



## The Sustainable Way

Corporate & Social Responsibility (CSR)  
Responsible Investment (RI)  
Policy & Report, June 2017



# Statement of continual support for the Global Compact

“TOBAM fosters a spirit of innovation that is found across all levels of the organization. It is this belief that allows us develop cutting edge solutions helping bring about meaningful progress and, most importantly, performance. Looking beyond the obvious, questioning norms, anticipating future changes all whilst integrating clients' requirements- this is TOBAM's “Out of the Box” culture.

Since its beginnings, TOBAM has decided that sustainable development would be explicitly core to its values. Our clients have a long-term approach to investing and our sustainable way addresses these concerns.

Our objective is to provide rational and professional solutions to long term investors in the context of efficient markets. To successfully implement this, it is our responsibility to consider all the factors that may influence wealth creation and therefore impact our funds' performance.

We consider that commonly named “extra-financial” factors are on the contrary, very much financial as they may have significant consequences on assets' valuation and therefore on returns. They are integral in the rules structuring our investment activities, considering their financial materiality over the long run.

As a quantitative asset manager, TOBAM made the decision early on in its history to apply an exclusion list based on one of the pioneers in this field, Norges Bank, to have a clear and transparent methodology with which to gauge the impact of these criteria on returns.

By acting in the best interests of our clients and shareholders, we implicitly become long-term investors ourselves.

Environmental, Social and Governance (ESG) issues go hand in hand with economic ambitions to form a consistent and interdependent whole. This three-pronged, holistic vision of long-term economy forms an instrumental part of our genetic makeup. TOBAM has always been aware of its role in the economy and as such has proactively decided to make Sustainability a core value both at the investment and corporate level, taking a pragmatic and constructive approach rather than a subjective or moral one.

As part of our Corporate Social Responsibility, our commitment to Sustainability consists of managing our social and environmental externalities. This commitment is part of our corporate culture, in which each employee, as a shareholder of the company, is encouraged to not only be sensitive to his/her impact on the environment, but also suggest improvements of how we can better implement our sustainability. This “out of the box” system is the direct result of TOBAM's entrepreneurial and “one-team” spirit. Dialogue and constant engagement both amongst ourselves and our clients is a key pillar. Empowerment is crucial to help foster creativity, involvement and loyalty.

We are proud to share our commitments and the progress achieved the last year by disclosing this new edition of our Sustainability policy and report.



Yves Choueifaty  
Chairman & Founder, TOBAM

# Values

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Creativity

Sustainability

Out of the box

Aligned interest

Bourbaki Spirit\*

Straight-Through-Processing

Reliability

Nimbleness

Rigor

4 eyes rule

Transparency

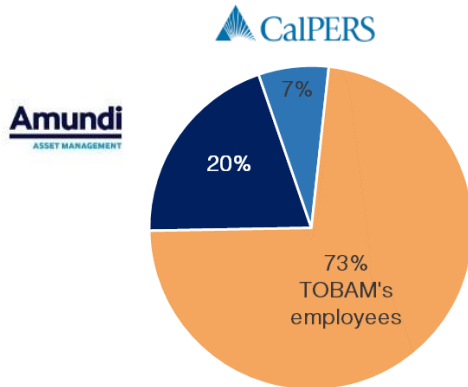
Empowerment

Commitment

\* For more information about the Bourbaki Spirit please refer to "The Bourbaki Spirit" article on TOBAM website.

# About TOBAM

TOBAM was created in 2005 by Yves Choueifat. Independent and employee-owned, TOBAM has two minority shareholders: California Public Employees' Retirement System (CalPERS) since April 2011 and Amundi, since May 2012.



Pioneer in the smart beta movement, TOBAM offers innovative investment capabilities aiming to maximize diversification.

TOBAM's flagship Anti-Benchmark® strategies and Maximum Diversification® indices, supported by original research and a mathematical definition of diversification, provide clients with diversified core equity exposure.

TOBAM continues also to grow its fixed income product range, currently offering global high yield and US credit strategies.

The Company manages over USD 8.5 billion via its Anti-Benchmark® strategies and Maximum Diversification® indices. TOBAM is comprised of 54 financial professionals

## Key Figures



Formed in 2005

\$8.5 billion assets under management

54 professionals, of which 18 are in Portfolio Management and Research Team

Global Presence (5 offices); 19 nationalities

*Figures as of June 30, 2017.*



"AM Leader of the Year"  
Grands Prix de la Gestion d'Actifs 2016 - Paris

funds europe awards 2016 Winner

"European Asset Manager of the Year"  
Funds Europe Awards 2016 – London

"Equities Manager of the Year"  
CIO Industry Innovation Awards 2015 – New York



"CIO of the Year"  
Funds Europe Awards 2015 – London





# Expertise

## What is Maximum Diversification® ?

The Maximum Diversification® approach is a quantitative investment methodology based on a unique principle: increasing diversification.

From this concept, TOBAM was able to derive the mathematical definition of a portfolio's diversification: the Diversification Ratio®.

The Maximum Diversification® investment process has one objective: Maximize the Diversification Ratio® of a portfolio given a set of constraints.

Bearing this in mind, the investment process aims to:

- Reduce risk
- Enhance returns

when compared to the market cap-weighted benchmark.

Strategies	AUM in \$ million
Global EM Equities	2,343
of which open-ended funds	2,134
ACWI Equities	2,137
of which open-ended funds	124
Global Developed Equities	1,916
of which open-ended funds	1,044
US Equities	839
of which open-ended funds	503
Canada Equities	132
of which open-ended funds	122
North America Equities	104
of which open-ended funds	-
Euro Equities	92
of which open-ended funds	91
Japan Equities	80
of which open-ended funds	80
Pacific ex-Japan Equities	74
of which open-ended funds	74
Korean Equities	49
of which open-ended funds	45
Other Equities	23
of which open-ended funds	23
<b>Total Equities</b>	<b>7,789</b>
US Credit	331
of which open-ended funds	331
Global HY Credit	141
of which open-ended funds	141
<b>Total Fixed Income</b>	<b>472</b>
Multi-asset	27
of which open-ended funds	27
<b>Total Multi Asset</b>	<b>27</b>
Maximum Diversification® ETF	169
<b>Total Maximum Diversification® ETF</b>	<b>169</b>
<b>Total AUM</b>	<b>8,457</b>
of which open-ended fund	4,738

Source: TOBAM. Figures as of June 30, 2017.

## Capabilities & Solutions: Equity, Fixed Income and Multi Asset

- **Anti-Benchmark® Strategies:** TOBAM's Anti-Benchmark® strategies are our historical flagship offering based on the Maximum Diversification® approach. These strategies are designed to maximize the degree of diversification when selecting weights of assets during the portfolio allocation process.

### Solutions

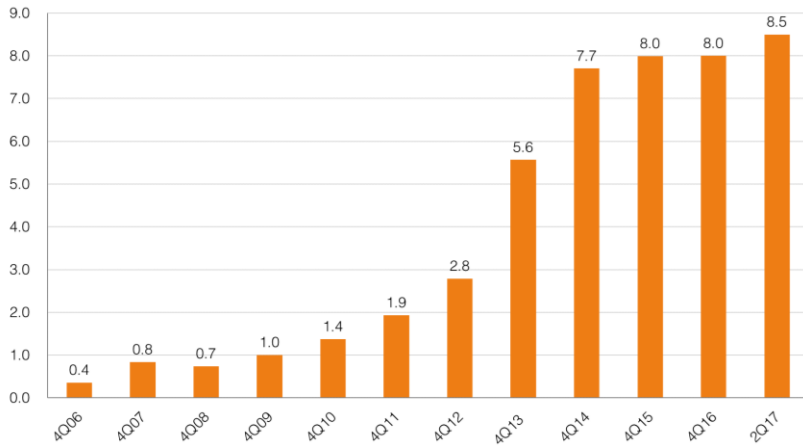
- Funds (open-ended & dedicated)
  - Advisory
  - Mandates
- **Maximum Diversification® Indices:** the TOBAM Maximum Diversification® Index Series is based on the Maximum Diversification® approach, yet constrained to deliver replicable and transparent indices. Unlike the Anti-Benchmark® strategies, the indices offer lower ex-post tracking error.

### Solutions

- Licensing (for Funds or ETFs)
  - Advisory
  - Mandates
- **Custom Indices & Strategies:** Due to the unique nature of our quantitative investment process, we are able to work together with our clients to design dedicated and bespoke solutions catering to their constraints and preferences (investment universe, tracking error management, integration of client's specific filter/blacklist etc.

