

ENGAGEMENT POOL
INTERNATIONAL
SUMMARY OF THE 2024 ACTIVITIES

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Corporation

Table of Contents

ENGAGEMENT: AN OVERVIEW	5
1. PREFACE	6
2. INTRODUCTION	7
2.1 COMPANY UNIVERSE	7
2.2 THEMES FOR DIALOGUE	7
2.3 TYPES OF ENGAGEMENT	7
2.4 ENGAGEMENT PROCESS	8
2.5 RESOURCES	8
2.6 NOTICE	8
2.7 EEP INTERNATIONAL MEMBERS AS OF 31.12.2024	9
2.8 LIST OF MEMBERS	10
3. KEY FIGURES 2024	12
3.1 ENGAGEMENT CAMPAIGNS	12
3.2 TARGET COMPANIES	14
3.3 ENGAGEMENT ACTIVITIES	15
3.4 ENGAGEMENT PROCESS	16
FOCUS: DECARBONISATION THROUGH DIALOGUE	16
OVERVIEW OF THE CAMPAIGNS	17
4. CLIMATE CHANGE	19
4.1 CREDIBLE NET ZERO STRATEGIES	19
4.2 BANKING ON A LOW-CARBON FUTURE	19
4.3 INVESTOR DECARBONIZATION INITIATIVE	20
4.4 PARTICIPATION IN CDP	20
4.5 CLIMATE ACTION 100+	20
4.6 AMBITIOUS METHANE EMISSIONS REGULATIONS FOR THE US OIL AND GAS INDUSTRY	21
4.7 LETTER TO THE SEC FOR THE RELEASE OF THE CLIMATE DISCLOSURE RULE	21
4.8 NET ZERO ENGAGEMENT INITIATIVE	21
4.9 SAY ON CLIMATE VOTE AT UK COMPANIES	22
4.10 INVESTOR STATEMENT TO GOVERNMENTS ON THE CLIMATE CRISIS	22
5. BIODIVERSITY	23
5.1 DEFORESTATION ACROSS THE CATTLE AND SOY VALUE CHAINS	23
5.2 FROM PLASTIC POLLUTION TO PLASTIC CIRCULARITY	23
5.3 INVESTOR POLICY DIALOGUE ON DEFORESTATION (IPDD)	24
5.4 VALUING WATER FINANCE INITIATIVE	24

5.5	INVESTOR STATEMENT TO REDUCE PLASTIC PACKAGING AND WASTE	24
5.6	NATURE ACTION 100	24
5.7	SPRING	25
5.8	INVESTOR STATEMENT TO END PLASTIC POLLUTION	25
5.9	INVESTOR STATEMENT FOR PETROCHEMICAL COMPANIES ON PLASTIC	25
5.10	INVESTOR POLICY PLATFORM FOR BIODIVERSITY	25
6.	SOCIAL	27
6.1	LABOUR RIGHTS IN TEXTILE SUPPLY CHAINS	27
6.2	FORCED LABOUR IN THE SUPPLY CHAINS OF EUROPEAN TECHNOLOGY COMPANIES	27
6.3	INVESTOR STATEMENT ON CORPORATE ACCOUNTABILITY FOR DIGITAL RIGHTS	28
6.4	KNOWTHECHAIN	28
6.5	DEVELOPMENT OF THE 'ACCORD' AGREEMENT"	28
6.6	WORKFORCE DISCLOSURE INITIATIVE (WDI)	29
6.7	PLATFORM LIVING WAGE FINANCIALS	29
6.8	INVESTOR SUPPORT FOR BANKTRACK'S HUMAN RIGHTS PRACTICE STANDARD	29
6.9	IMPROVING PERFORMANCE ON THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)	29
6.10	INVESTOR ENGAGEMENT GROUP - XINJIANG UYGHUR AUTONOMOUS REGION	30
6.11	LETTERS TO ENCOURAGE UK COMPANIES TO REPORT AS REQUIRED BY THE MODERN SLAVERY ACT	30
6.12	INVESTOR INITIATIVE FOR RESPONSIBLE CARE	30
6.13	INVESTOR LETTER TO TACKLE CONFLICT MINERALS IN THE SEMICONDUCTOR SUPPLY CHAIN	31
6.14	INVESTOR ENGAGEMENT ON PAID SICK LEAVE AT US COMPANIES	31
6.15	DIGITAL INCLUSION COLLABORATIVE ENGAGEMENT	31
6.16	ADVANCE - INVESTOR INITIATIVE FOR HUMAN RIGHTS AND SOCIAL ISSUES	31
6.17	BIG TECH AND HUMAN RIGHTS INVESTOR COLLABORATION	32
6.18	TECH AND MENTAL HEALTH INVESTOR ENGAGEMENT	32
6.19	SUPPORT LETTER FOR A BAN OF NON-COMPETITION CLAUSES IN THE US	32
6.20	IMPORTANCE OF SOCIAL STANDARDS WITH THE INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB)	32
6.21	INVESTOR SUPPORT FOR A LIVING WAGE FOR US WORKERS	33
6.22	SUPPORT OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE LEGISLATION IN THE UK	33
7.	CORPORATE GOVERNANCE	34
7.1	LETTER TO ASSET MANAGERS TO ENCOURAGE VOTING AT A	34
7.2	TAX RESPONSIBILITY AT US COMPANIES	34
7.3	RESPONSIBLE REMUNERATION	35
7.4	GLOBAL ADOPTION OF THE ISSB SUSTAINABILITY REPORTING STANDARDS S1 AND S2	35
7.5	INVESTOR COALITION FOR EQUAL VOTES	35
7.6	INVESTOR LETTER FOR RESPONSIBLE VIRTUAL AGMS AT CANADIAN COMPANIES	36
7.7	CAMPAIGN AGAINST VIRTUAL-ONLY AGMS IN GERMANY	36

8. BREACHES OF INTERNATIONAL NORMS	37
8.1 CAMPAIGN 2022	37
8.2 CAMPAIGN 2024	37
APPENDICES	39
SWISS STEWARDSHIP CODE	40
SWISS STEWARDSHIP CODE REFERENCE TABLE	41





ENGAGEMENT: AN OVERVIEW

1. Preface

In 2024, listed companies remained highly committed to engaging in constructive dialogue with their shareholders on sustainability issues. The companies' motivation varies, but key drivers often include building trust with shareholders and interest in the perspectives of long-term institutional investors.

Once again, regulatory developments played a significant role this year, particularly the European Corporate Sustainability Due Diligence Directive, which came into force in July 2024. Our discussions with companies have already shown that the directive has had a particularly positive impact on how companies manage their supply chains.

Biodiversity remained a key focus area in 2024. Ethos joined the collaborative engagement campaign «Spring», coordinated by the Principles for Responsible Investment (PRI), which works with companies and policymakers to drive meaningful improvements in nature conservation. The objective is to leverage investor influence to support the global goal of stopping and reversing biodiversity loss by 2030. Another pressing issue is plastic pollution, which represents significant environmental, legal, and reputational risks for institutional investors, with direct and indirect implications for portfolio companies. However, this challenge also presents opportunities, such as new circular economy business models or the development of bioplastics. As a result, Ethos supported several collaborative engagement campaigns on this issue again in 2024.

Climate change remains a crucial topic, which is why the engagement campaign for credible net zero strategies was pursued with increased intensity and additional intensification measures this year. Companies in CO₂-intensive sectors are urged to develop such strategies, which include setting science-based and externally validated reduction targets, ensuring climate expertise at the board level, and linking emission reduction goals to variable executive remuneration.

In the area of human and labour rights, Ethos successfully completed a campaign this year that urged six European technology companies to improve their supply chain management practices to prevent forced labour. These companies demonstrated openness to dialogue and made significant progress over the course of the engagement period. Notably, these companies updated their supplier codes of conduct to provide better protection for workers against forced labour risks associated with recruitment agencies. Such provisions are particularly important, as sectors like information and communications technology (ICT) rely heavily on recruitment agencies to hire migrant workers.

In many cases, workers are required to pay recruitment fees, often depleting their savings and taking out loans, which can trap them in a cycle of forced labour, preventing them from ever repaying their «debts».

In the area of corporate governance, Ethos gained significant momentum this year, launching a campaign aimed at encouraging European companies to adopt responsible remuneration practices. A key focus is executive compensation, particularly the balance between fixed and variable pay. Furthermore, sustainability criteria should be integrated into remuneration models, requiring clearly defined, quantifiable, and ambitious indicators that should undergo external verification. Another important aspect is the measurement and disclosure of pay disparities, particularly the gender pay gap and the ratio between the highest executive compensation and the median salary (CEO Pay Ratio). The objective is to address these disparities through targeted corrective measures. Additionally, in collaboration with Ethos' German partner, we launched a campaign against the practice of virtual-only annual general meetings (AGMs), which is unfortunately becoming standard in Germany, despite being detrimental to shareholder democracy.

This report outlines the developments and progress across the various engagement campaigns.

On behalf of the Ethos Foundation Board, the Board of Directors of Ethos Services SA, and the entire staff, we sincerely thank you for your trust and continued invaluable support. Your commitment enables Ethos to sustain an intensive, high-quality dialogue with listed companies outside Switzerland and drive tangible progress.



Matthias Narr
Head Engagement

2. Introduction

This summary report on the engagement activities conducted in 2024 provides an overview of the key measures and outcomes of the Ethos Foundation's dialogue with companies. The detailed report is available exclusively to members of the EEP International. As company dialogue is fundamentally based on discretion, the full report is not publicly available.

For the sake of clarity, «Ethos» will be used throughout this report when referring to engagement activities.

2.1 COMPANY UNIVERSE

The companies with which Ethos engages are included in the Morgan Stanley Capital International (MSCI) World ex-CH and MSCI World Emerging Markets Top 250 indices. In cases of particular relevance to a specific topic, dialogue may also be initiated with selected companies outside these indices.

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

2.2 THEMES FOR DIALOGUE

The themes for dialogue and the companies selected reflect the interests of a broad group of Swiss pension funds that constitute the EEP International. At the annual meeting of the EEP International in November 2023, members decided to maintain a focus on climate change and biodiversity within the environmental domain, and on human and labour rights within the social domain. In the area of corporate governance, the focus remains on shareholder rights and executive remuneration.

The four focus areas cover a total of 19 engagement themes defined by Ethos. An engagement campaign may address one or more themes. The specific themes as well as the corresponding principles of the UN Global Compact (UNGC) and the relevant UN Sustainable Development Goals (SDGs), are indicated in each campaign presented in the detailed version of the report.

2.3 TYPES OF ENGAGEMENT

To provide the most effective engagement service possible, Ethos uses a variety of shareholder dialogue approaches.

