sustainable development objectives as well as international standards such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The statement is coordinated by PRI, Eurosif and IAHR.

### ACTIONS AND RESULTS IN 2023

- After the Council agreed on a general approach to the CSDD, negotiations continued intensively in 2023.
- Finally, in December, the Council and Parliament reached agreement on the Directive on corporate duty of care.
- The duty of care extends to the entire chain of a company's activities and concerns its upstream commercial partners as well as, in part, downstream activities (distribution or recycling).

- Financial services are temporarily excluded from the scope of the directive. However, there is a review clause for the possible future inclusion of the downstream financial sector.
- This campaign was closed this year.

## 6.20 INVESTOR STATEMENT FOR A MEANINGFUL EU ARTIFICIAL INTELLIGENCE ACT

### CONTEXT AND OBJECTIVES

In February 2023, the EEP International joined a group of institutional investors coordinated by IAHR to send a letter to the European Commission in which the signatories called for meaningful legislation on artificial intelligence (AI). This law aims to establish requirements for artificial intelligence based on its potential risks and impacts.

### ACTIONS AND RESULTS IN 2023

- The law classifies AI models into three categories according to risk: low, limited and high.
- High-risk AI models must meet stringent requirements, such as mandatory studies on the impact on fundamental rights, and maximum transparency in the training and use of these models.
- The law also mentions unacceptable uses of AI that are totally banned in Europe, such as social credit scoring.
- The bill will undergo a technical review before being put to the vote.
- The campaign was closed this year.

## 6.21 BIG TECH AND HUMAN RIGHTS INVESTOR COLLABORATION

### CONTEXT AND OBJECTIVES

In February 2023, the EEP International and a group of institutional investors, coordinated by the Ethical Council of Sweden, launched an engagement campaign with technology companies to encourage them to mitigate human rights and social risks and impacts in their operations.

The campaign, which will run for three years, is based on the investor expectations published by the Swedish National Pension Fund Ethics Board, the United Nations

Guiding Principles on Business and Human Rights, lessons learned from the RDR assessment and relevant standards from the Sustainability Accounting Standards Board (SASB). The campaign engages with seven selected leading technology companies. The campaign is supported by around thirty institutional investors with USD 6'400 billion in assets under management.

#### ACTIONS AND RESULTS IN 2023

- Ethos has a role of supporter of five companies: Alphabet, Amazon, Apple, Meta and Microsoft.
- Letters or emails were sent to the companies outlining the objectives of the engagement.
- Several exchanges took place with four of the seven companies.

### 6.22 TECH AND MENTAL HEALTH INVESTOR ENGAGEMENT

#### CONTEXT AND OBJECTIVES

In March 2023, the EEP International joined a group of institutional investors launching an engagement campaign with technology companies to encourage them to reduce the potential negative impacts of their technologies. The campaign is coordinated by Sycomore Asset Management and AXA Investment Managers.

#### ACTIONS AND RESULTS IN 2023

- The investor statement was published in June. It was signed by 27 institutional investors with assets under management of USD 2'117 billion.
- Of the 15 companies targeted, six conference calls were organised.

### 6.23 INVESTOR STATEMENT ON BUSINESS ACTIVITIES AND HUMAN RIGHTS IN IRAN

#### CONTEXT AND OBJECTIVES

In March 2023, the EEP International joined a campaign coordinated by the Regroupement pour la Responsabilité Sociale (RRSE), Aequo and the IAHR to issue an investor statement calling on companies to support human rights in Iran.

#### ACTIONS AND RESULTS IN 2023

- Participation in a conference in June with international investors and human rights organisations, which led to the creation of a cross-sector working group.
- The campaign was closed this year.

### 6.24 SUPPORT LETTER FOR A BAN OF NON-COMPETITION CLAUSES IN THE US

#### CONTEXT AND OBJECTIVES

In April 2023, the EEP International joined a group of institutional investors coordinated by Zevin Asset Management and ICCR. They sent a letter to the US Federal Trade Commission (FTC) in support of its proposal to abolish non-compete clauses in employment contracts. Non-competition clauses are considered to be economically inefficient labour policies because they constitute an obstacle to professional mobility and salary negotiations.

#### ACTIONS AND RESULTS IN 2023

- The investor statement was signed by 145 institutional investors with USD 403 billion in assets under management.
- Introduction in the Senate of the Workforce Mobility Act prohibiting the use of non-competition clauses (except in certain circumstances).