# TOBAM at a glance

Assets under Management (US\$ billion)

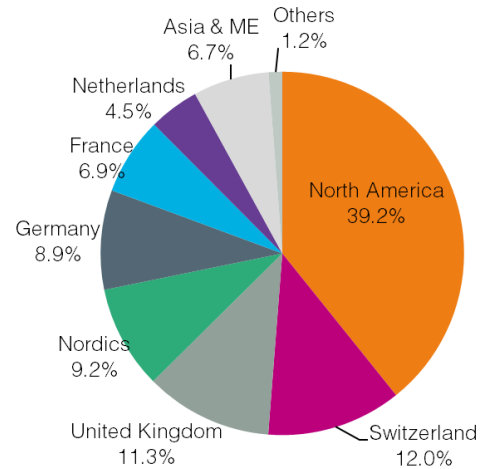


“The Maximum Diversification® approach is attracting more and more attention and interest from the world’s leading institutional investors. Investors are now acutely aware of the investment benefits, track record, and innovative dimension of the Maximum Diversification® approach and, importantly, the way in which it differentiates itself from the broader ‘smart beta’ investment approach.”



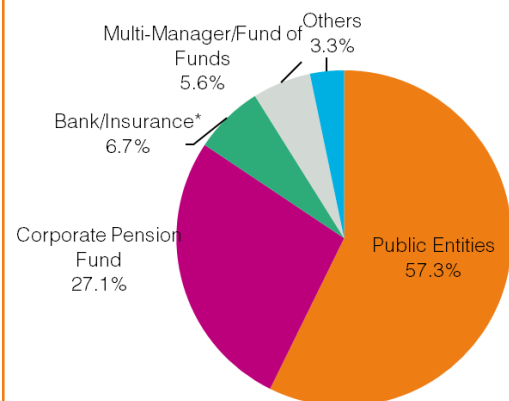
Christophe Roehri, Deputy CEO

AuM by clients geography



“Over 80% of our clients are institutional investors”

AuM by clients type



Source: TOBAM. Figures as of June 30, 2017.

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# 1. Sustainability Charter



As a leading player in the asset management industry, TOBAM is committed to incorporate sustainability **issues not only into its investment process**, through our Responsible Investment (RI) policy, **but also in its day to day activity**, through its Corporate Social Responsibility (CSR) approach. A targeted range of principles and commitments guides TOBAM's activities and puts sustainability at the heart of its corporate culture<sup>1</sup>.

RI

## 1.a. In its investments, TOBAM is committed to:

- Include ESG issues by:
  - Developing an **exclusion policy** banning all issuers considered non-compliant with sustainability requirements and therefore exposed to specific risks (future regulatory penalties, reputational damages, etc.), which could have a negative impact on the funds;
  - Conducting various ESG research projects to help better understand how to best implement responsible investment approaches into its own proprietary quantitative management process.
- Act as a responsible shareholder by properly documenting the exercise of its **voting rights covering the majority of securities** held in the portfolios, as well as acting in accordance with its **own proprietary voting principles** on a number of key corporate governance items.
- Promote responsible asset management practices vis-à-vis the media, our clients and peers, to help contribute to the implementation of more stringent ESG-related requirements for investments; as well as the development of a more responsible financial system overall.

## 1.b. For its own corporate practices, TOBAM is committed to:

### Internally:

- Monitoring its direct **Environmental** impact through a two tiered approach based on mitigation and off-setting
- Promoting **Social** Progress through:
  - Human Resources department that is built around having open dialogue as well as promoting employee ownership
  - Diversity - we believe that diversity, both in terms of education/professional backgrounds as well as personal characteristics (gender, ethnicity, etc.) is one of the key factors of TOBAM's success. As of June 2017, TOBAM employed 54 professionals (14 of whom were women and 40 were men) hailing from 19 different nations.
- Developing a **responsible and collaborative Governance system** overseeing its CSR and RI approaches in compliance with its commitments to the UN-Global Compact and Principles for Responsible Investment.

### Externally:

- Donate a portion of its profits to NGO's defending human rights
- Sponsoring program: the Youth Initiative
- CO2 offsetting program
- Shareholders: Clients; Partners & Employees

# 1. Sustainability Charter



## 1.c. Longstanding commitment to sustainability

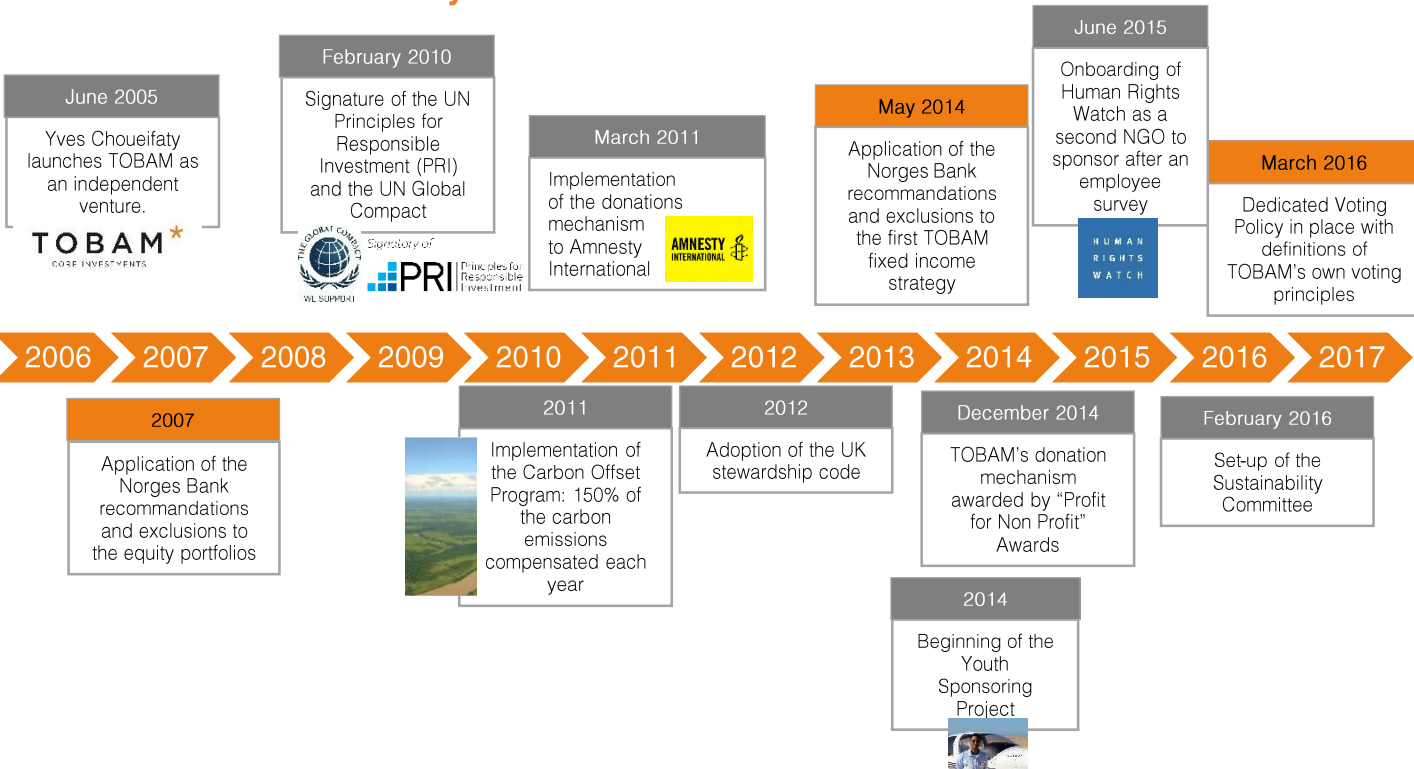
CSR

RI

Since its beginnings, TOBAM has decided that sustainable development would be explicitly core to its values. Its clients have a long-term approach to investing and its sustainable way addresses these concerns.

Upholding Environmental, Social and Governance principles (ESG) forms an integral part of both its day to day business as well as investment activity. TOBAM aims to act in a socially responsible manner via its business, its social relations and its long term vision of sustainable growth. By upholding these principles everyday we make sure that TOBAM does not veer from its "sustainable" journey.