DIRECT ENGAGEMENT WITH COMPANIES

Ethos conducts direct dialogues with carefully selected companies. Direct dialogues can take different forms:

1. Direct dialogue within Ethos' own campaigns where themes, indicators and target companies are directly validated by the members of the EEP International. The selection of companies takes into account market capitalization, exposure to the issue, and the likelihood of achieving successful outcomes.
2. Direct dialogue with one or more companies as part of an international collaborative engagement campaign, where themes, indicators and target companies are validated by the organization coordinating the campaign.

COLLABORATIVE ENGAGEMENT WITH COMPANIES

Collaborative engagement is conducted in collaboration with other institutional investors on sustainability topics of shared interest. These engagements typically take place within international collaborative engagement campaigns, which often involve a large number of investors, thereby enhancing the impact of engagement activities. These campaigns may be either one-off or recurring efforts.

Ethos prepares a dossier for each campaign and manages all administrative aspects of participation. EEP International members support the campaigns on an individual basis. For administrative or strategic reasons, the organization initiating a collaborative engagement campaign may decide to list EEP International as a single entity.

For collaborative engagement campaigns spanning over multiple years, Ethos monitors developments and activities throughout the duration of the engagement.

POLICY ENGAGEMENT

This type of dialogue takes place with various organizations or authorities that have an influence on the regulatory framework for listed companies (such as regulators, parliaments, standard setters). In 2024, engagement took place through joint letters or statements co-signed with other institutional investors.

2.4 ENGAGEMENT PROCESS

Where possible, Ethos defines five milestones to measure the progress of the direct engagement process with companies within its own campaigns:

- **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 credible strategy on the issue.
- **Milestone 5:** the issue is addressed and convincing measures are implemented.

These milestones enable Ethos to systematically track companies' efforts and measure progress over time.

ENGAGEMENT INTENSIFICATION

Direct dialogue with companies is confidential and based on mutual trust. However, if engagement does not yield the expected results or if a company exhibits significant shortcomings, Ethos may escalate its efforts by taking the following measures:

- **Statement at the Annual General Meeting:** this is an effective way to intensify dialogue, as the statement is made publicly before shareholders, as well as before the Board of Directors and executive management. In 2024, Ethos intervened at several AGMs of international companies.
- **Recommendation to vote against the proposals made by the governing bodies.**
- **Recommendation to vote against board members.**
- **Filing of a shareholder resolution:** this allows a specific issue to be placed on the AGM agenda and put to a shareholder vote. In 2024, Ethos submitted a shareholder resolution on Scope 3 CO₂ emissions at the AGM of Yara International and a resolution on climate targets aligned with the Paris Agreement at the AGM of Shell.

- **Initiation of legal action:** in rare and exceptional cases, legal proceedings may be initiated. In 2024, Ethos took legal action against TotalEnergies after the Board of Directors refused to include a submitted shareholder resolution on the AGM agenda.
- **Recommendation for exclusion.**

2.5 RESOURCES

The dialogue with companies outside Switzerland, as well as the coordination of collaborative engagement campaigns, is primarily conducted by the Engagement International team (four members). The dialogue with companies listed in Switzerland is mainly handled by the Proxy Voting team (eleven members). There is close collaboration between the two teams. When Swiss companies are targeted as part of international collaborative engagement campaigns, the dialogues are conducted jointly. All engagement activities are overseen by the Head Engagement.

Additionally, both teams benefit from the support of the Sustainability Research team (seven members), which provides analyses and studies on relevant sustainability topics and specific companies.

The employees involved in shareholder dialogue have extensive experience in the fields of sustainability, proxy voting, and stewardship. The teams are balanced in terms of gender representation and bring diverse educational backgrounds - including economics, environmental sciences, and international relations - ensuring a broad spectrum of perspectives to capture and discuss various aspects. A full list of team members and their roles can be found at www.ethosfund.ch.

2.6 NOTICE

Being a member of the EEP International does not require collaborative decisions or actions regarding the acquisition, holding, disposal, and/or voting of securities. Members act as independent fiduciaries, responsible for their own investment and voting decisions, and independently define their strategies, policies, and practices based on their best interests.

2.7 EEP INTERNATIONAL MEMBERS AS OF 31.12.2024

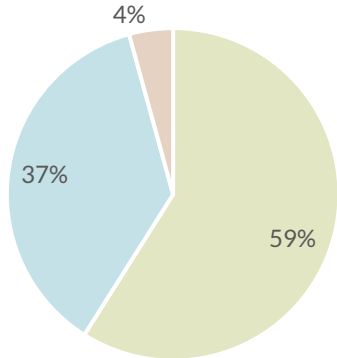
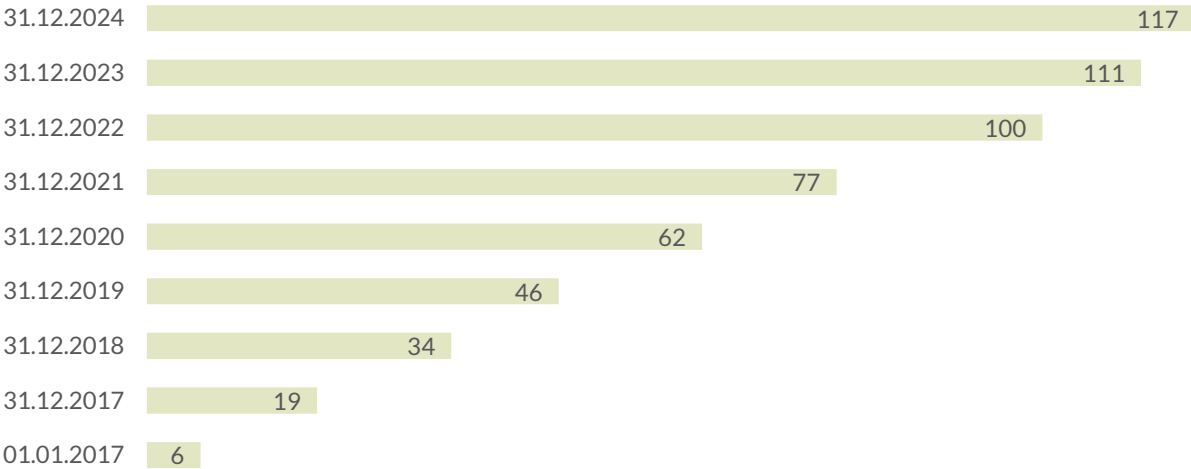
117

Members

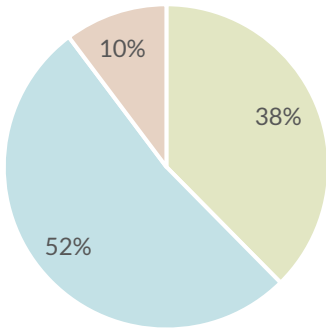
302

CHF billion assets under management

GRAPH 1 : GROWTH SINCE THE LAUNCH OF THE EEP INTERNATIONAL



- German-speaking Switzerland
- French-speaking Switzerland
- Tessin



- Public pension funds
- Private pension funds
- Other institutions

2.8 LIST OF MEMBERS

2.8.1 MEMBERS JOINING THE EEP INTERNATIONAL IN 2024

- Compacta Sammelstiftung BVG
- Fondazione di Previdenza. LPP per il personale della PKB Privatbank AG
- Gebäudeversicherung Basel-Stadt
- Personalvorsorgekasse Obwalden
- Personalvorsorgestiftung der Graubündner Kantonalbank (PVS GKB)
- Valitas Sammelstiftung BVG (Independa)

2.8.2 MEMBERS BEFORE 2024

- 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 de prévoyance Skycare
- 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
- Gestion des Biens Universitaires Vaudois (GBUV)
- Istituto di previdenza del Cantone Ticino
- Kirchliche Pensionskasse Urschweiz-Glarus-Tessin

- Liechtensteinische AHV-IV-FAK
- Loyalis BVG-Sammelstiftung
- Luzerner Pensionskasse
- Nest Sammelstiftung
- NSV Nidwaldner Sachversicherung
- 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 der Generali Versicherungen
- 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 Graubünden
- Pensionskasse Hirslanden
- Pensionskasse Pro Infirmis
- Pensionskasse Römisch-katholische Landeskirche des Kantons Luzern
- Pensionskasse Schaffhausen
- Pensionskasse Somedia
- Pensionskasse SRG SSR
- Pensionskasse der Stadt Biel
- Pensionskasse Stadt Luzern
- Pensionskasse Stadt St. Gallen
- Pensionskasse der Technischen Verbände SIA STV FSAI USIC
- Pensionskasse Unia
- Personalvorsorgekasse der Stadt Bern
- Personalvorsorgestiftung der Accenture Schweiz
- Personalvorsorgestiftung der Ringier Gruppe
- Personalvorsorgestiftung der Würth-Gruppe Schweiz
- Previva, 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
- Vorsorgestiftung der Bourquin SA