### 6.25 IMPORTANCE OF SOCIAL STANDARDS WITH THE INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB)

#### CONTEXT AND OBJECTIVES

In August 2023, the EEP International joined a campaign coordinated by ShareAction to ask the International Sustainability Standards Board (ISSB) to prioritise human rights and human capital in its next work plan and to address these areas together. The campaign is supported by 27 institutional investors with USD 1'000 billion in assets under management.

#### ACTIONS AND RESULTS IN 2023

- Publication of the letter to the ISSB at the end of August.
- Personal meeting with the person responsible for the campaign at ShareAction.
- The detailed work plan will be published in early 2024.

## 6.26 INVESTOR SUPPORT FOR A LIVING WAGE FOR US WORKERS

### CONTEXT AND OBJECTIVES

In November 2023, the EEP International joined a campaign coordinated by ICCR, which issued an investor statement calling on US companies to take steps to pay temporary and permanent workers a living wage in line with international human rights standards.

### ACTIONS AND RESULTS IN 2023

- Publication of the investor statement in November, supported by 135 institutional investors with USD 4'500 billion in assets under management.

# 7. Corporate governance

Corporate governance is a major topic in the implementation of corporate sustainability strategies as it is the central instrument for managing the ethical, environmental, and social risks that a company faces. The objectives of the engagement around this topic cover:

- **The composition and functioning of the board of directors:** Companies should ensure that there is a balance of skills on the board, that there is sufficient independence, that there is sufficient diversity and that the board is regularly renewed.
- **Management remuneration policies:** The dialogue aims at improvements in the transparency of these remuneration policies as well as the introduction of environmental and social performance criteria.
- **Tax responsibility:** Companies should develop a responsible tax strategy by committing to pay taxes in the countries where they operate and make profits.
- **Digital responsibility:** Companies must, among other things, respect the highest standards of data processing and protection, implement ethical principles for the use of artificial intelligence and ensure a fair and responsible social transition.
- **Shareholder rights:** protection of shareholder rights, such as the right to participate in the general meeting and the right to table a shareholder resolution.

## 7.1 LETTER TO ASSET MANAGERS TO ENCOURAGE VOTING AT AGM

### CONTEXT AND OBJECTIVES

Each year, a few weeks before the annual general meeting season, Ethos encourages the EEP International members to contact their asset managers to exercise the voting rights of the shares in their portfolio. Ethos is preparing a model letter that the EEP International members can send directly to their asset managers asking them to support certain shareholder resolutions. The letter also asks asset managers for more details on how voting rights are exercised.

### ACTIONS AND RESULTS IN 2023

- Main themes of resolutions supported:
  - Alignment with the Paris Agreement
  - Setting carbon neutrality targets
  - Publication of climate lobbying activities
  - Bank financing policies for fossil fuels
  - Plastic pollution
  - Right to paid sick leave

## 7.2 TAX RESPONSIBILITY AT US COMPANIES

### CONTEXT AND OBJECTIVES

In November 2019, the EEP International launched its own direct engagement campaign to encourage selected US technology and restaurant companies to adopt responsible tax practices. As part of this engagement campaign, five requests were made:

- Responsibility for tax strategy lies with the Board of Directors;
- The principles of tax responsibility are integrated into a specific policy that is accessible to the public;
- The company pays tax where the economic value is generated;
- Intra-group transactions are carried out under market conditions;
- The company publishes the amount of tax paid, country by country.

At the start of the engagement campaign, an introductory letter was sent to the Chairmen of the Boards of Directors of the respective companies. These letters were also signed by members of the SfC network. Since the start of the engagement campaign, dialogue has been established with all companies and the expectations of the EEP International and the views of companies have

been discussed. Unfortunately, the targeted companies' awareness of the need for greater transparency in their tax practices is slow.

### ACTIONS AND RESULTS IN 2023

- Continued dialogue with all targeted companies to reaffirm the importance of our demands.
- The targeted companies are ready for an exchange (in writing only), but show little motivation to substantially improve their transparency in terms of tax practices.
- As a further step, Ethos, the EEP International and a group of more than ten institutional investors sent a letter to Amazon's Chairman in November asking him to implement better practices in terms of fiscal responsibility.
- The legal provisions put forward by the OECD in recent years stipulate that large multinational companies must draw up a country-by-country tax report containing aggregated data on the worldwide distribution of income, profits, taxes paid and economic activities (country-by-country (CbC) report). This CbC report must be made available to the tax administrations of the countries concerned so that they can use it for tax purposes. This means that this information is readily available, at least internally, which should correspond to the objectives of the medium-term engagement campaign.