### The "Sustainable" Journey



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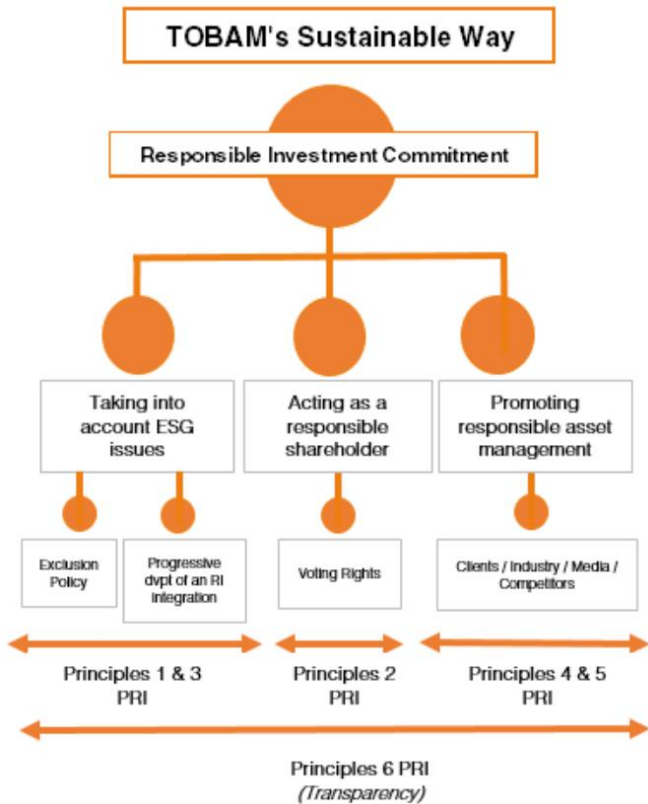


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RI

## 2. Responsible Investment guidelines and practices



This responsible investment approach relies on the main existing levers to foster a greater consideration of ESG issues within the asset management industry:

2.a. At the company level, this consists of including ESG matters in its investment process, through an **exclusion policy** broadly applied and the gradual **development** of Responsible Investment Integration strategies.

2.b. At the issuer level, it takes the form of an **active shareholding approach**, by exercising **voting rights** to further its commitments as a responsible investor and improve corporate governance.

2.c. At the industry level, the main objective is to promote responsible asset management practices and therefore contribute to **disseminating best practices**.

TOBAM firmly believes that sustainability matters will impact the economic and financial system over the long run.

Growing social issues (demographic growth, aspirations to economic and social development, etc.) combined with environmental constraints (limited natural resources, greenhouse gas emissions, climate change, etc.) lead to an unavoidable shift in economic models.

Deeply aware of these overriding issues, TOBAM made a clear decision to make sustainable development one of its core values and set up its “Sustainable Way” of investing responsibly, in line with its clients’ best interests as long-term investors.

As a PRI signatory, TOBAM is committed to upholding its Responsible Investment objectives by applying the PRI’s six underlying principles to its business and communicating its practices, progress and outcomes every year.



### THE SIX PRINCIPLES

- 1** We will incorporate ESG issues into investment analysis and decision-making processes.
- 2** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4** We will promote acceptance and implementation of the Principles within the investment industry
- 5** We will work together to enhance our effectiveness in implementing the Principles.
- 6** We will each report on our activities and progress towards implementing the Principles.





## 2.a. ESG issues in the investment process (1)



As part of its fiduciary duty, TOBAM is committed to protecting its clients' interests by taking into account all factors that could impact the financial performance and/or risk profile of investee companies, and therefore the returns generated by its investment strategies.

Most of our clients have a long-term investment horizon and will have to deal with major sustainability-related challenges that lead to tangible impacts on investment portfolios (stricter ESG-related regulatory framework, multiplication of norms and standards, pressure from stakeholders, etc.). As a result, **ESG issues can no longer be considered as "extra-financial" criteria, as they now form an integral part of the factors to be considered, alongside traditional ones.**

No lasting financial performance can be achieved without a sustainable economic and financial system. Responsible investment has become a necessity, a crucial risk management element of any investment process. We believe that incorporating ESG issues within our investment process is not meant to provide additional performance, but rather is instrumental in managing the risks and makes absolute sense in the context of long-term investments. **At TOBAM, this ESG incorporation takes two forms:**

- **A strict exclusion policy** suited to our quantitative investment approach, which consists of **excluding companies from our investment universe, that have unacceptable ESG practices and are consequently exposed to material impacts arising from significant risks** (reputational, legal, etc.). Applied to equity and fixed income strategies, respectively since 2007 and 2014, as well as to our Maximum Diversification® indices since 2011, this negative screening is based on the exclusion list published by a renowned investment institution and founding member of the PRI: the Norges Bank, whose
  - Approach is both transparent and readily accessible.
  - Exclusion list is aligned with the PRI guidelines, without seeking to impart a moral judgement.
  - Research approach embodies a constructive dialogue with companies that aims at encouraging better ESG practices and disclosure.
  - Engagement approach respects TOBAM's belief in the need to establish constructive dialogue with economic players
- **The progressive development of a pragmatic and science-based Responsible Investment Integration approach.** This consists of further investigating the best way of efficiently implementing relevant ESG issues into the investment process, drawing on quantitative skills. In the last three years, many topics on TOBAM's research agenda have been Responsible Investment/ESG-related (analysis of new strategies, backtests, annual studies of impacts of exclusion approaches on equity portfolios' performance and volatility, etc.).

TOBAM is convinced that consideration for good corporate governance and environmental and social issues in more aspects of investment management can have a lasting, positive impact on the global investment industry. By applying these two approaches to all our open-ended funds, we assume a small part of this responsibility and strive to make a contribution, at our own level, to a global effort. Furthermore, thanks to a quantitative approach combined with our ESG capabilities, we can provide our clients with a large spectrum of **bespoke solutions** suited to their specific Responsible Investment guidelines (dedicated exclusion filters for example).

## 2.a. ESG issues in the investment process (2)













### Exclusion criteria and divestment process

TOBAM applies the exclusion list of Norges Bank, a leading responsible investor in the global investment industry, to all its investments: Equities, Fixed income & Multi asset.

This list is monitored systematically and published on the website<sup>1</sup> of the Norges Bank. When a list and/or criteria is updated, the excluded stock will be divested at the next rebalancing process. TOBAM's portfolio management team conducts regular analysis and studies to measure the performance and volatility impact of the exclusion process to the portfolios.

As at June 2017, the exclusion list is based on the following criteria:

Product-based exclusions		Conduct-based exclusions	
	Production of cluster munitions		Serious violations of human rights
	Production of coal or coal-based energy		Serious violation of individual's rights in situation of war or conflict
	Anti-personnel landmines		Severe environmental damage
	Production of tobacco		Gross corruption
	Production of nuclear weapons		Other particularly serious violations of fundamental ethical norms

<sup>1</sup><https://www.nbim.no/en/responsibility/exclusion-of-companies/>

## 2.b. Responsible shareholder



In addition to incorporating ESG criteria into TOBAM's investment process, another way of acting responsibly as an asset manager is to wisely use the power of influence arising from our equity ownership in companies.

We believe that over the long run, good corporate governance should lead to both better corporate performance and improved shareholder value. Therefore, on behalf of clients, we use our ownership position in companies to further our commitment to socially responsible investing and to improve corporate governance by exercising proxy voting rights:

- **In the sole interest of our client portfolios<sup>1</sup>**, fund shareholders and clients, per our fiduciary duty
- **On a wide range of stocks.** In 2016, this represented more than 700 annual general meetings across Europe, North America, Asia-Pacific and Emerging Markets.
- **Through a proxy voting delegation to ISS** (Institutional Shareholder Services Inc.), a leading provider of corporate governance solutions, under the supervision of our Risk Management team. ISS continuously monitors international and local standards in order to consistently maintain a high level of requirements
- **In a fully transparent way:** the voting policy and details on how we voted over the past year are publicly disclosed on our website<sup>2</sup>.

While the overall exercise of voting rights is based on ISS's "SRI International Proxy Voting guidelines", we have gone one step further by defining our own voting principles on certain key corporate governance issues.

The quality of Board composition, for instance, is critical to efficiently assess and challenge the strategic plan defined by the executive management of the companies in which we invest. The corporate mission cannot be carried out effectively without a diversified and skilled Board of Directors to foster a real balance of powers.

Our role as a shareholder is therefore to make sure the appropriate governance systems are in place in the companies we invest in, rather than judging management decisions per se.

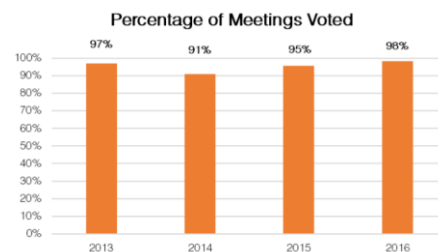
Thus, we have decided to closely monitor the appointment process for Board members, and to supplement ISS voting policy with some [proprietary voting guidelines](#), with a particular emphasis on boards' diversity and independence.

Additionally, as we consider sustainability as a risk management and performance factor over the long run, we believe that it is our role as a shareholder to exercise our voting rights on behalf of our clients to improve the sustainable development of the firm in which we invest. Our proprietary voting principles therefore support shareholder proposals asking for more transparency on sustainability issues (ESG board committee, Improvement of Human Rights Standards or Policies, etc.)