3. Key figures 2024

3.1 ENGAGEMENT CAMPAIGNS

51

engagement campaigns during the year

11

of which are new campaigns during the year

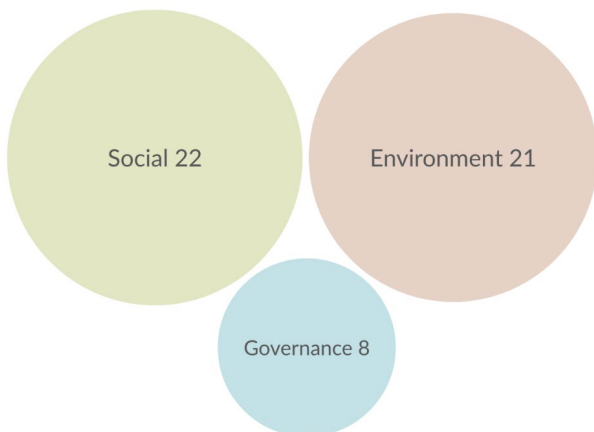
10

of which are direct campaigns during the year

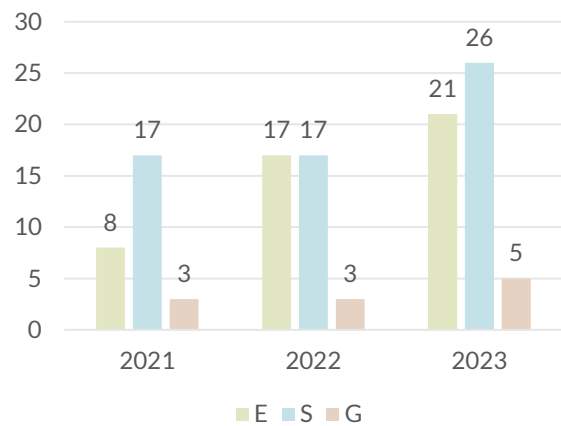
10

of which are policy engagement campaigns

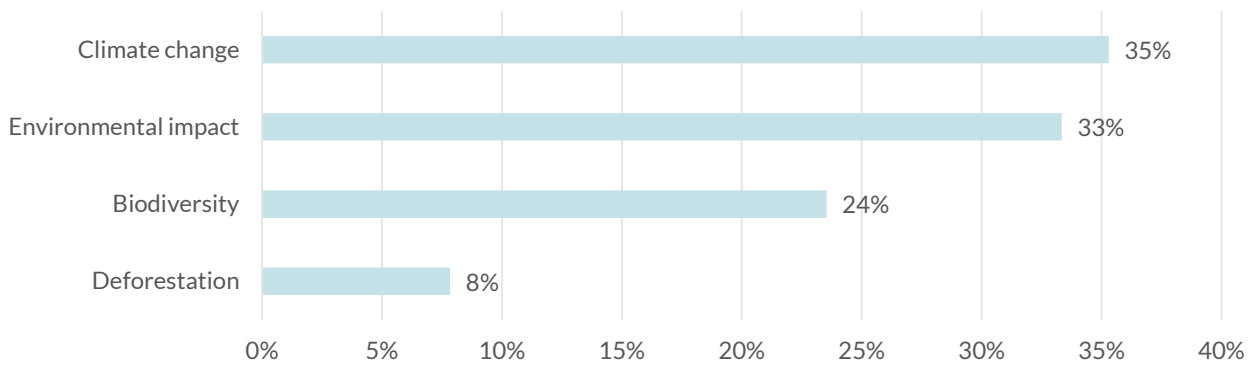
GRAPH 2 : NUMBER OF CAMPAIGNS BY PILLAR



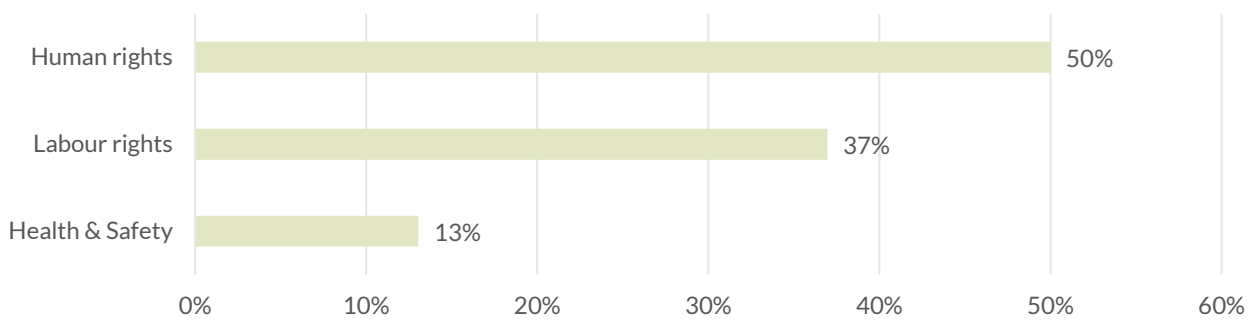
GRAPH 3 : EVOLUTION OF NUMBER OF CAMPAIGNS BY PILLAR



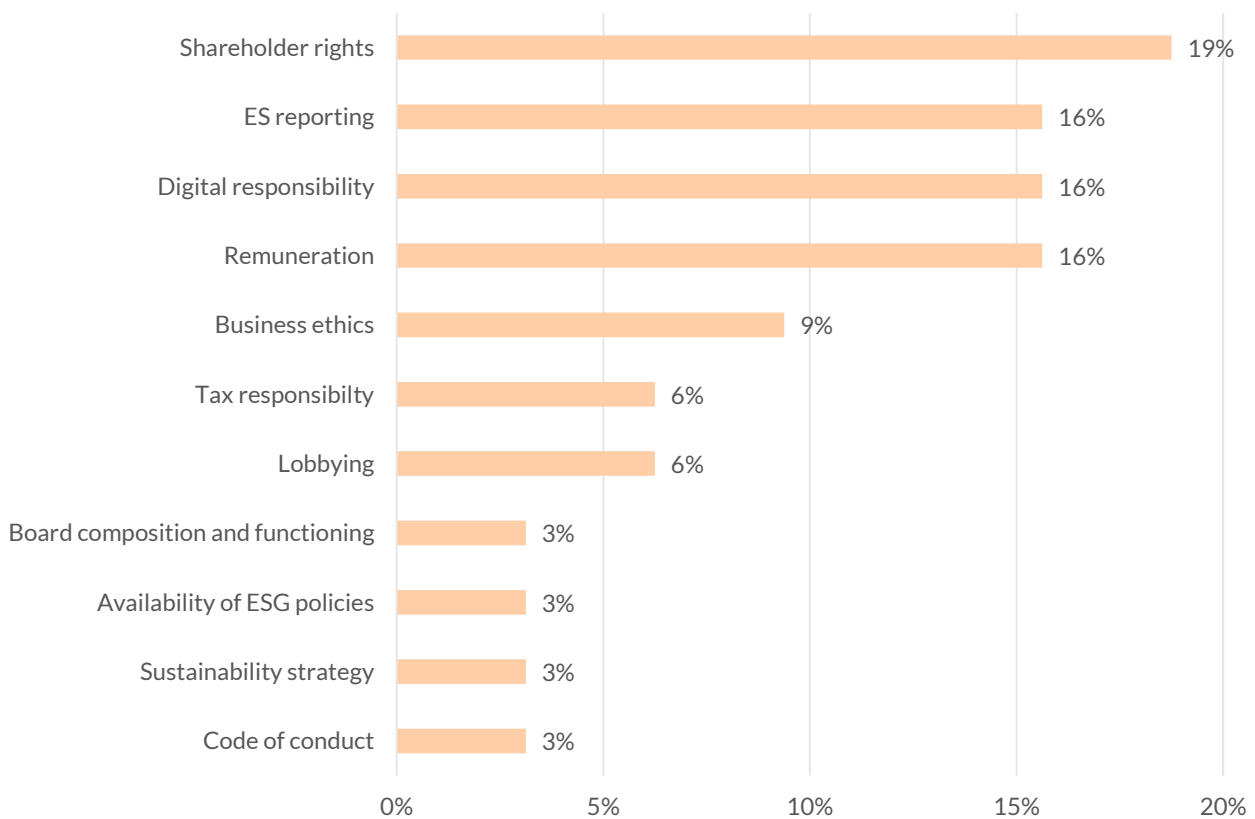
GRAPH 4 : DISTRIBUTION OF “E” ENGAGEMENT THEMES



GRAPH 5 : DISTRIBUTION OF “S” ENGAGEMENT THEMES



GRAPH 6 : DISTRIBUTION OF “G” ENGAGEMENT THEMES



3.2 TARGET COMPANIES

2'368

target companies across engagement campaigns

61

direct dialogues with target companies within Ethos' direct campaigns

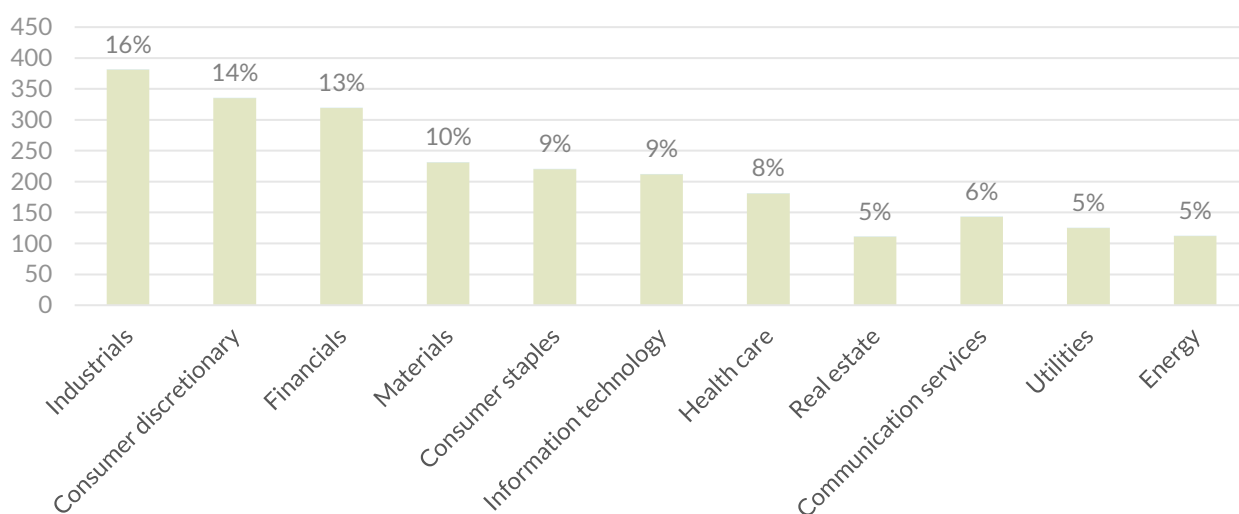
64

direct dialogues with target companies as part of collaborative campaigns

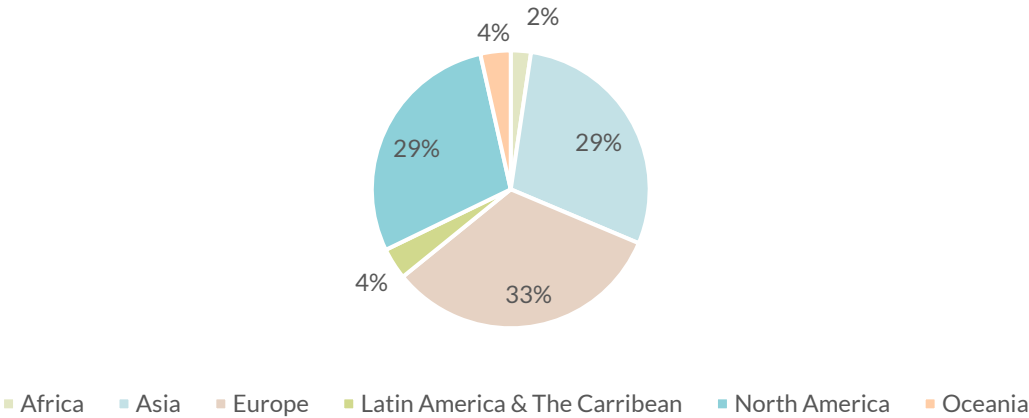
TABLE 1: ENGAGEMENT COVERAGE

NUMBER OF TARGET COMPANIES	2'368
Share of MSCI World (as of 31.12.2024)	67%
Share of MSCI EM (as of 31.12.2024)	41%
Share of MSCI ACWI (as of 31.12.2024)	55%

GRAPH 7 : ENGAGED COMPANIES BY SECTOR



GRAPH 8 : ENGAGED COMPANIES BY REGION



3.3 ENGAGEMENT ACTIVITIES

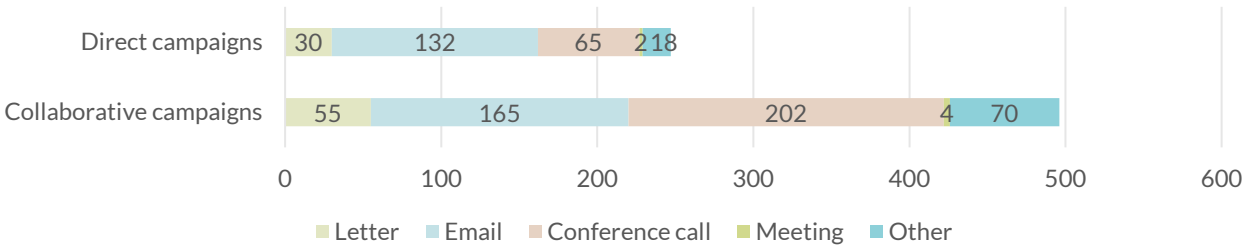
743

engagement activities

247

engagement activities across Ethos' direct engagement campaigns

GRAPH 9 : ACTIVITY TYPE BY NATURE OF CAMPAIGN



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

3.4 ENGAGEMENT PROCESS

NUMBER OF COMPANIES TARGETED BY ETHOS' OWN CAMPAIGNS	61
With a positive evolution	13 (21 %)
With a neutral evolution	46 (75 %)
With a negative evolution	2 (3 %)

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 investment portfolios, its contribution to the decarbonisation of the real economy remains unclear. This section shows how Ethos has achieved concrete improvements in this area through engagement.

