

### Human Rights

Business has an important role and responsibility in respecting human rights. This is also important from a regulatory, reputational, operational and supply chain risk perspective.

We recognise that human rights issues are complex, can be politicised, and in some cases are beyond the control and influence of the investee company (e.g. where state actors are involved).

Adverse human rights impacts may arise in any sector in different ways, but some industries, geographies or business models may be at heightened risk. Alleged human rights violations in a portfolio company may present risks to our clients' investments.

In recent years, we have seen increasing scrutiny of human rights impacts of business operations and their supply chains. This includes more human rights legislation and regulations being introduced or proposed around the world requiring businesses to manage human rights risks, and provide appropriate disclosures.

### Engagement approach

We encourage priority companies where Human Rights is a material issue to:

#### Human rights policy

- ◆ Establish a public policy committing to respect human rights, ideally aligned with a global standard such as the [UNGP](#), [UNGC](#), or the [OECD MNE guidelines](#).

#### Board oversight

- ◆ Provide evidence of board and senior management oversight of human rights commitments, practices and performance.

#### Due diligence

- ◆ Develop a robust due diligence process to identify and assess human rights impact on stakeholders in its operations, products and services and value chain. The approach may vary depending on industry, geography or business model.
- ◆ Take steps to avoid causing or contributing to adverse human rights impacts.

#### Grievance mechanisms and remediation

- ◆ Provide grievance channels that are accessible and free from retaliation.
- ◆ Where violations are found, ensure timely investigation and develop corrective action plans. Consider third-party opinions, and provide impacted stakeholders with effective remedy and communications.

#### Ongoing monitoring

- ◆ Ensure findings are integrated into relevant business processes, and monitor for evolving and emerging risks on an ongoing basis.

### Disclosures

- ◆ Provide greater transparency through disclosures across these areas, including relevant metrics, targets and case studies.

### Voting implications

For companies that are considered to be non-compliant with UNGC Principles 1 to 6, or if they fall below our expectations in other reference benchmarks, we may vote against the re-election of the chair or relevant board director.

We may change our use of third-party reference benchmarks and expectations over time, as companies' management of salient human rights issues evolve.

We support resolutions which call for enhanced disclosure on social issues. These include resolutions calling for human rights impact assessments and access to remedy processes according to the UN Guiding Principles for Business and Human Rights (UNGPR).

Please see our Global Voting Guidelines on the page 'Policies and Disclosures' of our public website for further details.



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