### 2016 Voting Rights exercise

Participation rate: 98% of the annual general meetings eligible to vote



“ A diverse and independent board composition brings a range of longer term benefits including a real balance of power with a firm



(1) For dedicated and independent client mandates, TOBAM offers clients to engage in the voting themselves or to outsource proxy voting to ISS following their SRI International Proxy Voting policy

## 2.c. Promotion of responsible asset management



Sustainability issues are of growing importance, but responsible investment matters are still in an experimental set-up phase. As a consequence, professional investors – among which asset managers – have a key role to play in the co-creation of common standards for responsible investing and shareholding practices. Another major issue is to progressively extend such practices to mainstream investment processes, over and above specific Core SRI funds. The financial community has to join efforts to address these challenges. We are committed to playing our role in this area through two main channels:

- **Active promotion of responsible investment practices vis-à-vis the media, clients and peers.**

- By broadly sharing our vision regarding these matters through articles in the local and international press.
- By addressing these themes when speaking at events and conferences. For example, TOBAM is a frequent speaker at CFA conferences around the world and systematically develops its vision of the role of core asset managers in terms of sustainability. Our responsible investment approach is invariably mentioned. Another recent example is the March 2015 LGPS Conference attended by an audience of public pension funds and trustees, at which TOBAM debated the virtues of active asset management and its role as the link between labour and savings.
- By publishing studies on the state of our SRI-themed research efforts and by communicating on a regular basis performance/risk analysis to our clients to illustrate the impact of our SRI approach.

- **Involvement in targeted professional bodies dedicated to this field:**

- Signatory of the Principles for Responsible Investment since 2010
- Signatory of the Carbon Disclosure Project and Water Disclosure Project since 2011
- Adoption of the UK Stewardship code since 2012



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CSR

# 3. Corporate Social Responsibility guidelines and practices

Sustainable Development is a new paradigm. No one can deny the trend of increasing environmental and social issues. Natural resources are limited and greenhouse gas emissions arising from anthropic activities accelerate climate change and threaten the future of our planet, while the current world population of 7.3 billion is expected to reach 8.5 billion by 2030, 9.7 billion by 2050 and 11.2 billion by 2100<sup>1</sup>.

The aspiration to economic and social development of this growing population, all the more legitimate for emerging and developing countries, is becoming an overriding issue, particularly considering the limited environmental capital. Furthermore, corporate modus operandi and business models have shifted from a shareholder-oriented to a stakeholder-oriented model.

Expectations have changed: clients no longer require just good products but also have an eye on ethics; the level of remuneration is no longer the only factor to retain employees, who are increasingly sensitive to their well-being at work; civil society keeps a watchful eye on companies' environmental and social impacts, etc. While companies' exposure to these issues are not equal (depending on the sector), we strongly believe that any economic player must do its part in the collective sustainable development challenge.

We have therefore set up our own "Sustainable Way" of working towards greater Corporate & Social Responsibility for two main reasons:

- **Responsibility and Consistency:** like any rational economic agent, we take into consideration sustainability issues in our daily operations and, as an investor, we have an additional duty to be exemplary so as to indirectly encourage issuers to improve their ESG practices, by showing that we apply a stringent Corporate Social Responsibility policy to our own daily operations, in line with the ESG requirements expressed towards investee companies in our Responsible Investment approach.
- **Efficiency:** we consider that CSR is a factor that contributes to companies' performances over the long run.

In line with the 10 Principles of the UN-Global Compact, that we signed up to in 2010, our policy covers the entire scope of ESG issues but focuses mainly on key areas where impacts and levers for improvement are both significant, i.e.:



3.a. **Monitoring our direct environmental impact**, through mitigation and offsetting

3.b. **Promotion of social progress**, both internally for our employees and externally by contributing to NGOs' efforts for the benefit of human rights

3.c. **Developing a responsible and collaborative governance** of our sustainability approach

### 3.a. Monitoring our direct environmental impact



Asset managers' direct environmental impact<sup>1</sup> is fairly limited compared with the pollution generated by industrial activities. Despite our low level of environmental externalities, we are keen to play our role in the global sustainability challenge by controlling our impact through a proportionate two-tier approach, relying on both mitigation and offsetting.

#### Negative impact mitigation as a daily reflex to reduce our environmental impact

TOBAM's teams work together to continuously identify new eco-friendly practices. Thanks to this collaborative approach, every single idea is considered by the top management and many concrete initiatives have been launched in several areas such as:

- Reducing energy consumption (general switch; presence sensor, etc.)
- Reducing waste and recycling (maximum use of electronic document storage, ink cartridge recycling, etc.). In early 2016, we notably set up a sophisticated recycling system in partnership with a company employing disabled workers.

#### Carbon offsetting as a tangible way of boosting action for the environment

While we strive to make mitigation efforts wherever possible, some of the impacts cannot be significantly reduced. Air travel, for instance, is unavoidable for TOBAM considering its international scope of clients. In these cases, carbon offsetting is a good way of making a concrete contribution to deal with environmental issues, when emission mitigation is not feasible in a realistic way without impacting operational effectiveness.

We therefore decided to set up a carbon offsetting programme in 2011, consisting of measuring our direct footprint every year (business travel, commuting, energy consumption, etc.) and offsetting 150% of our CO2 emissions by subsidising green projects.

For example, offsetting our operations in 2015 enabled the funding of a reforestation project in the North-East and North-West regions of Colombia.

Forests in catchment areas play a central role in maintaining and improving freshwater provision.

Unfortunately, regions such as Cáceres, Antioquia, Cravo Norte and Arauca in Columbia are greatly affected by gold mining, illegal coca plants and devastating farming practices. These activities are threatening nature's and biodiversity's survival in these tropical forest regions.

After reaching a ban of farming and gold mining, the Asorpar project supported by Tobam was able to re-introduce more than a hundred vegetal species, necessary for numerous endangered animal species such as very rare turtles, monkeys and parrots. Soil and water quality have been significantly improved, and more than 150 jobs have been created.

(1) Direct impact arising from daily operations (energy and water consumption in offices, travel-related carbon emissions, waste, etc.). Indirect impacts related to the investee companies held in portfolios are addressed through the Responsible Investment approach described in pages 9 to 14

### 3.b. Promotion of social progress (1)

## Internally, through initiatives geared at effectively managing our human capital



Asset managers' activities rely strongly on the talent and motivation of their staff, particularly when the business model is focused on complex and innovative quantitative investment processes such as TOBAM's. Talent retention not only depends on remuneration but also on a fulfilling and motivating working environment. We aim at gathering the best standard practices in every region. We are therefore committed to providing our employees with a balanced system, targeting both stimulating working conditions and fair human resources practices.

- An **HR management** system that combines social dialogue, employee ownership and professional support to teams
  - A strong employee shareholding programme: 73% of TOBAM's equity is owned by its employees. All staff with a tenure of at least six months have the opportunity to become shareholders of TOBAM.
  - Structured HR management mechanisms: All the staff undergo annual appraisals and benefit from trainings & sponsorships (CFA for example) as well as a specific internal training process, allowing each employee to gain a good grasp of our core expertise ("Maximum Diversification® for beginners", "Research Team" "Quest for equity risk premium" for example). An HR consultant monitors and controls employees' career development.
  - A company on a human scale that fosters a "one-team spirit": we preserve a flat hierarchy and close, unconstrained communication for the benefit of employees' empowerment, flexibility and well-being at work (regular information meetings, open desks and tools allowing instant face-to-face interaction between teams and offices, informal discussions encouraged, employee consultations on specific themes<sup>1</sup>, etc.).



*“ Welcoming employees as new joiners to the firm’s capital is a way to not only attract new talents but also a means to ensure we share the same genetic makeup and build a solid team spirit amongst the staff. A key benefit of this mechanism is the strong commitment of the employees in the company’s strategy and development that is rarely seen elsewhere. The team feels engaged in the strategic decisions taken for TOBAM and this state of mind that is now part of TOBAM’s DNA. (...) In a way, TOBAM is a family. There is a shared sentiment of “being looked after” among the employees. There is a sense of belonging.* ”

Laura Vu Thien,  
Executive Director  
& official spokesperson for  
TOBAM's employees



(1) For further information about employee consultations, please refer to pages 22 (see focus) and 25



## 3.b. Promotion of social progress (2)

### Internally through initiatives geared at effectively managing our human capital



#### Life at TOBAM in numbers\*

40 men, 14 women

One Fat Lady<sup>1</sup>

19 nationalities

84 countries visited

18 different languages spoken

13 weddings

29 babies

8 broken toes, ankles, Achilles' heel...