In 2024, a total of ten climate-related campaigns were actively conducted within EEP International, targeting 1'731 companies. Through these engagement activities, Ethos covered:

- 82 % of absolute greenhouse gas (GHG) emissions from the MSCI World Index (representing 58 % of the market capitalization of the index).
- 65 % of absolute GHG emissions of the MSCI EM index (representing 51 % of the market capitalization of the index).
- 70 % of absolute GHG emissions of the MSCI ACWI (representing 58 % of the market capitalization of the index).



(All figures refer to Scope 1+2 emissions).




OVERVIEW OF THE CAMPAIGNS

In this chapter, the engagement campaigns are grouped according to the four dialogue focus areas:

- climate change
- biodiversity
- social
- governance

In each focus area, Ethos' direct campaigns () are listed first, followed by collaborative campaigns () and in chronological order of their launch (from the oldest to the most recent).

A distinction is also made between campaigns targeting companies () and policy engagement campaigns ()

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

4. Climate change

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

- **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 of directors and executive 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 referred to as 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 June 2023, Ethos launched a direct engagement campaign urging several companies to implement credible net-zero strategies. This campaign aims to contribute to the decarbonization of CO₂-intensive industries while reducing climate risks for institutional investors. The targeted companies include HSBC, JPMorgan Chase, Glencore, BP, Shell, TotalEnergies, Eni, Fortum, Nvidia, and Honda.

As part of this engagement, Ethos calls on these companies to adopt net-zero strategies (or transition plans) that include the following elements: science-based reduction targets (SBTs), sufficient climate expertise at the board level, linking emission reduction targets to executive variable compensation, shareholder vote on climate strategy (Say on Climate), a concrete action plan to achieve the reduction targets, alignment of investment plans with the 1.5°C scenario, no lobbying, either directly or via industry associations, against progressive climate policies, and climate reporting in accordance with TCFD recommendations.

ACTIONS AND RESULTS IN 2024

- The dialogue was continued with all targeted companies to discuss their strategies and measures, while communicating Ethos' expectations.
- Over the course of the year, 81 engagement activities took place, including 35 email and letter exchanges and 36 conference calls and meetings with relevant companies.
- A shareholder resolution was submitted addressed to Shell, urging the company to align its climate targets with the Paris Agreement, followed by an investor statement supporting the initiative.
- At the AGM of HSBC, an investor statement was issued in support of the bank's Green Finance policies.
- A shareholder proposal was submitted at the AGM of TotalEnergies, calling for the separation of the roles of Chair and Chief Executive Officer (CEO) to enhance the likelihood of a more ambitious climate strategy. However, TotalEnergies' Board of Directors rejected the proposal.

4.2 BANKING ON A LOW-CARBON FUTURE



CONTEXT AND OBJECTIVES

As part of this multi-year campaign, launched in September 2014 and coordinated by ShareAction, Ethos and other institutional investors call on banks to critically review their financing of CO₂-intensive activities and align their targets with the Paris Agreement, while ensuring that climate-related reporting follows the recommendations of the TCFD. The campaign initiators regularly publish studies and reports on the progress of the targeted banks, which serve as the basis for engagement with them. Within the campaign, Ethos leads the dialogue with the Swiss bank UBS.

ACTIONS AND RESULTS IN 2024

- ShareAction intervened on behalf of investors at the AGMs of HSBC, BNP Paribas, and Crédit Agricole, calling for more ambitious climate targets and increased financing for low-CO₂ businesses.
- Institutional investors involved in the campaign sent letters to individual European banks, urging them to cease direct financing of new oil and gas fields.

- BNP Paribas announced that it would no longer participate in new oil and gas bond issuances.
- Crédit Agricole also declared that it would no longer take part in the issuance of oil and gas bonds.
- Barclays, Europe's largest financier of fossil fuels, updated its oil and gas financing policies for the first time since 2020, addressing gaps in its guidelines.

4.3 INVESTOR DECARBONIZATION INITIATIVE

CONTEXT AND OBJECTIVES

In January 2017, Ethos joined the multi-year Investor Decarbonization Initiative (IDI), coordinated by ShareAction. As part of this initiative, institutional investors engage with companies across various sectors, including power generation, cement, the automotive industry, and retail, to encourage their decarbonization efforts.

In addition, a specific campaign was launched in 2021, focusing on the decarbonization strategies of 13 European chemical companies. The campaign highlights the necessity of electrifying chemical production processes exclusively with renewable energy and replacing fossil-based raw materials with hydrogen or green methanol.

The investor network supporting this sector-specific campaign consists of 42 institutional investors managing a total of over 8'300 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- In 2024, engagement activities focused on eight key topics, with a total of 52 engagement actions carried out. The coalition engaged with management members from each company and held conference calls with them.
- Intensified engagement measures were undertaken in the following areas:
 - › Yara International: Together with three other investors, a shareholder resolution was filed at the AGM, urging the company to set global targets for reducing its Scope 3 GHG emissions. The Norwegian state, Yara's largest shareholder, was also involved in discussions with the investor coalition.
 - › Evonik, Lanxess, Croda, Covestro, and Air Liquide: Questions were raised at their AGMs.

4.4 PARTICIPATION IN CDP

CONTEXT AND OBJECTIVES

As part of this campaign, launched in January 2017, Ethos and a large group of international institutional investors annually encourage companies that have not yet responded to the CDP questionnaires on climate change, forests, and water to complete them. CDP is a non-profit organization that provides companies with a standardized framework for reporting GHG emissions and other environmental indicators.

ACTIONS AND RESULTS IN 2024

- 276 investors, managing a total of 21'000 billion US dollars in assets under management, participated in the campaign.
- 1'998 companies were contacted, of which 1'329 were specifically targeted regarding the climate change questionnaire.
- 352 companies decided to complete the various CDP questionnaires following engagement activities, including 164 for climate change and 196 for water.
- Ethos was selected as Lead Investor for the following companies: CK Hutchinson, Dassault Aviation, and Strabag.

4.5 CLIMATE ACTION 100+

CONTEXT AND OBJECTIVES

As part of Climate Action 100+, launched in December 2017, institutional investors, including Ethos, focus on the 170 largest GHG emitters, which are responsible for up to 80 % of global industrial emissions. On behalf of Climate Action 100+, Ethos leads the engagement with three companies (Nestlé, Holcim and Thyssenkrupp).

The Climate Action 100+ campaign aims to encourage the boards of directors and executive management of these systemically important GHG emitters to take action in three key areas. First, establish corporate governance structures that explicitly recognize the board's responsibility and oversight of climate-related risks. Secondly, reducing GHG emissions across the entire value chain, in alignment with the Paris Agreement's goal of limiting the global temperature increase to well below 2°C above pre-industrial levels. Thirdly, enhancing climate-related disclosures in line with the TCFD recommendations.

ACTIONS AND RESULTS IN 2024

- 90 % of the targeted companies now have some level of board oversight on climate-related matters.
- 88 % of the targeted companies have made public commitments to align their climate reporting with the TCFD recommendations or the International Sustainability Standards Board (ISSB) requirements.
- 80 % of the targeted companies have set net-zero targets for at least their Scope 1 and Scope 2 emissions by 2050 or earlier. This is a significant increase from the first benchmark in March 2021, when only 51 % of companies had such targets.

4.6 AMBITIOUS METHANE EMISSIONS REGULATIONS FOR THE US OIL AND GAS INDUSTRY

CONTEXT AND OBJECTIVES

In May 2021, Ethos and a group of institutional investors published an investor statement urging the U.S. Environmental Protection Agency (EPA) to strengthen methane regulations for the American oil and gas industry. This campaign, coordinated by the Interfaith Center on Corporate Responsibility (ICCR), was endorsed by 147 institutional investors managing a total of 5'350 billion US dollars 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 can be achieved most easily. Following this initiative, the EPA launched a public consultation on the regulations.

ACTIONS AND RESULTS IN 2024

- In March, the final version of the EPA standards for methane emissions from the oil and gas industry was published. Thanks to the strong engagement of all stakeholders, this regulation is supported by industry companies.
- The EPA officially released the final updates to methane reporting requirements for the oil and gas industry, which were incorporated into the Inflation Reduction Act (IRA).
- The campaign was completed this year.

4.7 LETTER TO THE SEC FOR THE RELEASE OF THE CLIMATE DISCLOSURE RULE

CONTEXT AND OBJECTIVES

In September 2022, Ethos and a group of institutional investors, coordinated by the As You Sow foundation, launched a collective campaign targeting the U.S. SEC). The campaign calls for the swift publication of the SEC's final Climate Disclosure Rule and the inclusion of Scope 1, 2, and 3 emissions. It is supported by 143 institutional investors managing a total of 965 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- In March, the SEC adopted the Climate Disclosure Rule, requiring publicly listed companies to disclose their GHG emissions, risk analysis, and other climate-related information.
- Unfortunately, Scope 3 emissions were not included in this regulation, despite representing a significant share of total emissions.
- The campaign was completed this year.

4.8 NET ZERO ENGAGEMENT INITIATIVE

CONTEXT AND OBJECTIVES

In December 2022, Ethos and a group of institutional investors, coordinated by the Institutional Investors Group on Climate Change (IIGCC), launched an engagement campaign targeting 85 major GHG emitters, primarily in Europe, to encourage them to adopt and implement net-zero strategies.