## 7.3 INVESTOR STATEMENT FOR CORPORATE GOVERNANCE REFORM IN JAPAN

### CONTEXT AND OBJECTIVES

In April 2023, the EEP International participated in an engagement campaign organised by Dalton Investment with Japanese regulators to urge them to put in place a legislative framework to facilitate board independence and diversity by 2030. The targets are to have at least 50% independent directors and to actively encourage the promotion of more diverse boards.

This collaborative engagement campaign has been supported by 110 institutional investors representing CHF 780 billion in assets under management.

### ACTIONS AND RESULTS IN 2023

- The investor statement was sent to the Ministry of Economy, Trade and Industry (METI), the Japan Exchange Group and the Commissioner of the Financial Services Agency of Japan.

- Physical meetings were held with METI and the Japan Exchange Group, as well as with all Dalton investment portfolio companies.
- The 2023 AGM season was very encouraging in terms of positive announcements on corporate governance in Japan.
- This campaign closed this year.

## 7.4 GLOBAL ADOPTION OF THE ISSB SUSTAINABILITY REPORTING STANDARDS S1 AND S2

### CONTEXT AND OBJECTIVES

In October 2023, the EEP International joined a campaign calling on authorities around the world to adopt the ISSB S1 and S2 sustainability reporting standards globally within an ambitious timetable by 2025. The campaign is coordinated by the London Stock Exchange Group (LSEG), the Principles for Responsible Investment (PRI) and the Sustainable Stock Exchanges (SSE).

### ACTIONS AND RESULTS IN 2023

- The investor statement will be published in May 2024, at the annual conference of the International Organisation of Securities Commissions (IOSCO).

# 8. Breaches of international norms

For institutional investors, violations of international standards by companies in their portfolios represent both a reputational and an investment risk. This is why Ethos is conducting an engagement campaign against violations of international standards that targets companies that commit serious and/or systemic violations of international minimum standards of good conduct in the areas of human and labour rights, the environment and anti-corruption. The ten principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises serve as the normative basis. The selection of companies is based on the existing Ethos process for identifying controversies. The objective of the dialogue is defined as follows:

- Elimination and proven remediation of the violation and improvement of the management processes to avoid a new violation.

If the objective is not achieved within a reasonable period, Ethos recommends the exclusion of the company in question from the investment universe.





## 8.1 CAMPAIGN 2022

### CONTEXT AND OBJECTIVES

In September 2022, the EEP International launched a new engagement campaign to urge several companies that have seriously violated international standards or have repeatedly violated them to take action to remedy these violations. Specifically, the following requirements have been defined:

- Removal of the violation.
- Improvement of management processes to avoid further violations.
- Possibly additional company-specific targets.

At the start of this multi-year campaign, the EEP International sent letters of introduction to the chairmen of the boards of directors of the targeted companies: Bayer, Canadian Natural Resources, Carnival, Glencore, Jardine Matheson, JPMorgan Chase, PG&E, Uber and Wells Fargo.

By the end of 2022, direct contact had been established with eight of the nine companies. The dialogue continued intensively in 2023.

### ACTIONS AND RESULTS IN 2023

- While four companies made no progress in their commitments, five made progress.
- In total, eight conference calls were held with seven companies.
- Glencore and Uber were not available for direct dialogue, while two conference calls were arranged with JPMorgan Chase.



# ANNEXES

# Swiss Stewardship Code

<b>PRINCIPLE 1 - GOVERNANCE</b>	Consistent with their fiduciary duty to clients, investors and service providers integrate stewardship into their investment management and/or working models with the objective of creating long-term value for clients and other stakeholders. Board leadership, appropriate oversight as well as regular review of governance practices are essential.
<b>PRINCIPLE 2 - STEWARDSHIP POLICIES</b>	Investors and service providers develop effective stewardship policies which reflect the principles for effective stewardship and are aligned with their goals and values.
<b>PRINCIPLE 3 - VOTING</b>	Investors and service providers commit to active and informed voting with the goal of fostering long-term sustainable value creation. Investors integrate effective voting mechanisms into their investment process.
<b>PRINCIPLE 4 - ENGAGEMENT</b>	Investors and service providers engage in an active dialogue with investee entities with the aim of generating long-term financial and societal value and of reaching positive and long-term sustainable outcomes. Where necessary, investors collaborate with other investors to increase engagement outcomes. Other stakeholders may be a partner in collaborative engagements as they provide know-how, research and in some cases also specific administrative services to asset managers and asset owners. Where possible and relevant, investors should aim at engaging directly or indirectly in an active dialogue with relevant public stakeholders and policymakers on issues that affect sustainable investment.
<b>PRINCIPLE 5 - ESCALATION</b>	Investors and service providers, where necessary, escalate their stewardship activities to encourage investee entities towards generating long-term financial, environmental, and societal value and towards reaching positive and long-term sustainable outcomes.
<b>PRINCIPLE 6 - MONITORING OF INVESTEE ENTITIES</b>	Investors and service providers regularly monitor investee entities to track, assess and review the effectiveness of their stewardship activities.
<b>PRINCIPLE 7 - DELEGATION OF STEWARDSHIP ACTIVITIES</b>	When delegating stewardship activities, investors ensure consistency of the delegated activities with their own investment beliefs, stewardship policy and strategy. They remain responsible and accountable for the effectiveness of the delegated activities.
<b>PRINCIPLE 8 - CONFLICTS OF INTEREST</b>	Investors and service providers manage conflicts of interest in the best interests of their clients. They assess their investment activities and the interests of their clients to detect and suitably handle actual or potential conflicts of interest, disclosing these conflicts along with the measures taken to mitigate them.
<b>PRINCIPLE 9 - TRANSPARENCY AND REPORTING</b>	Investors and service providers disclose and report their stewardship policies and activities to their clients and beneficiaries in a way that demonstrates effective fulfilment of their duties.