1 Tour de France

#### Initiatives to foster a **work-life quality and balance**

Beyond regulatory obligations related to Health and Safety, TOBAM has implemented:

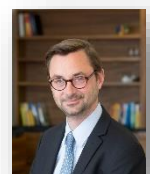
- **Employee benefits to facilitate staff's daily life:** Service vouchers "Universal Employment Services Cheque (CESU)" awarded to employees to facilitate employment of nannies, cleaners, gardening...; significant contributions to child-care expenses.
- **Continuous improvement of the premises to offer employees a pleasant and safe working environment:**
  - Large, open and bright offices; fitted kitchen, shower;
  - First Aid trainings with Red Cross provided to employees and their partners
  - Ergonomics trainings
- **Reasonable working hours & generous levels of paid annual leave :** we expect the highest standards from our teams, but keep a watchful eye to prevent risks of overworking and therefore limit stress & avoid burn-outs.
- **Initiatives to encourage congeniality and social cohesion:** drinks to celebrate important personal events (weddings, births), gifts to employees for these occasions; regular team-building events (annual seminar, holiday gatherings)

#### ■ **Diversity and equal opportunities** at the heart of TOBAM's DNA

- We consider diversity as an additional source of wealth for the company, whether it be diversity in terms of professional profiles (academic backgrounds, previous jobs, etc.) or personal features (gender, nationality, etc.).
- We are therefore committed to promote pluralism and diversity in academic background and professional profile through recruitment and career development.
- We have developed a human resources management that fosters staff diversity and avoids any kind of discrimination (ethnic, social, gender discrimination), in line with French regulations. TOBAM is proud to have employees

*The team is encouraged to think out of the box in its approach to 'conventional wisdom' to the greatest extent possible. As such, the team's diversity is a critical part of how well it functions. We have a large range of expertise, from highly skilled mathematicians to engineers, economists and traders, all of which feeds in to the team's ability to look at problems or assumptions from a very broad spectrum of viewpoints.*

Tristan Froidure, Head of Research



\*: figures as of June 30, 2017.

<sup>1</sup>: "Fat Lady", statue by the Chinese artist Zhang Hongbo acquired by TOBAM in 2011.

## 3.b. Promotion of social progress (3)

### Externally, through concrete contributions to human rights initiatives



We consider that fundamental human rights are an absolute prerequisite to creativity, innovation and, ultimately, to long-term economic growth. Based on this acknowledgement, we decided to build up a charity programme focusing on this theme when we launched our Anti-Benchmark Emerging Markets strategy in 2011, which led us to consider the human rights track record of certain governments in emerging countries.

- While investing in Emerging Markets and supporting the local economies and communities within these countries, we do not support the practices of any governments that breach international standards related to human rights.
- As an investor, direct lobbying initiatives aimed at governments would not be appropriate or fruitful. We therefore decided that our contribution should involve funding targeted NGOs, whose core mission is to defend human rights worldwide, and serve as leading partners in this global movement rather than trying to duplicate their actions.

Concretely, this contribution takes the form of significant annual financial sponsorship of NGOs to promote human rights. Every year since 2011, we have dedicated a share of TOBAM's Anti-Benchmark Emerging Markets Equity Fund's revenues to such donations. In 2016, this represented an amount of €205,000 split between two NGOs:

- Amnesty International, our historic partner since 2011
- Human Rights Watch, since 2015



Human Rights Watch and Amnesty International share a common mission: defend human rights worldwide and serve as leading partners in this global movement. Both organisations apply the principles set out in the Universal Declaration of Human Rights, the International Humanitarian Law and other international human rights standards as a foundation for their work.

This solidarity-based mechanism – that directly connects investment and philanthropy – was rewarded in 2014 by Axylia, which awarded the “Profit for Non Profit Special Award” to TOBAM's Anti-Benchmark Emerging Markets Equity Fund.



### A project supported and monitored by TOBAM's employees

As shareholders, TOBAM's employees feel deeply involved in the strategic decisions taken by the company. When it comes to initiatives supporting Human Rights, they are committed. For example, the employees were consulted by the executive committee to consult them on the donations. The survey showed a 75% approval of the mechanism and the decision to add Human Rights Watch as a second NGO to benefit from the donations alongside Amnesty International.

Furthermore, the two partner NGOs are occasional speakers at TOBAM's internal meetings. At this occasion, they raise staff awareness and develop their sensitivity to human rights issues worldwide, by explaining their action on the ground (e.g. in 2015, a mission in Ukraine by HRW covering a wide range of issues such as the use of explosive weapons, landmines, monitoring of the humanitarian situation, illegal detentions and torture, freedom of speech, disappearances in Crimea).

TOBAM has also shared with its clients and prospective investors, at numerous occasions the work of Amnesty International and Human Rights Watch. By organizing meetings, lunch or seminar presentations to allow them to introduce their actions and sensitize our industry, we believe that this will participate to promote human rights worldwide and publicize good practices (see appendices)

## 3.b. Promotion of social progress (4)

### The Youth Sponsoring Project

TOBAM initiated the Youth Sponsoring Project in 2014, as a sponsorship effort to support initiatives by young individuals to excel, to challenge their own limits and develop skills that are unusual for athletes or students their age.

*“La valeur n’attend point le nombre des années”*, wrote Pierre Corneille in *Le Cid*<sup>\*</sup>, and this mirrors TOBAM’s early years and its set of mind since its beginnings: Think out of the Box.

The project started in 2014 with the sponsoring of **Adjmal Allymun, a young pilot**. From his childhood, Adjmal was constantly looking up at the sky, but was prevented from entering the National School of Civil Aviation due to minor sight issues. TOBAM kindly agreed to sponsor and support Adjmal in 2014 and together they embarked on this adventure which allowed Adjmal to realize his dream.

Adjmal won the Hop! Tour of Young Pilots in 2014, where he won the Airline Transport Pilot Licence allowing him to change its career as engineer and start its qualification as an airline pilot.

TOBAM continued to sponsor Adjmal for Toulouse/Saint Louis (Senegal) rally in 2015, where he was part of the youngest crew to participate.

Adjmal is now a qualified private pilot and is in the process of qualifying as an airline pilot.



TOBAM is a proud sponsor of **Justin Bécrot, one of the most promising young (16) surfers in the world**.

Born in Bayonne (South West of France) in 2001, Justin grew up with his feet in the sand, between lake, forest and ocean.

15 years ago, his parents founded the Natural Surf Lodge, a living and eco-responsible environment, providing Justin with the perfect structure for his training.

Justin’s wanderlust and love of surfing in different locations (Australia, Tahiti, Hawaii, Denmark..) will be the key to his success when he joins the professional circuit.

TOBAM is proud to support this young athlete, who remains humble and accessible, while continuing a rigorous education.

<sup>\*</sup>: Act II , Scene II (the Count, Don Rodrigue): “Valour’s no need of years, a thing apart”

## 3.b. Promotion of social progress (5)

### Contemporary Art Collection



TOBAM initiated its contemporary art collection in 2010, a few years after its creation. "Uberall" by Dutch artist, Bart Domburg was bought in 2010, at a Christies' auction of Lehman Brothers Artwork and was the first piece to enter TOBAM's collection. TOBAM now owns several contemporary art masterpieces in its Paris office from various international artists, emerging as well as more recognized ones. Faithful to its name, TOBAM supports artists that have a creative thinking, a divergent production process, artists that Think Out of the Box. But most importantly, each masterpiece selected resonates with TOBAM's investment philosophy, or with our research-driven corporate culture.



**Uberall**, by Bart Domburg, acquired in 2010.

In this painting, the Dutch painter Bart Domburg's "Uberall" exposes two complementary perspectives from the same vantage point, a powerful allegory to the Anti-Benchmark approach. TOBAM acquired this oil painting on canvas in September 2010 at the Christie's "Lehman Brothers Artwork and Ephemera" auction.



**Fat Lady**, by Zhang Hongbo, acquired in 2011.

TOBAM purchased its landmark *Fat Lady* at the Christie's September 6, 2011 auction of the Jan & Monique des Bouvrie Collection in Amsterdam.



**The Windows of la Défense**, by Anne McAulay, acquired in 2011.

Born in London, Anne McAulay is half French and half English. She has moved to and from a total of 6 countries during her life-time, but a few years ago she decided to settle in Paris, the city where many of her photographs were taken. Essentially a spontaneous street photographer, Anne is well known for capturing emotional story-telling moments during the day and night of city life, in the metro, streets and cafés. TOBAM bought the unique print of the picture from Anne McAulay in 2011. Anne McAulay has been employed by TOBAM since 2006.

**"A birth of a star"**, by Alain Le Boucher, acquired in 2015.

TOBAM bought "A Birth of a Star" in January 2015 from Alain le Boucher, a French sculptor, specialized in "light" sculptures. He produced his first sculptures of light named "Luchrones" in 1982.