ACTIONS AND RESULTS IN 2024

- By the end of the year, the campaign was supported by 107 institutional investors.
- All 85 targeted companies engaged in dialogue with investors.
- 90 % of the companies formally responded to the kick-off letter.
- Over 50 % of the companies noted progress in setting emissions reduction targets and quantifying key decarbonization measures.

4.9 SAY ON CLIMATE VOTE AT UK COMPANIES

CONTEXT AND OBJECTIVES

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

ACTIONS AND RESULTS IN 2024

- This campaign has been expanded to cover all FTSE 100 companies (excluding investment funds) ahead of the 2025 general meetings, bringing the total to 76 companies.
- The response rate from companies has increased year after year, reaching 64 % by the end of 2024.
- Two companies have committed to submitting their transition plans for shareholder approval, one in 2025 and the other in 2026.

4.10 INVESTOR STATEMENT TO GOVERNMENTS ON THE CLIMATE CRISIS

CONTEXT AND OBJECTIVES

Ahead of the COP29 conference in Azerbaijan in November 2024, Ethos and a group of institutional investors, coordinated by seven investor networks, published an investor statement. In that statement, they call on governments to take all necessary measures to limit global warming to 1.5°C and achieve carbon neutrality by no later than 2050.

ACTIONS AND RESULTS IN 2024

- The statement was signed by 534 institutional investors, representing 29'000 US dollars billion in assets under management.

5. Biodiversity

The topic of biodiversity was introduced in 2021. It covers diversity within terrestrial and marine species and different ecosystems. It is a broad and complex topic, and the dialogue may focus on the following objectives:

- **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 CO₂ emissions as well as reducing biodiversity loss. Yet deforestation continues unabated.
- **Protection of the oceans and access to water:** Water and access to water present numerous 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 tons 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, Ethos 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, traders, and retailers. These companies are Ahold Delhaize, Archer Daniels Midland, BRF, Bunge, Carrefour, JBS and Sainsbury.

To this end, Ethos identified international best practice and formulated specific expectations for investors in this area: to establish a no deforestation policy, 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 sustainability certification, and to publish a report on the implementation of this strategy.

ACTIONS AND RESULTS IN 2024

- Over the course of the year, 25 engagement activities took place, including eight conference calls with companies.
- In the fourth year of the campaign, only one company showed improvement, while all others remained unchanged, reflecting the complexity of the regulatory landscape (EU anti-deforestation law postponed by one year).

5.2 FROM PLASTIC POLLUTION TO PLASTIC CIRCULARITY

CONTEXT AND OBJECTIVES

In May 2023, Ethos launched a direct engagement campaign targeting several consumer goods companies that make significant use of plastic packaging. The initiative aims to encourage these companies to adopt effective practices to combat plastic waste and pollution while supporting the development of a circular economy. The companies involved include Coca-Cola, Colgate-Palmolive, Mondelez International, PepsiCo, Procter & Gamble, and Unilever.

To this end, Ethos identified best practice and set out investors' expectations in this area: to adopt a reduce, reuse, replace and recycle strategy, to implement innovative measures in favor of circularity, to engage with stakeholders and advocate for regulations favoring circularity and minimizing the negative impact of plastic use on human health, and to publish information transparently.

ACTIONS AND RESULTS IN 2024

- Over the course of the year, 20 engagement activities took place, including three conference calls with the target companies.
- In the second year of the campaign, the results were mixed. As most companies showed little willingness to take action, it became more challenging for Ethos to maintain direct contact with them. Some companies even postponed their targets from 2025 to 2030.
- Two companies regressed in Ethos' milestone system, while the others remained stable.

5.3 INVESTOR POLICY DIALOGUE ON DEFORESTATION (IPDD)

CONTEXT AND OBJECTIVES

In June 2022, Ethos joined a group of institutional investors coordinated by the Tropical Forest Alliance and the World Economic Forum (WEF), with support from the PRI. The group launched a campaign to engage with authorities and industry associations in key countries (Brazil and Indonesia) regarding deforestation. The goal of the Investor Policy Dialogue on Deforestation (IPDD) campaign is to coordinate dialogue with policymakers in affected countries to halt deforestation. The campaign is supported by 81 investors, collectively managing 10'500 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- In-person meetings were held in Brazil with the National Bank for Economic and Social Development (BNDES), the Central Bank of Brazil (BCB), and the Brazilian Ministry of Agriculture.
- The investor group publicly opposed the postponement of the European Deforestation Regulation (EUDR) and the cancellation of the «Amazon Soy Moratorium» in Brazil.

5.4 VALUING WATER FINANCE INITIATIVE

CONTEXT AND OBJECTIVES

In July 2022, Ethos and a group of institutional investors launched the Valuing Water Finance Initiative, a campaign coordinated by Ceres. The initiative calls on companies in sectors such as food, beverages, technology, and textiles to better manage and protect water resources within their operations and global supply chains. The campaign is supported by approximately 100 investors, representing 17'000 billion US dollars in assets under management. Ethos serves as the lead investor for LVMH and Restaurant Brands International (RBI).

ACTIONS AND RESULTS IN 2024

- Over the course of the year, several conference calls were held with LVMH and Restaurant Brands International (RBI).
- At RBI's general meeting in June, several shareholders submitted a shareholder proposal on this topic, which received support of 29 %.

- A benchmark report analyzing the 72 companies targeted by the campaign revealed that only 15 % performed above average. This underscores the need for significant improvements in corporate water management.

5.5 INVESTOR STATEMENT TO REDUCE PLASTIC PACKAGING AND WASTE

CONTEXT AND OBJECTIVES

In April 2023, Ethos and a group of institutional investors, coordinated by the Dutch Association of Investors for Sustainable Development (VBDO), published an investor statement urging consumer goods and food retail companies to reduce their use of plastic packaging and waste. Ethos was selected as the lead investor for Danone.

ACTIONS AND RESULTS IN 2024

- 183 investors, representing 10'000 billion US dollars in assets under management, support this campaign.
- Active engagements with companies continued throughout the year.

5.6 NATURE ACTION 100

CONTEXT AND OBJECTIVES

In July 2023, Ethos and a group of institutional investors, coordinated by the IIGCC and other investor networks worldwide, launched a comprehensive collaborative engagement campaign. The initiative encourages investors to engage in dialogue with companies and regulators to mitigate environmental harm and biodiversity loss.

A total of 100 companies from various industries were selected due to their significant impact on habitat destruction, resource overuse, soil and water pollution, and waste generation. The campaign aims to push companies to be more ambitious and take concrete measures to protect nature and biodiversity.

This initiative is supported by 230 institutional investors, collectively managing 30'000 US dollars billion in assets under management.

ACTIONS AND RESULTS IN 2024

- The campaign published the results of the first comparative assessments of corporate efforts to protect nature, highlighting the significant room for improvement in this area.
- Ethos participated in investor coalitions engaging with Nestlé, Novartis, and Roche. These three companies were open to dialogue, and several conference calls were organized.

5.7 SPRING

CONTEXT AND OBJECTIVES

In January 2024, Ethos and a group of institutional investors, coordinated by the PRI, launched a collaborative engagement campaign aimed at encouraging companies and governments to deliver positive outcomes for nature. The campaign seeks to maximise investors' contribution to the global goal of halting and reversing biodiversity loss by 2030, with an initial focus on deforestation and land degradation.

Investors have outlined key expectations for companies, including: a public commitment to reversing biodiversity loss, deforestation targets and respect for human rights across the entire supply chain, and a commitment to aligning corporate policy statements with these goals.

The campaign is supported by 200 institutional investors, collectively managing 15'000 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- 60 companies have been targeted as part of the campaign.
- Ethos is participating in investor coalitions to engage directly with the Swiss company Clariant and the Hong Kong-based conglomerate Jardine Matheson Holdings, which is a shareholder of Astra Agro Lestari, a company specialising in palm oil production in Indonesia.

5.8 INVESTOR STATEMENT TO END PLASTIC POLLUTION

CONTEXT AND OBJECTIVES

In April 2024, Ethos and a group of institutional investors published a statement calling for an ambitious and legally binding international instrument to end plastic pollution. This campaign is coordinated by the UN Environment Program Finance Initiative (UNEP FI), PRI, Finance for Biodiversity Foundation, Business Coalition for a Global Plastics Treaty, VBDO, and CDP. The initiative is supported by 160 institutional investors, collectively managing 15'500 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- In early December, the fifth session of the Intergovernmental Negotiating Committee (INC-5) took place in Busan, South Korea, with the goal of finalising a global plastics treaty.
- Unfortunately, the participating states failed to reach an agreement on a final version of the treaty.

5.9 INVESTOR STATEMENT FOR PETROCHEMICAL COMPANIES ON PLASTIC

CONTEXT AND OBJECTIVES

In May 2024, Ethos and a group of institutional investors, coordinated by Planet Tracker, launched a campaign targeting petrochemical companies. The initiative calls on these companies to reduce their dependence on fossil fuels, eliminate hazardous chemicals from their products, and refrain from opposing the global treaty under negotiation to end plastic pollution.

ACTIONS AND RESULTS IN 2024

- In July, an investor statement was published, supported by 80 institutional investors managing 7'300 billion US dollars in assets under management. The statement was sent directly to over 40 companies in the sector.
- Another investor statement was released ahead of the final negotiation round for the global treaty on plastic pollution.

5.10 INVESTOR POLICY PLATFORM FOR BIODIVERSITY

CONTEXT AND OBJECTIVES

In October 2024, Ethos and a group of institutional investors, coordinated by the Church of England, established an investor platform for biodiversity. The initiative aims to urge governments to take decisive action to halt and reverse biodiversity loss. The campaign is supported by 27 institutional investors, collectively managing 2'500 billion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- The platform's first activity was an investor statement addressed to governments, published in October ahead of the UN COP16 Conference on Biodiversity in Colombia.

6. Social

The management of human resources and working conditions is a key element of a company's sustainability strategy. Companies are expected to adopt a transparent policy that acknowledges these challenges and ensures best-in-class practices in addressing them.

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 dialogue may focus on the following objective:

- Transparent policy on workers' rights.
- Publication of human resources indicators (accidents, fatalities, turnover, diversity, satisfaction, etc.) satisfaction, etc.).
- Publication of a supplier code of conduct.
- Establishment of a due diligence process, particularly concerning 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 tragedy in Bangladesh, Ethos urged companies to support and extend the Accord on Fire and Building Safety in Bangladesh. In summer 2017, Ethos launched a direct engagement campaign on this issue. Since then, the campaign has evolved to address various labour rights and sustainable supply chain challenges in the global textile industry. In 2020, the campaign focused on companies' response to the COVID-19 pandemic. In 2021 and 2022, the campaign addressed allegations of forced labour in the Xinjiang Uyghur Autonomous Region. Finally, in 2023, companies were urged to join a pilot insurance project for workplace accidents in the Bangladeshi textile industry, requiring brands to provide monthly compensation to individuals who have suffered permanent disabilities 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 2024

- The pilot project was initiated by H&M and Primark. Over the course of the year, Inditex and Next also joined the initiative.
- During a conference call in April, Marks & Spencer expressed concerns about the project.
- Adidas and Hugo Boss continue to withhold support, citing their low sourcing volumes in Bangladesh. However, both companies are monitoring the project's development.