# Swiss Stewardship Code

## Reference table (only in French or German)

PRINCIPES DU SWISS STEWARDSHIP CODE	RÉFÉRENCES ETHOS
PRINCIPLE 1 - GOVERNANCE	<a href="#">Charte Ethos</a> <a href="#">Statuts de la Fondation Ethos</a> <a href="#">Statuts de Ethos Services AG</a> <a href="#">Code de conduite Ethos</a> <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (page 8) <a href="#">Rapport de gouvernance et de durabilité</a> (pages 8-26)
PRINCIPLE 2 - STEWARDSHIP POLICIES	<a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (pages 24-28) <a href="#">Politique d’engagement d’Ethos</a>
PRINCIPLE 3 - VOTING	Service séparé pour l’exercice des droits de vote basé sur : <a href="#">Lignes directrices de vote d’Ethos</a> <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (page 24)
PRINCIPLE 4 - ENGAGEMENT	<a href="#">Politique d’engagement d’Ethos</a> (pages 2-3) <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (pages 25-26) Le présent rapport (Chapitre 2. Introduction)
PRINCIPLE 5 - ESCALATION	<a href="#">Politique d’engagement d’Ethos</a> (pages 3-4) <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (page 26) Le présent rapport (Chapitre 2.4 Processus d’engagement)
PRINCIPLE 6 - MONITORING OF INVESTEE ENTITIES	<a href="#">Politique d’engagement d’Ethos</a> (page 2) <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (pages 14-15)
PRINCIPLE 7 - DELEGATION OF STEWARDSHIP ACTIVITIES	Non pertinent
PRINCIPLE 8 - CONFLICTS OF INTEREST	<a href="#">Code de conduite Ethos</a> (pages 3-4) <a href="#">Règlement concernant les conflits d’intérêt et les cadeaux</a> <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (page 8)
PRINCIPLE 9 - TRANSPARENCY AND REPORTING	<a href="#">Politique d’engagement d’Ethos</a> (page 4) <a href="#">Principes d’Ethos pour l’investissement socialement responsable</a> (page 8) Le présent rapport

# The United Nations Global Compact 10 principles

## HUMAN RIGHTS

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

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

## LABOUR

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

Principle 4: Business should support the elimination of all forms of forced and compulsory labour.

Principle 5: Business should support the effective abolition of child labour.

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.

## ENVIRONMENT

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

Principle 8: Business should undertake initiatives to promote greater environmental responsibility.

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

## ANTI-CORRUPTION

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



# Sustainable Development Goals

## SDG 1

End poverty in all its forms everywhere

## SDG 2

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

## SDG 3

Ensure healthy lives and promote well-being for all at all ages

## SDG 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

## SDG 5

Achieve gender equality and empower all women and girls

## SDG 6

Ensure availability and sustainable management of water and sanitation for all

## SDG 7

Ensure access to affordable, reliable, sustainable and modern energy for all

## SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

## SDG 9

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

## SDG 10

Reduce inequality within and among countries

## SDG 11

Make cities and human settlements inclusive, safe, resilient and sustainable

## SDG 12

Ensure sustainable consumption and production patterns

## SDG 13

Take urgent action to combat climate change and its impact

## SDG 14

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

## SDG 15

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

## SDG 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

## SDG 17

Strengthen the means of implementation and revitalize the global partnership for sustainable development