The sculptures of Le Boucher are light and transparent, poetic and fascinating, founded on the idea of amalgamating light with the dynamics of Time. His work echoes TOBAM's DNA, since the ignition pace is determined by sophisticated algorithms and a highly technological process.



**Untitled**, by Stevens Dossou-Yovo, acquired in 2016.

Stevens, a Paris-born sculptor dedicated to metal sculpture. In recent years, Stevens has moved away from figurative sculpture and now focuses on the representation of space through powerful mural compositions. Steel remains his favourite medium. "Untitled" acquired by TOBAM in 2016 is part of series that take illusion one step further. Surface is painted uniformly white, the resulting impression is one of weightlessness and stillness, verging on dematerialization: here the metal becomes an invisible and abstract expression of volume, space and movement.



**Image incurable n°1**, by Jacques Monory, acquired in 2016.

Jacques Monory is a French painter, born in 1924. Considered to be one of the main representatives of the "narrative figuration", a movement which, in the mid 1960s, objected to abstract painting. Photographic and cinematographic, borrowing the use of monochrome, the composition characterizes a unique style often immersed in a cameo of blue. TOBAM acquired "Image incurable N°1" in 2016, painted in 1972, part of the paintings series "les premiers numéros du catalogue mondial des images incurables".



### 3.c. Responsible and collaborative governance of our Sustainability approach



Sustainability is deeply anchored in TOBAM's core values and in its daily operations and processes. This full implementation is the result of a responsible and collaborative governance approach to sustainability initiatives, relying on aligned interests, employee contribution and structured oversight.

- **Alignment of interests:** TOBAM's largest client is a shareholder, as is one of our major distribution partner as well as TOBAM's employees. This strong alignment of interests creates mutual benefits and a win-win situation for all parties involved.
- **Employee contribution:** Employees, as shareholders are involved in the company's strategy, which is shared with them during a monthly informational meeting. Each employee is invited to take part in our efforts towards sustainability by suggesting new areas for improvement to senior management. Ideas are shared with the CEO on a monthly basis by TOBAM employees representatives. Of note also, an internal award rewards the best idea (see employee sustainability initiative). Employees are also consulted about specific matters, such as TOBAM's human rights sponsorship initiative<sup>1</sup>. This helps employees to consider TOBAM's Corporate & Social Responsibility approach as their very own.
- **Structured oversight:** we decided in 2015 to set up a Steering Committee dedicated to sustainability topics to challenge and monitor our approach and maintain a high level of commitment over time (see Interview below).

#### The Employee Sustainability Initiative



Involving teams and raising their awareness on sustainability issues is a tangible and lasting way to foster good governance and eco-friendly behaviour. To this end, TOBAM has set up an internal award to encourage its staff to take part in the company's corporate responsibility approach. The employee that comes up with the best idea for a sustainability-related initiative wins the award and a trip.

In 2016, TOBAM rewarded the set up of a recycling system in partnership with a company employing disabled workers.

#### INTERVIEW



**Nicolas Mejri & Zoé Charny,**  
*Portfolio Manager and Head of Marketing respectively;*  
*Members of TOBAM's Sustainability Committee*

*Why have you set up a steering committee specifically dedicated to sustainability matters ?*

**NM:** Issues related to sustainability are of growing interest to both clients and employees. In regards to investments, the impact is tangible: more and more asset owners have defined specific ESG guidelines, and regulations are becoming more demanding. Continuously improving our approach in this field is just as important as staying at the cutting edge of financial innovation.

**ZC:** The same observation can be made for CSR matters. General awareness is higher than ever, particularly among our teams who are deeply involved in TOBAM's Sustainability approach. Many ideas for improvement are voiced, which is a good sign. But we need to structure all these inputs to make greater progress, and our Sustainability Committee helps us in this regard.

*How does this steering committee work?*

**ZC:** The Committee is made up of Yves Choueifaty, who has the global picture in mind as TOBAM's CEO, Nicolas Mejri who represents the investment team, Maylis L'Hotellier, HR Director, and myself as a specialist of marketing and business development topics. We monitor market and normative evolutions in these fields. Identified areas for improvement are debated during committees and selected or not, depending on their relevance and feasibility.

We consider transparency as a key component of our responsible governance of Corporate Social Responsibility and Responsible Investment matters:

- We regularly publish a "Sustainable Way" report, including a comprehensive description of all our efforts towards sustainability.
- As a UN Global Compact and PRI signatory, we are committed to complying with these internationally renowned Responsible Investment-ESG reporting standards.

# Appendix

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# Appendix 1

## ESG Key Performance Indicators



TOBAM fulfils its commitments to the UN Global Compact:

- By implementing, in a scalable manner, both the Principles for Responsible Investment (PRI) and the 10 Principles in its operations and strategy
- By reporting transparently and progressively, in accordance with GRI G4 standards.

The present CSR and RI policy and report serves as our Communication on Progress (COP) to the Global Compact.

To achieve Active Level Status, we have made our best efforts for our report to meet minimum requirements, including a CEO statement of support, a description of actions in the four areas of concern according to their relevance and correspondence with the nature of our business activity and size, and a measurement of outcomes.

Below is a summary of these criteria and relevant GRI G4 indicators that we have selected, as well as a correspondence table to provide the reader with a global overview of the information disclosed within the report.

“ TOBAM has participated in the UN-Global Compact since 2010 and is continuously working to implement and promote the 10 Principles in support of human rights, labor rights, the environment and the fight against corruption. ”



Maylis L'Hotellier,  
Human Resources  
Director

# Appendix 1

## ESG Key Performance Indicators – Economy & RI



Criteria	Indicator name	2016	2015	2014	2013	2012	2011	Description of the indicator	Corresponding Table					
									GRI G4 +GRI Financial Sector supplement, SASB Sustainability	UN-Global Compact Principle	Art. 225 Grenelle 2 (French law)	ISO 26000 sectors in this report	Page numbers of the relevant sections in this report	
<b>ECONOMY PILLAR AND TOBAM'S PROFILE</b>														
<b>Organisation</b>	Number of employees	48	40	30	17	16	15	Number of employees	G4.5.	X	X		4	
	Location of TOBAM's headquarter	PARIS (FRANCE)								G4.5.	X	X		4
	Numbers of countries in which TOBAM operates	7	5	2	2	1	1		G4.6.	X	X		4	
	Nature of ownership and legal forms	See details pages 4								G4-7.	X			4
<b>Investments &amp; Product overview portfolio</b>	AUM (Million USD)	7,969	7,994	7,709	5,588	2,790	1,933	Assets Under Management	G4.4.	x			6	
	Markets served, client breakdown, geographical breakdown of investments	See details page 4							Geographic breakdown, types of customers and beneficiaries; % of the portfolio for business lines by specific region	G4-8., FS6	X			6
	Listed equity investments	>95%	>95%	>95%	>95%	>95%	>95%	>95%	Percentage of AUM invested in listed equity	G4.4.	X		5	
	Commodity investments	0%	0%	0%	<5%	<5%	<5%	<5%	Percentage of AUM invested in commodities (futures)	G4.4.	X		5	
	Bonds/Debt investments	<5%	<5%	<5%	-	-	-	-	Percentage of AUM invested in I bonds	G4.4.	X		5	
	Emerging markets investment area	25%	26%	23%	19%	14%	15%	15%	Percentage of AUM invested in emerging markets	G4.4.	X		5	
<b>RI IMPLEMENTATION &amp; ACTIVE OWNERSHIP</b>														
<b>Responsible Investment Implementation</b>	ESG Incorporation strategies	100%	100%	100%	97%	91%	85%	As a % of internal actively managed assets subject to negt meetings (the total value of our listed equity/investments)	FS11, SASB – FN0103-15 & 16 (see details pages 11 & 12)	1 to 10			13 to 14	
	General meetings voted	711	751	645	615	104	27	Number of general meetings voted during the year						
<b>Voting Rights in General meetings</b>	Percentage of general meetings voted	98%	95%	91%	97%	93%	99%	% of meetings voted out of the number of votable meetings (the total value of our listed equity/investments)	SASB_FN0103-17	1 to 10			15	
	Percentage of votes against management	20%	14%	16%	14%	11%	8%	As a percentage of the total number of ballot items we issued instructions on						