6.2 FORCED LABOUR IN THE SUPPLY CHAINS OF EUROPEAN TECHNOLOGY COMPANIES

CONTEXT AND OBJECTIVES

In August 2020, Ethos launched a direct engagement campaign aimed at encouraging six European technology companies to implement effective practices to combat forced labour.

At the start of the engagement campaign, an introductory letter was sent to the chairs of the boards of directors of the respective companies. These letters were additionally co-signed by interested members of Shareholders for Change (SfC). Subsequently, an intensive dialogue began with all the companies involved. The companies concerned are: ASML, Ericsson, Hexagon, Infineon Technologies, Nokia und NXP Semiconductors.

ACTIONS AND RESULTS IN 2024

- As the engagement with most companies was concluded in the previous year, only conference calls with Hexagon and Infineon Technologies took place in 2024, along with email exchanges with Ericsson.
- In light of the progress made, the campaign was completed at the end of 2024.

6.3 INVESTOR STATEMENT ON CORPORATE ACCOUNTABILITY FOR DIGITAL RIGHTS



CONTEXT AND OBJECTIVES

In March 2022, Ethos joined an investor campaign on digital rights with social media and telecommunications companies. This campaign, launched in 2013 and coordinated by the ICCR and Ranking Digital Rights (RDR), involves engagement with 26 companies. Each year, the non-governmental organization (NGO) RDR evaluates these companies' adherence to the right to freedom of expression and privacy protection. These findings directly inform the engagement with the companies.

ACTIONS AND RESULTS IN 2024

- In 2024, no conference calls were held with companies; instead, Ethos participated in various working groups on the topic.
- During a conference call with the Technology and Human Rights working group, it was noted that the main pushbacks currently stem from the resource-intensive preparation for the Corporate Sustainability Reporting Directive (CSRD) and the reluctance of many companies to publicly disclose their internally implemented principles.
- In 2024, RDR offered companies the opportunity to discuss their scores. Only six companies did not respond.

6.4 KNOWTHECHAIN

CONTEXT AND OBJECTIVES

In May 2018, Ethos 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, Verité, and the research firm Sustainalytics. The goal of this initiative is to promote transparent and responsible supply chains by benchmarking corporate practices. By identifying best practices for responsible supply chain management, the group aims to encourage widespread adoption of these standards, helping companies mitigate risks related to forced labour in their supply chains. Since 2016, KTC has conducted benchmarks focused on the ICT, food & beverage, and apparel sectors. By the end of 2024, the campaign was supported by 108 institutional investors, representing a total of 7 trillion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- In January, KTC published its latest benchmark for the apparel sector, highlighting that many companies remain poorly prepared for both existing and upcoming legislation requiring them to identify and mitigate risks in their supply chains.
- The benchmark also noted that the gap between industry leaders and laggards in social sustainability practices continues to widen.
- In 2024, Ethos continued its role as lead investor for Puma and Associated British Foods. Additionally, Ethos supported other engagement activities, such as co-signing a letter to Hugo Boss.

6.5 DEVELOPMENT OF THE 'ACCORD' AGREEMENT"

CONTEXT AND OBJECTIVES

Following the Rana Plaza tragedy in 2013, textile companies with supply chains in Bangladesh established the Accord on Fire and Building Safety in Bangladesh. Local manufacturers, trade unions, and textile companies agreed to improve workplace safety in local factories, particularly by establishing workers' councils and conducting independent inspections. Since April 2017, through engagement, Ethos and a group of institutional investors have successfully encouraged textile companies to join the Accord. In 2021, the signatories entered a new phase of their partnership by creating the International Accord for Health and Safety in the Textile & Garment Industry (International Accord). This legally binding agreement was extended in December 2022 to Pakistan, covering the apparel sector and set to run for an initial period of three years.

ACTIONS AND RESULTS IN 2024

- By the end of 2024, 129 companies had signed the Pakistan Accord.
- Ethos co-signed an investor letter to Kontoor Brands, which, despite significant operations in Pakistan, had not yet signed the Pakistan Accord.
- No significant developments occurred regarding the Accord in Bangladesh in 2024, as the program remains in place in its current form until the end of 2029.

6.6 WORKFORCE DISCLOSURE INITIATIVE (WDI)

CONTEXT AND OBJECTIVES

In April 2018, Ethos joined a group of international investors supporting the Workforce Disclosure Initiative (WDI). The campaign aims to enhance transparency regarding how large multinational companies manage their human capital and the quality of jobs they provide, both at the corporate level and throughout their entire supply chain. The WDI is modelled on the CDP and leverages existing reporting standards. The data collected from companies focuses on workforce composition, employee development, and worker engagement. By December 2024, the WDI was backed by 47 institutional investors managing assets worth over 7.5 trillion US dollars.

ACTIONS AND RESULTS IN 2024

- 144 companies participated in the questionnaire, marking a decline compared to the previous year (166). However, in 2024, only 463 companies were contacted (compared to 1'000 in 2023).
- Ethos engaged with 28 Swiss Market Index (SMI) companies, of which five completed the questionnaire in 2024.
- Additionally, Ethos contacted over ten international companies.

6.7 PLATFORM LIVING WAGE FINANCIALS

CONTEXT AND OBJECTIVES

In January 2022, Ethos joined an investor campaign focused on living wages in the textile industry. The engagement targets around 30 companies, which are annually assessed by participating institutional investors on their progress toward implementing a living wage within their supply chains. Ethos participates in the platform as a supporting organization.

ACTIONS AND RESULTS IN 2024

- By the end of 2024, the platform was supported by 24 financial institutions, managing assets worth EUR 7 trillion.
- In 2024, the assessment methodology for apparel companies was updated to encourage greater transparency, both regarding supply chains and wage structures in general. As a member of the Management Committee, Ethos actively contributed to this process. The assessment methodology for food, agriculture, and retail companies was also revised.

- Engagement took place with 33 apparel companies and 22 companies in the food, agriculture, and retail sector.
- Ethos continued its role as lead investor with Richemont, engaging through an extensive email exchange and a conference call.

6.8 INVESTOR SUPPORT FOR BANKTRACK'S HUMAN RIGHTS PRACTICE STANDARD

CONTEXT AND OBJECTIVES

In March 2020, Ethos and a group of institutional investors, coordinated by the Investor Alliance for Human Rights (IAHR), sent an investor statement to 50 banks, urging them to address the human rights shortcomings identified in the Human Rights Benchmark of the NGO BankTrack. The updated statement, published in 2023, was signed by 48 institutional investors. Despite some positive developments since joining the campaign, indicating that banks are increasingly implementing human rights due diligence obligations, there remains significant room for improvement.

ACTIONS AND RESULTS IN 2024

- In November, BankTrack published its fifth benchmark, assessing the human rights performance of 50 of the world's largest banks. The report found that most banks still do not fully implement the UN Guiding Principles on Business and Human Rights. However, progress has been observed, as more banks are now establishing grievance mechanisms.
- Additionally, BankTrack maintains a database to track banks' responses in cases where civil society organizations demand action to strengthen human rights protections.

6.9 IMPROVING PERFORMANCE ON THE CORPORATE HUMAN RIGHTS BENCHMARK (CHRB)

CONTEXT AND OBJECTIVES

In March 2020, Ethos and a group of institutional investors sent letters to companies that had been classified as laggards due to their lack of action on human rights risks and due diligence in their value chains. Letters are sent with each new edition of the benchmark, urging these companies to demonstrate their commitment to human rights. This campaign is coordinated by the IAHR and the World Benchmarking Alliance (WBA). Since 2021, Ethos has been responsible for engagement with Infineon Technologies.

ACTIONS AND RESULTS IN 2024

- In November, the WBA published a report on trends and insights from five editions of the Corporate Human Rights Benchmark (CHRB), covering the period 2018 to 2023.
- The report found that 64% of companies have made progress during this period. However, it also highlighted that concrete measures benefiting workers remain insufficient, though grievance mechanisms have become more accessible.
- In June, Ethos also participated online in a five-year strategic review of the CHRB.

6.10 INVESTOR ENGAGEMENT GROUP - XINJIANG UYGHUR AUTONOMOUS REGION

CONTEXT AND OBJECTIVES

In December 2020, Ethos joined an international investor group addressing human rights violations against Uyghurs in Xinjiang. As part of this campaign, over 40 letters were sent to companies in 2021, urging them to assess forced labour risks in the Xinjiang Uyghur Autonomous Region in China. Key sources of information for this engagement include the “Uyghurs for Sale” report published by the Australian Strategic Policy Institute (ASPI) and reports from the Helena Kennedy Centre at Sheffield Hallam University. These studies confirm widespread forced labour and identify companies and sectors exposed to these severe human rights violations. The campaign is coordinated by ICCR and Rathbones Investment Management. Within the investor group, Ethos has taken the lead in direct engagement with Puma, Marks & Spencer, and BMW.

ACTIONS AND RESULTS IN 2024

- Ethos continued its role as lead investor with BMW in 2024. The legal complaint under the German Supply Chain Act remains pending. In a conference call in November, BMW outlined ongoing improvements in its human rights due diligence processes.
- Ethos also organized a conference call with Marks & Spencer, where the company explained how it had enhanced its capacity to trace the origin of cotton, aiming to minimize forced labour risks.
- Ethos co-signed two letters to Volkswagen, urging the company to implement more robust procedures for human rights due diligence assessments.

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

CONTEXT AND OBJECTIVES

In February 2024, Ethos and a group of institutional investors, coordinated by Rathbones Investment Management, sent letters to FTSE 350-listed companies that were non-compliant with Section 54 of the UK Modern Slavery Act. Under Section 54, companies are required to publicly disclose a statement on due diligence and measures taken to combat modern slavery and human trafficking. This statement must also be approved by the board of directors and updated annually. At the beginning of each year, an analysis is conducted to identify which FTSE 350 companies are failing to comply with this legal requirement.

ACTIONS AND RESULTS IN 2024

- As a result of this year’s engagement, 30 out of the 32 targeted FTSE 350 companies committed to publishing reports in compliance with the Modern Slavery Act in 2024.

6.12 INVESTOR INITIATIVE FOR RESPONSIBLE CARE

CONTEXT AND OBJECTIVES

In April 2021, Ethos and a group of institutional investors published an investor statement advocating for improved labour standards and care quality in nursing homes. The campaign was coordinated by the UNI Global Union and was signed by 133 institutional investors, representing a total of 3.8 trillion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- No activities were conducted this year.
- The campaign was completed in 2024.