# Glossary

**AI:** Artificial intelligence

**AMAS:** Asset Management Association Switzerland  
(<https://www.am-switzerland.ch/en>)

**ASIP:** Association Suisse des Institutions de Prévoyance  
(<https://www.asip.ch/fr/>)

**ASPI:** Australian Strategic Policy Institute  
(<https://www.aspi.org.au/>)

**CbCR:** Country by Country Reporting

**CDP:** formally known as “Carbon Disclosure Project”  
(<https://www.cdp.net/en>)

**CHRB:** Corporate Human Rights Benchmark  
(<https://www.worldbenchmarkingalliance.org/corporate-human-rights-benchmark/>)

**EFrag:** European Financial Reporting Advisory Group  
(<https://www.efrag.org/>)

**EPA:** US Environmental Protection Agency  
(<https://www.epa.gov/>)

**ESRS :** European Sustainability Reporting Standards  
([https://finance.ec.europa.eu/news/commission-adopts-european-sustainability-reporting-standards-2023-07-31\\_en](https://finance.ec.europa.eu/news/commission-adopts-european-sustainability-reporting-standards-2023-07-31_en))

**FTC:** Federal Trade Commission  
(<https://www.ftc.gov/>)

**GHG Protocol:** Greenhouse Gas Protocol  
(<https://ghgprotocol.org/>)

**GRI:** Global Reporting Initiative  
(<https://www.globalreporting.org/>)

**IAHR:** Investor Alliance for Human Rights  
(<https://investorsforhumanrights.org/>)

**ICCR:** Interfaith Center on Corporate Responsibility  
(<https://www.iccr.org/>)

**IDI:** Investor Decarbonization Initiative  
(<https://shareaction.org/investor-initiatives/investor-decarbonisation-initiative>)

**IIGCC:** Institutional Investors Group on Climate Change  
(<https://www.iigcc.org/>)

**IIPWG:** Investors & Indigenous Peoples Working Group  
(<https://www.colorado.edu/program/fpw/investors-indigenous-peoples-working-group>)

**IPDD:** Investor Policy Dialogue on Deforestation  
(<https://www.tropicalforestalliance.org/en/collective-action-agenda/finance/investors-policy-dialogue-on-deforestation-ipdd-initiative/>)

**ISSB:** International Sustainability Standards Board  
(<https://www.ifrs.org/groups/international-sustainability-standards-board/>)

**KTC:** KnowTheChain  
(<https://knowthechain.org/>)

**LAPFF:** Local Authority Pension Fund Forum  
(<https://lapfforum.org/>)

**LSEG:** London Stock Exchange Group  
(<https://www.lseg.com/en>)

**METI:** Ministry of Economy, Trade and Industry  
(<https://www.meti.go.jp/english/>)

**MSCI:** Morgan Stanley Capital International  
(<https://www.msci.com/>)

**NGO:** Non-governmental organization

**OICV:** Organisation internationale des commissions de valeurs  
(<https://www.iosco.org/>)

**PRI:** Principles for Responsible Investment  
(<https://www.unpri.org/>)

**RDR:** Ranking Digital Rights  
(<https://rankingdigitalrights.org/>)

**RMI:** Responsible Minerals Initiative  
(<https://www.responsiblemineralsinitiative.org/>)

**RRSE :** Regroupement pour la responsabilité sociale  
(<https://www.rrse.org/>)

**SASB:** Sustainability Accounting Standards Board  
(<https://sasb.org/>)

**SBTi:** Science Based Targets Initiative  
(<https://sciencebasedtargets.org/>)

**SDGs:** Sustainable Development goals

(<https://sdgs.un.org/goals>)

**SEC:** US Securities and Exchange Commission

(<https://www.sec.gov/>)

**SfC:** Shareholders for Change

(<https://www.shareholdersforchange.eu/>)

**SGI:** Seventh Generation Interfaith Coalition for Responsible Investment

(<https://seventhgenerationinterfaith.org/>)

**SMI:** Swiss Market Index

(<https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/indices/equity-indices/smi.html>)

**SSE:** Sustainable Stock Exchanges

(<https://sseinitiative.org/>)

**SSF:** Swiss Sustainable Finance

(<https://www.sustainablefinance.ch/>)

**TCFD:** Task Force on Climate-Related Financial Disclosure)

(<https://www.fsb-tcf.org/>)

**TIC:** Technologies de l'Information et de la Communication

**UNGC:** United Nations Global Compact

(<https://unglobalcompact.org/>)

**WBA:** World Benchmarking Alliance

(<https://www.worldbenchmarkingalliance.org/>)

**WDI:** Workforce Disclosure Initiative

(<https://shareaction.org/investor-initiatives/workforce-disclosure-initiative>)

**WEF:** World Economic Forum (Forum Economique Mondial)

(<https://www.weforum.org/>)



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