

Ethos Human Rights Statement

1. INTRODUCTION

Ethos, Swiss Foundation for Sustainable Development (hereafter “Ethos”) is a Swiss based foundation founded in 1997. It is composed of over 200 Swiss pension funds and public utility institutions. Ethos mission as outlined in its charter is to promote socially responsible investment and a stable and prosperous socio-economic environment that safeguards the interests of civil society today and in the future.

Ethos is a pioneer in socially responsible investments (SRI) and provides advisory services in this field. It offers four main services: various SRI-funds and SRI-indices; proxy voting advice; shareholder engagement programs; and ESG-analysis and ratings.

Ethos Services employs over 30 people in its offices located in Geneva and Zurich. Ethos is a B-Corp certified company attesting its positive social and environmental impact on society. Ethos is a member, among others, of the Principles for Responsible Investment (PRI) since 2006, the United Nations Global Compact (UNGC) since 2016 and the Swiss Association of Pension Funds (ASIP).

The statement applies to all the entities tied to Ethos Foundation via the use of the brand « Ethos ». These are Ethos Foundation and the company Ethos Services. For the purpose of simplicity, when the statement mentions « Ethos », this concerns all the above-mentioned entities.



Rudolf Rechtsteiner
Chairman
Ethos Foundation Board



Beth Krasna
Chairwoman
Board of Directors Ethos Services



Vincent Kaufmann
CEO
Ethos Foundation
Ethos Services

This statement was approved on 1st December 2022 by:

- Ethos' Foundation Board
- The Board of Directors of Ethos Services

2. OUR COMMITMENT

Ethos fully supports the 'Protect, Respect and Remedy' framework of the United Nations Guiding Principles on Business and Human Rights. The framework makes clear that states have the responsibility to protect Human Rights, while companies have the duty to respect Human Rights.

Ethos is committed to respecting Human Rights throughout its activities, operations, and business relationships. We commit to implementing robust Human Rights due diligence

relevant to our business activities, including assessing potential and actual human rights impacts.

Ethos's CEO is accountable for the implementation of the human rights statement and will periodically report to Ethos' supervisory bodies on progress. The supervisory bodies are mandated with oversight of this policy.

This Human Rights Statement sets out the principles for how we aim to respect human rights in our relations with our employees, suppliers and business partners, as well as with the companies we invest in.

3. APPLICATION OF NATIONAL AND INTERNATIONAL STANDARDS

Ethos applies all relevant laws and regulatory requirements. Moreover, we are guided by national and international standards in our actions and decision-making. We adhere to the:

- International Bill of Human Rights
- Universal Declaration of Human Rights
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Eight fundamental Conventions of the International Labour Organization
- United Nations Global Compact
- United Nations Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises

4. HUMAN RIGHTS IMPACTS AND RELATED EXPECTATIONS

Employees

Ethos is committed to respecting and promoting diversity, equality, and human rights across its workforce. We are an inclusive employer and strive to create an environment where all our people can succeed and feel safe. The relations with our employees are based on trust and mutual respect and we take a stance to bullying and harassment.

We want to attract, retain, and develop the most suitable candidates, irrespective of their nationality, ethnicity or cultural background, gender, sexual orientation, disability, religion, or age. Ethos provides to all employees the same level of social welfare and pension plan, regardless of their employment rate.

Ethos' employees renew their pledge to adhere to [Ethos' Code of Conduct](#) and disclose potential conflicts of interests on an annual basis.

Suppliers and business partners

Ethos is committed to the highest ethical standards in all its business activities, and we expect our business partners and suppliers to uphold the same values and observe the highest standards of professional integrity. We take environmental and social aspects into consideration when making procurement decisions and selecting service providers. We expect our contractors to ensure that their suppliers and subcontractors comply with these considerations and to engage and question them on these matters. If we have a concern or have identified a breach of these requirements, we work with the business partner to solve

the issue, based on an action plan that includes an escalation mechanism and we reserve the right to terminate the business relationship upon unsuccessful engagement.

Responsible Investing

Ethos applies a standard for all its investment solutions (funds and indices); the [Ethos' SRI principles](#). This document clearly states that Ethos will not invest in companies involved in severe violations of human rights.

Ethos aims to invest in corporations that contribute actively to sustainable development. We systematically assess and integrate ESG factors across our investment universe, with human rights being a focus area. Exclusion criteria are applied to all portfolios and controversies related to human rights violations are continually monitored and updated if required. To do so, Ethos uses external service providers (as sources of information but always conducts its own and independent assessment based on its values, professional judgment, and key documents (such as Ethos' SRI principles). The level of controversy of each potential breach of international norms is determined by Ethos' ESG analyst and validated monthly by a committee consisting of the CEO, the Head of ESG Methodology and Quality, the Head Proxy Voting & Swiss ESG and Engagement as well as the Head of investments and ESG international.

We expect our investee companies to continuously improve the understanding of their actual and potential impacts on human rights, establish systems that actively ensure respect for human rights and take appropriate action to remedy any infringements of human rights.

Active Ownership

We strive to influence and create positive change at our investee companies, namely through active ownership. This includes exercising voting rights at Annual General Meetings and supporting resolutions that reflect our commitment to human rights in line with Ethos' proxy voting guidelines. In line with [Ethos' Engagement Policy](#) we participate in collaborative engagement initiatives and execute a number of direct engagement campaigns where we continuously address human rights issues with our investee companies. In 2022 we have launched a separate engagement campaign exclusively focused on companies in breach with international norms such as the UNGC principles and the OECD guidelines for multinational enterprises. In addition, we engage policymakers and standard-setting bodies to tackle systemic human rights risks.

5. ACCESS TO REMEDY

Ethos strives to create a culture of dialogue where employees and stakeholders voice their concerns without fear of retaliation. Our stakeholders can seek access to remedy for perceived human rights violations. Employees can raise concerns confidentially and anonymously through an independent ombudsperson. Ethos commits to responding promptly and fairly to any grievances received. Clients can contact Ethos by mail, phone, or through their Client Relationship Manager. Specifically related to our investment funds clients can take their concerns to [Ombud Finance Switzerland](#), the external dispute resolution provider to which Ethos is affiliated to address and remediate potential harm.