6.13 INVESTOR LETTER TO TACKLE CONFLICT MINERALS IN THE SEMICONDUCTOR SUPPLY CHAIN

CONTEXT AND OBJECTIVES

In November 2021, Ethos and a group of institutional investors, coordinated by Stewart Investors, sent letters to over 25 companies in the ICT sector, urging them to adopt and expand best practices for responsible mineral sourcing in the semiconductor supply chain. The letters particularly emphasized the need for improved traceability. This campaign is supported by 160 investors, collectively managing 6.59 trillion US dollars in assets.

ACTIONS AND RESULTS IN 2024

- In February, Stewart Investors became the first member of the Responsible Minerals Initiative (RMI) investor network, where it continues to build closer relationships with companies.
- In May, Stewart Investors participated in the Organisation for Economic Co-operation and Development (OECD) Forum on Responsible Mineral Supply Chains, engaging in in-person meetings with Intel, BMW, and industry associations.

6.14 INVESTOR ENGAGEMENT ON PAID SICK LEAVE AT US COMPANIES

CONTEXT AND OBJECTIVES

In January 2022, Ethos and a group of institutional investors launched an engagement campaign urging US companies to improve transparency regarding their paid sick leave policies. The campaign is coordinated by the ICCR and is supported by 150 institutional investors, managing a total of 3.6 trillion US dollars in assets under management. As part of this initiative, letters were sent to 40 companies in 2022, alongside shareholder proposals requesting greater disclosure on paid sick leave policies.

ACTIONS AND RESULTS IN 2024

- Shareholder proposals were submitted to TJX, CN Rail, and another Canadian railway company (CPKC), calling for increased transparency on paid sick leave policies.
- The proposal at TJX was withdrawn, following improvements in the company's policy.
- Ethos participated in a conference call with Hilton Worldwide, after which the company updated its paid sick leave policy.

6.15 DIGITAL INCLUSION COLLABORATIVE ENGAGEMENT

CONTEXT AND OBJECTIVES

In May 2022, Ethos and a group of institutional investors sent an investor statement to digital technology companies, urging them to publicly commit to ethical artificial intelligence (AI) principles. This campaign is coordinated by WBA and has been signed by 61 investors, representing 8.5 trillion US dollars in assets under management. The initiative targets over 200 companies. Ethos was selected as the lead investor for two Swiss companies: Swisscom and Logitech.

ACTIONS AND RESULTS IN 2024

- 71 out of the 200 targeted companies have now adopted ethical AI principles (compared to 52 in September 2023).
- Ongoing discussions with Swisscom throughout the year, focusing on the concrete implementation of its ethical AI principles.
- Multiple engagements with Logitech to outline the campaign's expectations and encourage the company to publish its own ethical AI principles

6.16 ADVANCE - INVESTOR INITIATIVE FOR HUMAN RIGHTS AND SOCIAL ISSUES

CONTEXT AND OBJECTIVES

In May 2022, Ethos and a group of institutional investors, coordinated by PRI, joined the Advance campaign on human rights and social issues. This five-year collective engagement initiative was officially launched on 1 December 2022 and targets 40 companies in the metals & mining and renewable energy sectors. The campaign urges these companies to promote human rights and implement the UN Guiding Principles on Business and Human Rights. The Advance campaign is supported by 220 institutional investors, representing 30 trillion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- Ethos conducted three conference calls with ENGIE and E.On, acting as co-lead investor in the engagement.
- Ethos participated in seven online meetings focused on knowledge-building and investor collaboration.
- Despite progress in climate lobbying disclosures, E.On remains reluctant to report on human rights lobbying activities.
- ENGIE was repeatedly urged to disclose more details on its human rights due diligence process.

6.17 BIG TECH AND HUMAN RIGHTS INVESTOR COLLABORATION

CONTEXT AND OBJECTIVES

In February 2023, Ethos and a group of institutional investors, coordinated by the Council on Ethics in Sweden, launched an engagement campaign aimed at technology companies, urging them to mitigate human rights and social risks associated with their business activities.

This three-year campaign is based on the Investor Expectations on Human Rights issued by the Council on Ethics of Swedish Pension Funds, as well as the UN Guiding Principles on Business and Human Rights, Ranking Digital Rights assessments, and relevant Sustainability Accounting Standards Board (SASB) standards.

The initiative is supported by approximately 30 institutional investors, representing 6.4 trillion US dollars in assets under management, and targets seven major technology companies.

ACTIONS AND RESULTS IN 2024

- Ethos took on a supporting role in engagements with four companies: Alphabet, Amazon.com, Apple, and Meta Platforms.
- Multiple engagements took place with six companies, including conference calls with Amazon.com and Meta Platforms.
- Despite previous interactions with Alphabet, no engagement was maintained with the company in 2024.

6.18 TECH AND MENTAL HEALTH INVESTOR ENGAGEMENT

CONTEXT AND OBJECTIVES

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

ACTIONS AND RESULTS IN 2024

- The investor statement was updated in August 2024. By that time, it was supported by 33 institutional investors, managing a total of 2.62 trillion US dollars in assets.
- Engagement continued with 15 companies in 2024. Nine conference calls were held with companies. For each of the nine engagement indicators, a best practice was identified among the targeted companies. Based on these findings, a guidance document was published in November 2024, which investors can use as a tool for future engagements.

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

CONTEXT AND OBJECTIVES

In April 2023, Ethos joined a group of institutional investors, coordinated by Zevin Asset Management and the ICCR, in sending a letter to the US Federal Trade Commission (FTC). The letter expressed support for the FTC's proposal to abolish non-compete clauses in employment contracts. Non-compete clauses are widely regarded as economically inefficient employment policies, as they hinder job mobility and wage negotiations for workers.

ACTIONS AND RESULTS IN 2024

- This policy engagement was completed by the end of 2024 after the initiating organizations submitted an additional statement, outlining the economic rationale for abolishing non-compete clauses and their positive impact on workers' rights.

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

CONTEXT AND OBJECTIVES

In August 2023, Ethos joined a campaign coordinated by the Thomson Reuters Foundation, urging the ISSB to prioritize human rights and human capital in its next work plan and to address these topics collectively. The campaign is supported by 27 institutional investors, managing a total of 1 trillion US dollar in assets.

ACTIONS AND RESULTS IN 2024

- The updated ISSB work plan for 2024–2026 was published in June.
- In line with the investor statement’s request, the ISSB added a research project to its work plan to explore sustainability-related risks and opportunities related to human capital. This research will later inform the development of a new reporting standard.
- Ethos participated in a consultation call with ISSB representatives, sharing its approach to human capital.

6.21 INVESTOR SUPPORT FOR A LIVING WAGE FOR US WORKERS

CONTEXT AND OBJECTIVES

In November 2023, Ethos joined a campaign coordinated by the ICCR, advocating for US companies to take steps towards paying a living wage to both temporary and permanent employees in line with international human rights standards. The investor statement, published in November 2023, is supported by 135 institutional investors, representing 4.5 trillion US dollars in assets under management.

ACTIONS AND RESULTS IN 2024

- By the end of 2024, conference calls were held with 11 targeted companies.
- A total of nine shareholder proposals were submitted out of which there were five on living wage policies, three on living wage reporting, and one on conducting a living income assessment.
- Five proposals were proposed to a vote at the companies’ annual general meetings (AGMs).

6.22 SUPPORT OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE LEGISLATION IN THE UK

CONTEXT AND OBJECTIVES

In March 2024, Ethos joined a policy engagement initiative coordinated by the IAHR. A group of institutional investors called on UK policymakers to adopt robust due diligence legislation on human rights and environmental protection, aligned with the UN Guiding Principles on Business and Human Rights.

ACTIONS AND RESULTS IN 2024

- In November, a meeting was held with two representatives of the initiating organization to discuss next steps.
- The investor statement was published. However, the current UK government has shown little support for the initiative, despite statements and efforts from certain companies and civil society organizations advocating for stronger legislation.

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 dialogue may focus on the following objectives:

- **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

Since 2018, Ethos has annually encouraged members of the EEP International to contact their asset managers a few weeks before the general meeting (AGM) season regarding the exercise of voting rights for the shares in their portfolios. To facilitate this process, Ethos prepares a template letter that EEP International members can send directly to their asset managers, requesting them to support specific shareholder proposals. The letter also asks asset managers to provide more transparency on how they exercise voting rights.

ACTIONS AND RESULTS IN 2024

- The key themes of the identified shareholder proposals included:
 - › Alignment with the Paris Agreement
 - › Adoption of net-zero targets
 - › Disclosure of climate lobbying activities
 - › Bank policies on financing fossil fuels
 - › Plastic pollution
 - › Right to paid sick leave

7.2 TAX RESPONSIBILITY AT US COMPANIES



CONTEXT AND OBJECTIVES

In November 2019, Ethos launched a 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.

Since the start of the engagement campaign, dialogue has been established with all companies and the expectations of Ethos, 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 2024

- The dialogue continued with all targeted companies to reinforce the importance of Ethos' demands.

- The targeted companies remain willing to engage in written exchanges but continue to show little motivation to substantially improve tax transparency.
- As an escalation measure, Ethos supported a petition by the FACT Coalition, signed on behalf of 87 investors managing over 2.3 trillion US dollars in assets under management, urging the US Securities and Exchange Commission (SEC) to introduce new rules requiring US-listed companies to disclose their profits, revenues, and other key tax-related information on a country-by-country basis (CbC).

7.3 RESPONSIBLE REMUNERATION

CONTEXT AND OBJECTIVES

A misalignment between executive compensation and shareholder interests remains a key concern for institutional investors. Executive remuneration structures can significantly influence risk-taking behavior and, in turn, shape a company's strategic direction. Conversely, companies that prioritize responsible compensation policies are more likely to operate sustainably, avoiding excessive financial risks and adopting a long-term perspective.

In August 2024, Ethos launched a direct engagement campaign targeting selected companies whose remuneration policies faced strong shareholder opposition during their 2024 AGMs. These companies are urged to adopt responsible and balanced compensation systems, which should include:

- Setting reasonable absolute remuneration for executives, ensuring that the maximum variable compensation for the CEO does not exceed three times the base salary.
- Integrating ESG metrics that are clearly defined, quantifiable, and ambitious.
- Assessing and disclosing pay gaps, including the gender pay gap, the pay ratio between the highest-paid executive and the median employee salary and measures taken to reduce potential wage disparities.

ACTIONS AND RESULTS IN 2024

- In September 2024, letters were sent to all board chairs, followed by reminder emails.
- In October, November, and December, the first conference calls were held with SAP, Renault, and Airbus, with further meetings planned.
- Initial findings indicate that the maximum variable CEO compensation threshold set by Ethos is significantly lower than current industry practices. Additionally, the pay-for-performance approach remains a key topic of discussion.