# Appendix 1

## ESG Key Performance Indicators – CSR – Social Pillar



										Corresponding Table				
Criteria	Indicator name	2016	2015	2014	2013	2012	2011	Description of the indicator		GRI G4 +GRI Financial Sector supplement, SASP Sustainability	UN-Global Compact Principle	Art. 225 Grenelle 2 (French law)	ISO 26000	Page numbers of the relevant sections in this report
<b>SOCIAL PILLAR</b>														
<b>Labour / Employment</b>	Number of employees (end of year)	48	41	31	23	17	16	Total number of full time employees (end of year)		GA-LA1, G4 10	X	X		4
<b>Labour / Diversity and equal opportunities</b>	Percentage of women	25%	27%	29%	17%	17%	19%	As percentage of permanent staff (end of year)		LA2, G4-10	6	X	X	21
	Number of different nationalities	17	13	11	7	5	4	Number of different nationalities		LA2, G4-10	6	X	X	21
	Incidents of discrimination	0	0	0	0	0	0	Total number of discrimination incidents		HR4	6	X	X	21
<b>Labour / Talent retention and career management</b>	Employee turnover	8%	0%	0%	4%	6%	0%	Number of employees with at least 2-year seniority who left the company / total number of employees		G4-LA1	X			21
	% of trained employees	79%	44%	24%	13%	19%	12%	Number of employees who have received at least one training session in the year <sup>1</sup>		G4-LA1	X			20
	% of womens trained	100%	67%	33%	50%	22%	9%	% of womens/mens who have received at least one training in the year		G4-LA9	X			20
	% of mens trained	71%	38%	21%	16%	18%	13%			G4-LA9	X			20
<b>Labour / Worklife balance and quality</b>	Hours of training per employee	7.5	2.7	3.5	1.8	2.9	16	Average hours of training per year per employee		G4-LA9	X			20
	Paternity Leave	83%						% of men entitled to a paternity leave <sup>2</sup> in the year that actually took it		G4-LA3	6	X		21
	Absenteeism <sup>3</sup>	0.60%						Absenteeism (as a % of firm's total sick days on firm's total work days)		LA 07	4	X		21
<b>Health &amp; Safety</b>	Birth Rate	15%	10%	6%	10%	12%	25%	Number of children employees have had during the period per employee			6	X		21
	Red Cross Training	46%	69%	77%	61%			% of staff trained at least in the past three years				X		21
<b>Labour / Attractiveness and Recruitment</b>	Posturing/Ergonomics Training	69%						% of staff trained at least in the past three years				X		21
	Percentage of employee shareholders	100%	100%	100%	100%	100%	100%	Number of employees with 1 year seniority holding shares of the company			10	X	X	4 & 20
	Employees's ownership	73%	80%	71%	71%	70%	83%	% of TOBAM's shares held by employees		G4-13	10	X	X	4 & 20
	President & Employees Representatives Meetings	9	4	7	10	8	2	All employees information meetings (held before 2014 but no record kept)		G4-11	3	X		20
<b>Labour / Social Dialogue</b>	Town Halls Meetings	9	6	4						G4-11		X		20
	Collective bargaining agreements	85%	86%	89%	86%	90%	88%	% of total employees covered by collective bargaining agreements		G4-11	3	X	X	21
<b>SOCIETAL PILLAR</b>														
<b>Charity &amp; Human rights</b>	Human Rights donations	€ 205.000	€ 215.000	€ 110.000	€ 66.500	€ 20.000	€ 5.000	total donations in euros per year			1			22

# Appendix 1

## ESG Key Performance Indicators – CSR - E & G Pillars



Criteria	Indicator name	2016	2015	2014	2013	2012	2011	Description of the indicator	Corresponding Table				
									GRI G4 +GRI Financial Sector supplement, SASB Sustainability	UN-Global Compact Principle	Art. 225 Grenelle 2 (French law)	ISO 26000	Page numbers of the relevant sections in this report
<b>ENVIRONMENTAL PILLAR</b>													
<b>Materials and Waste</b>	Paper used (metric Tons)	1.2	1.2	1.6	2.0	2.0	2.2	Materials used by weight or volume	EN1	7 to 9	X	X	19
	Recycled paper use	52%	50%	62%	60%	60%	60%	Percentage of materials used that are recycled input materials.	EN2	7 to 9	X	X	19
<b>Energy</b>	Energy consumption (in tons of CO2)	10.5	13.0	15.7	10.0	10.0	10.0	Total energy consumption (electricity, hot and cold fluids in office buildings)	EN3	7 to 9	X	X	19
<b>CO2 Emissions</b>	Total Carbon Emissions per employee	3.2	4.0	3.4	2.4	2.5	3.0	Metric tons of CO2 related to work per employee	G4 EN15 & 16	7 to 9	X	X	19
	Total Carbon Emissions	154	158	102	40.0	40.0	45.0	Consumptions in equivalent metric tons of CO2	EN3/EN4/EN16	7 to 9	X	X	19
	- Transportations	129	132	77	20.3	21.5	13.1	Ratio of carbon emissions in metric tons of CO2 on AUM bn (Aircratts, Trains, Taxis)	EN29	7 to 9	X	X	19
	- Employees commutation	5.3	4.0	4.1	4.3	3.6	3.7	This is an extension of EN29 to take into account the energy employees spend coming to work	EN29	7 to 9	X	X	19
	- Heating / Air Conditioning / Electricity	10.5	13	15.7	10.0	10.0	10.1		EN29	7 to 9	X	X	19
	- Other	9.2	9.0	5.2	5.4	4.9	5.8		EN29	7 to 9	X	X	19
	Offsetting carbon emissions	150%	150%	150%	150%	150%	133%	Percentage applied to our equivalent total carbon emissions on our direct scope (excluding investments) we offset by subsidising green projects (see details page 17)	G4-EN31	7 to 9	X	X	19
<b>CORPORATE GOVERNANCE PILLAR</b>													
<b>Management of the legal &amp; regulatory environment</b>	Fines and settlements associated with financial fraud	0	0	0	0	0	0	Amount in \$ and % of the legal and regulatory fines & settlements associated with financial fraud	SASB_FN0103-08	10	X	X	25
<b>Transparent information and fair advice to customers</b>	Providing adequate, clear and transparent information	0	0	0	0	0	0	Amount in \$ of fines and settlements associated with failure to provide adequate, clear and transparent information about products and services	SASB_FN0103-08	10	X	X	25
<b>Anti-Money Laundering / Anti-Corruption</b>	Proportion of employees trained	100%	100%	100%	100%	100%	100%	Percentage of TOBAM's employees trained on Anti-Money Laundering policies and procedures in the last two years of presence.	G4-S04		X	X	20
	Training hours / employee / year	1	1	1	1	1	1	Number of hours trained per year and per employee related to anti-money laundering	G4-S04		X	X	20

<sup>1</sup>: Paternity leave is defined as the 11-day paid leave set up in the french social security system. Note that 100% of the relevant employees benefited from a 3-day fully paid leave.

<sup>2</sup>: Absenteeism does not include paternity leave & maternity leave, only sickness related absenteeism.

Source: TOBAM. When data are not available in previous years, it means that the mechanism wasn't yet in place, or that the statistic was not yet computed by TOBAM

# Appendix

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# Appendix 2: Geneviève Garrigos, President of Amnesty International & Anna Neistat, Head of Research.



*Interview from July 2016, extract from TOBAM's 10-year book published in September 2016.*

## INTERVIEW



*Geneviève Garrigos has been president of Amnesty International France (AIF) since March 2008. As an AIF representative, she promotes public awareness of the causes defended by the association, carries out advocacy actions with decision-makers and also keeps the media informed of AIF activity.*

*Dr. Anna Neistat leads Amnesty International's global research by setting the research agenda and ensuring consistently high standards for research strategy, methodology and quality. She provides political and human rights analysis and expert advice on human rights to the International Secretariat and the movement as a whole, and represents Amnesty International in major internal and external fora. She is a member of the organization's Senior Leadership Team which is responsible for the leadership, management and development of the organization. Neistat has conducted over 60 investigations in conflict areas around the world, including Syria, Afghanistan, Pakistan, China, Zimbabwe, Nepal, Kenya, Yemen, Chechnya, Sri Lanka and Haiti. She has authored or co-authored over 40 Human Rights Watch reports as well as numerous articles and opinion pieces.*

**Amnesty International DNA relies on three pillars: Research / Advocacy & lobbying / Campaigns & actions, could you expand on that?**

**Geneviève Garrigos:** Amnesty was born from the desire of Peter Benenson to mobilize people around the world to free prisoners of conscience, ending torture. However most governments keeping secret the human rights violations they commit, we have to conduct our own independent research, to disclose our own information to influence decision makers to achieve change.

**Which of these three pillars has the most impactful effect on human rights?**

**Geneviève Garrigos:** Each pillar is as important as the others. They are mutually reinforcing. They allow us to expose the facts whenever and wherever abuses happen, to make governments keep their promises and respect international law, to campaign for change and to stand in defense of activists on the frontline.