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

CONTEXT AND OBJECTIVES

In October 2023, Ethos joined a campaign urging regulators worldwide to implement the ISSB S1 and S2 sustainability reporting standards within an ambitious timeline by 2025. The initiative is coordinated by the London Stock Exchange Group (LSEG), PRI, and Sustainable Stock Exchanges (SSE).

Actions and results in 2024

- The investor statement was published in May 2024 at the annual conference of the International Organization of Securities Commissions (IOSCO).
- The statement is frequently referenced in PRI-led policy engagements with countries considering the adoption of the ISSB standards.
- By December 2024, more than 30 countries had adopted or were in the process of adopting these sustainability standards.
- The countries making progress on ISSB standard adoption represent approximately 57% of global GDP, more than 40% of global market capitalization, and over half of global GHG emissions.

7.5 INVESTOR COALITION FOR EQUAL VOTES

CONTEXT AND OBJECTIVES

In January 2024, Ethos and a group of institutional investors, coordinated by Railpen and the Council of Institutional Investors (CII), launched the Investor Coalition for Equal Votes. This collective engagement campaign aims to promote capital structures that grant equal voting rights for all shares.

To achieve its objectives, coalition members engage with both companies and policymakers. The coalition also focuses on collaborating with pre-IPO companies and their advisory firms, with an initial emphasis on the United Kingdom and the United States. Additionally, it advocates for laws and regulations supporting equal voting rights wherever possible in discussions with policymakers and standard setters.

ACTIONS AND RESULTS IN 2024

- In January 2024, the coalition published an investor statement outlining its core expectations.
- Between April and September 2024, letters were sent to multiple companies, raising concerns about dual class share structures.
- In June 2024, a specific investor statement was addressed to Tesla, advocating for the «one share, one vote» principle.
- In November 2024, the coalition published a study on voting rights exercised by its members concerning different share classes.

7.6 INVESTOR LETTER FOR RESPONSIBLE VIRTUAL AGMS AT CANADIAN COMPANIES

CONTEXT AND OBJECTIVES

In February 2024, Ethos and a group of institutional investors, coordinated by the British Columbia General Employees' Union (BCGEU), issued an open letter to Canadian companies in the S&P TSX 60 Index. The letter urged these companies to disclose their plans to uphold shareholder rights in the context of fully virtual or hybrid annual general meetings (AGMs), well in advance of their AGMs and the distribution of proxy materials.

By calling on companies to commit to safeguarding shareholder rights in virtual AGMs, institutional investors seek to protect these rights from potential limitations imposed by non-transparent or restrictive formats.

ACTIONS AND RESULTS IN 2024

- The letter was published in April 2024 and was endorsed by 38 institutional investors, representing a total of CAD 1.7 trillion in assets under management.
- The campaign received coverage in multiple Canadian business media outlets.
- By the end of 2024, around one-third of the targeted companies had responded, expressing willingness to switch to hybrid or in-person AGMs, or improve the format of virtual AGMs to better protect shareholder participation rights.

7.7 CAMPAIGN AGAINST VIRTUAL-ONLY AGMS IN GERMANY

CONTEXT AND OBJECTIVES

Ethos and the «Deutsche Schutzvereinigung für Wertpapierbesitz e.V». (DSW) believe that it is essential for companies to hold physical annual general meetings (AGMs) while also allowing shareholders to participate and vote online (hybrid format). This hybrid approach ensures that shareholders have the option to attend either in person or virtually, guaranteeing at least one direct interaction per year between management, the board of directors, and shareholders. Such interactions are critical for corporate accountability and provide an opportunity for constructive dialogue in a formal setting.

To promote this position, Ethos and DSW sent a letter to the ten largest DAX-listed companies based in Germany that have conducted exclusively virtual AGMs in recent years. The letter urges these companies to adopt a hybrid AGM format, ensuring a transparent and accessible engagement process for all shareholders.

ACTIONS AND RESULTS IN 2024

- The letter was sent in October to the CEO and chair of the supervisory board of the targeted companies, highlighting that Ethos and DSW oppose bylaw amendments aimed at renewing authorizations for exclusively virtual AGMs.
- The campaign received additional support from Better Finance and Shareholders for Change.
- Several German business media outlets covered the campaign, bringing further attention to the issue.
- By the end of the year, several companies responded, expressing willingness to engage in dialogue on the topic.

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, Ethos launched a new direct 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.
- Remediation of the misconduct
- Improvement of management processes to avoid further violations.
- Additional company-specific targets where necessary.

At the start of this multi-year campaign, Ethos sent letters of introduction to the chairmen of the boards of directors of the targeted companies. Subsequently, a dialogue was initiated with all targeted companies. The engagement

was intensified throughout 2023 and 2024, focusing on addressing the identified violations and monitoring progress on corrective measures.

ACTIONS AND RESULTS IN 2024

- Engagement continued with all nine targeted companies throughout 2024. However, none of the companies made significant progress or regressed, remaining at the same stage of engagement.
- A total of three conference calls were organized directly with the targeted companies.
- Additionally, Ethos participated in eleven conference calls with other institutional investors and attended several ESG update webinars hosted by the companies.

8.2 CAMPAIGN 2024

CONTEXT AND OBJECTIVES

In September 2024, Ethos launched another proprietary engagement campaign aimed at urging companies that have committed severe or repeated violations of international standards to take corrective measures to address these issues. The specific objectives set for this campaign are the same as those of the 2022 campaign.

At the outset of this multi-year campaign, Ethos sent introductory letters to the chairs of the boards of directors of the targeted companies. This was followed by an intensive dialogue with all companies. By the end of 2024, direct contact had been established with three out of the four companies.

ACTIONS AND RESULTS IN 2024

- By the end of the year, Freeport McMoRan remained the only company with which no contact had been established, despite follow-up emails.
- Direct contact was established with the other three companies, and the first conference calls are scheduled for early 2025





APPENDICES

Swiss Stewardship Code

PRINCIPLE 1 - GOVERNANCE	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.
PRINCIPLE 2 - STEWARDSHIP POLICIES	Investors and service providers develop effective stewardship policies which reflect the principles for effective stewardship and are aligned with their goals and values.
PRINCIPLE 3 - VOTING	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.
PRINCIPLE 4 - ENGAGEMENT	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.
PRINCIPLE 5 - ESCALATION	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.
PRINCIPLE 6 - MONITORING OF INVESTEE ENTITIES	Investors and service providers regularly monitor investee entities to track, assess and review the effectiveness of their stewardship activities.
PRINCIPLE 7 - DELEGATION OF STEWARDSHIP ACTIVITIES	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.
PRINCIPLE 8 - CONFLICTS OF INTEREST	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.
PRINCIPLE 9 - TRANSPARENCY AND REPORTING	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

(some underlying documents available only in French or German)

SWISS STEWARDSHIP CODE PRINCIPLE	ETHOS REFERENCE
PRINCIPLE 1 - GOVERNANCE	Ethos Charter Statuts de la Fondation Ethos Statuts de Ethos Services AG Ethos Code of Conduct Ethos principles for socially responsible investment (page 8) Rapport de gouvernance et de durabilité (pages 8-26)
PRINCIPLE 2 - STEWARDSHIP POLICIES	Ethos principles for socially responsible investment (pages 23-25) Engagement Policy
PRINCIPLE 3 - VOTING	Separate service for exercising voting rights based on: Ethos proxy voting guidelines Ethos principles for socially responsible investment (page 23)
PRINCIPLE 4 - ENGAGEMENT	Engagement Policy (pages 2-3) Ethos principles for socially responsible investment (pages 24) The present report (Chapter 2. Introduction)
PRINCIPLE 5 - ESCALATION	Engagement Policy (pages 3-4) Ethos principles for socially responsible investment (page 25) The present report (Chapter 2.4 Engagement process)
PRINCIPLE 6 - MONITORING OF INVESTEE ENTITIES	Engagement Policy (page 2) Ethos principles for socially responsible investment (pages 14-15)
PRINCIPLE 7 - DELEGATION OF STEWARDSHIP ACTIVITIES	Not pertinent
PRINCIPLE 8 - CONFLICTS OF INTEREST	Ethos Code of Conduct (pages 3-4) Règlement concernant les conflits d'intérêt et les cadeaux Ethos principles for socially responsible investment (page 8)
PRINCIPLE 9 - TRANSPARENCY AND REPORTING	Engagement Policy (page 4) Ethos principles for socially responsible investment (page 8) The present report

Glossary

AI: Artificial intelligence

AGM: Annual General Meeting

ASPI: Australian Strategic Policy Institute

(<https://www.aspi.org.au/>)

BCB: Brazil Central Bank

BNDES: Brazil National Bank for Economic and Social Development

CbC: Country by Country

CDP: Carbon Disclosure Project

(<https://www.cdp.net/en>)

CEO: Chief Executive Officer

CHRB: Corporate Human Rights Benchmark

(<https://www.worldbenchmarkingalliance.org/corporate-human-rights-benchmark/>)

CII: Council of Institutional Investors

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

CSRD: Corporate Sustainability Reporting Directive

(https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en)

DSW: Deutsche Schutzvereinigung für Wertpapierbesitz e.V.

(<https://www.dsw-info.de/>)

EEP: Ethos Engagement Pool

EPA: US Environmental Protection Agency

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

FTC: Federal Trade Commission

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

EUDR: European Deforestation Regulation

(https://environment.ec.europa.eu/topics/forests/deforestation-on/regulation-deforestation-free-products_en)

GHG: Greenhouse Gas

GHG Protocol: Greenhouse Gas Protocol

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

IAHR: Investor Alliance for Human Rights

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

ICCR: Interfaith Center on Corporate Responsibility

ICT: Information and Communication Technology

(<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/>)

IOSCO: International Organization of Securities Commissions

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

IPDD: Investor Policy Dialogue on Deforestation

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

IRA: Inflation Reduction Act

(<https://home.treasury.gov/policy-issues/inflation-reduction-act>)

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>)

MSCI: Morgan Stanley Capital International

(<https://www.msci.com/>)

NGO: Non-Governmental Organization

OECD: Organisation for Economic Co-operation and Development

(<https://www.oecd.org/en/about.html>)

PRI: Principles for Responsible Investment

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

RDR: Ranking Digital Rights

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

RMI: Responsible Minerals Initiative

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

SASB: Sustainability Accounting Standards Board

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

SBT: Science Based Targets

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/>)

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/>)

TCFD: Task Force on Climate-Related Financial Disclosure)

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

UNEP FI: UN Environment Programme Finance Initiative

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

UNGC: United Nations Global Compact

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

VBDO: Dutch Association of Investors for Sustainable Development

(<https://www.vbdo.nl/en/>)

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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