**Would you say the human rights cause has positively evolved over the years?**

**Geneviève Garrigos:** We are confronting big challenges such as the dramatical increase of refugees, conflicts where civilians are targeted by armies and armed groups. But there is a light in the darkness: human rights charts and accountability mechanisms have been reinforced at international, regional and local law levels while, millions of people are more aware of their rights and mobilized to demand access to justice and dignity.

**Anna Neistat:** I would point out three major positive developments. First, the evolution of the human rights law - we now have treaties that establish human rights guarantees, states' obligations, and remedies, and this body of law continues to develop giving us the necessary international framework for human rights protection. Second, these laws, even though they are frequently violated, and institutions that are in place to ensure their implementation, mean that it is becoming less and less acceptable for states to blatantly abuse the people - on their territory or abroad, at times of conflict, for example. And third, the authority of human rights organisations, like Amnesty International, is now unquestionable and it gives us the power to act: very few states can afford to ignore a damning report by an organisation like ours, and people around the world know that they can turn to us for help.



# Appendix 2: Geneviève Garrigos, President of Amnesty International & Anna Neistat, Head of Research.



*Interview from July 2016, extract from TOBAM's 10-year book published in September 2016.*

Anna, as the Head of Research for Amnesty International, could you explain how Amnesty is organised on the ground?

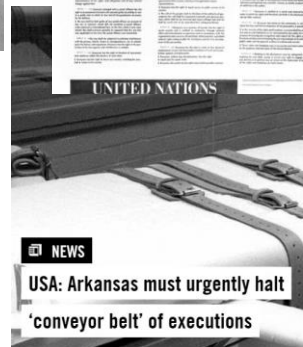
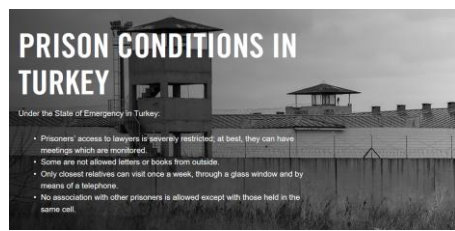
**Anna Neistat:** Amnesty International is currently undergoing a major transition process, tagged "moving closer to the ground". We are opening regional offices around the world where we are trying to integrate all aspects of our work - research, campaigning, advocacy, media work, mobilization, partnerships with civil society, and close cooperation with Amnesty sections around the world. For research directorate it means that the majority of our researchers will be based in the region that they cover, thus allowing them to have day-to-day connection to the countries they are working on and the support of the regional office to ensure maximum human rights impact. In addition, we have thematic programs focusing on global issue such as business and human rights, refugees and migrants, arms and security, etc, and a crisis response program that conducts research in conflict areas around the world.

What is the most rewarding moment for a researcher on the ground?

**Anna Neistat:** The most rewarding moment is seeing the impact of our work. It always starts with thorough documentation and exposure of human rights violations - and, in order to do this, we speak to hundreds of victims and witnesses of the violations and often meet them at the most tragic moments of their lives. There are situations where we cannot do much more than to expose the injustice, bring it to light and at least make sure that people's suffering does not go unnoticed. But in the majority of cases we work on, we take concerted action, through campaigning, lobbying, litigation and other means to bring justice to the victims and hold the perpetrators accountable. And when we are successful, when we manage to prevent an execution, to get an unlawfully detained person out of prison, to get a company pay compensation to the community whose land it had polluted, to get a general who committed war crimes prosecuted - this gives us a sense of deep satisfaction motivates helps us to continue our work despite all obstacles.



**FIJI**  
**A roadmap towards a torture-free Fiji**



# Appendix

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3. Human Rights Watch – Interview.....p.33



# Appendix 3: Ole Solvang, Deputy director of the emergencies division



Interview from June 2015, extract from TOBAM's 10-year book published in September 2016.

## INTERVIEW



Ole Solvang works to investigate and expose human rights violations in crisis situations on a rapid-response basis. Since 2001, he has worked for Human Rights Watch in Russia, Kyrgyzstan, Uzbekistan, Georgia, Sri Lanka, Syria and its neighboring countries.

He has most recently worked on the crisis in Ukraine, where he has conducted investigations into indiscriminate shelling of civilians. Solvang is featured in the 2014 documentary film "E-Team," which was premiered at the Sundance Film Festival.

He has also served as the executive director of Russian Justice Initiative, an organization providing legal aid to victims of human rights violations such as torture, extrajudicial executions, and disappearances in Chechnya and the North Caucasus. Solvang holds a master's degree in international affairs from New York's Columbia University with a focus on international human rights and the former Soviet Union.



July 21, 2016

### Ukraine: Torture, Disappearances in East

Civilians Detained, Abused on Both Sides of Conflict Line

### Ukraine: Prison Sentence for Academic in Separatist Region

Unjustly Convicted after Unfair Trial, Incommunicado Detention

### Ukraine: Torture, Disappearances in East

Civilians Detained, Abused on Both Sides of Conflict Line

### Crimean Tatar Activist Confined in Psychiatric Hospital

Drop Separation Charges, Allow Necessary Medical Care

### "You Don't Exist"

Arbitrary Detentions, Enforced Disappearances, and Torture in Eastern Ukraine



July 21, 2016

### They Do Exist

Why It's Time to End Secret Detention in Ukraine

## Could you describe the current situation in Ukraine?

The crisis in Ukraine has taken many forms since November 2013, when a protest movement denouncing government corruption swept the capital Kiev. Civil unrest and violence quickly spread to other cities and led to the ousting of Ukraine's president in early 2014.

Russia's subsequent occupation of Crimea emboldened pro-Russia rebels to seize power in towns and cities across eastern Ukraine—today the epicenter of an international conflict between Russia-backed rebels, Ukraine, and Russia.

A ceasefire agreed upon in February 2015 has been extremely fragile, and there is still daily fighting and shelling, putting civilians at risk and forcing them to flee their homes. In addition to the fighting, the lack of adequate humanitarian assistance, including live-saving medicines, continues to take a terrible toll on civilians.

The conflict has already killed more than 6,000 people and displaced more than a million.

The fact that you monitor human rights violations and abuses from both sides is one of the reason we decided to support the mission in Crimea, as it felt to us as a strong advocacy for Human Rights - Why do you believe this "no black & white" vision is crucial?

An armed conflict is never black and white; it never happens that all the good guys are on one side and all the bad guys are on the other side. In the conflicts we cover all over the world, we unfortunately see that all sides commit violations of the laws of war.

Of course, some of the warring parties might be better than others. But for a civilian who was tortured, it does not really matter how many other people that side tortured, it is still a violation of his or her rights, and it is our job to document and condemn it.

Human Rights Watch maintains strict independence and impartiality in all of the work that we undertake, and documenting abuses by both sides is critical to ensuring that we obtain a full and accurate picture of what is happening on the ground.

# Appendix 3: Ole Solvang, Deputy director of the emergencies division



*Interview from June 2015, extract from TOBAM's 10-year book published in September 2016.*

Human Rights Watch accepts no funding from governments to remain 100% free and independent, what are however your relationships with governments? What is the split between monitoring and reporting; and influence change?

We employ a simple methodology for defending human rights: investigating, exposing, and pushing for change. Our researchers share their findings with governments, international donors, and international governmental bodies. They press powerful actors to use their influence to curb abuse.

Working behind the scenes and drawing upon their on-the-ground experience, our researchers answer questions from political leaders. They have also served as expert witnesses in trials of those responsible for the world's worst crimes.

What is the day-to-day work of a senior researcher at Human Rights Watch?


No day is the same.

Some days you are in a war zone, investigating, for example, an indiscriminate attack by examining rockets craters, looking for weapons remnants, and interviewing victims and witnesses who have experienced the most horrible things you can imagine.

Some days you are locked up in the office, trying to write a press release or report as quickly as possible to draw attention to the human rights violations you have documented.

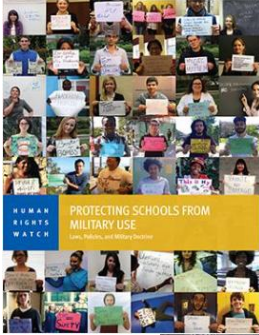
Other days you are doing back-to-back meeting with government officials, some of them hostile, trying to convince them to implement your recommendations so that fewer civilians are killed.

In the end, though, the best days are when we can see real impact from the work we are doing.




**Protecting Rights, Saving Lives**


Human Rights Watch defends the rights of people in 90 countries worldwide, spotlighting abuses and bringing perpetrators to justice



**PROTECTING SCHOOLS FROM MILITARY USE**  
Iraq, Pakistan, and Military Presence



**Death by Chemicals**  
The Syrian Government's Widespread and Systematic Use of Chemical Weapons



December 6, 2016  
**"Special Measures"**  
Detention and Torture in the Chinese Communist Party's Shuanggul System



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