**Statement on Israel and the Occupied Palestinian Territories (“OPT”)**

As institutional investors, London CIV have a responsibility to respect human rights as formalised by the UN and the Office of Enforcement and Compliance Assurance (“OECA”) and have selected this topic as one of our priority engagement themes in 2021 (as detailed in our [Stewardship Policy](https://londonciv.org.uk/block/download/2859/file)).

As active owners, we take an engagement approach which enables us to have a bigger impact than losing our voice through divestment alone. Meeting international standards and mitigating negative outcomes for people leads to better financial risk management. Helping us to align activities with the evolving demands of beneficiaries, clients and regulators, whilst future-proofing our investments.

Following the recent report by Human Rights Watch[[1]](#footnote-1) (“HRW”) detailing ‘crimes of apartheid and persecution’ by the Israeli authorities and events in Israel and the Occupied Palestinian Territories (“OPT”) London CIV have assessed and disclosed its exposure to the companies accused[[2]](#footnote-2) of facilitating human rights abuses in the OPT.

We commit to engaging with investee companies flagged by United Nations Human Rights Office of the High Commissioner’s (“OHCHR”) A/HRC/37/39 Report and the WhoProfits Online Database and Information Centre, demanding timely responses to our questions. We will assess the outcome of each engagement on a case-by-case basis, using escalation measures if required.

This piece of engagement work is part of London CIV’s broader active ownership strategy, where we assess global human rights issues at least quarterly to identify the exposure of our funds to such risks and inform our priority engagements.

Other key engagements on human rights violations include engaging with companies accused of the following activities; benefiting from the forced labour of Uyghurs[[3]](#footnote-3), supplying arms used to commit war crimes in Yemen[[4]](#footnote-4) or maintaining business relationships with military-affiliated Mytel and Viettel in Myanmar[[5]](#footnote-5).

We will continue to monitor all relevant lists and identify emerging issues to ensure our funds are not complicit in any violations of human rights or international law anywhere in the world.

**Non-pooled Funds**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund Name** | **Company** | **Reference** | **Total Market Value (£)** |
| LCIV Equity Income Fund | Siemens | Who Profits/Investigate | 29,772 |
| LCIV Global Alpha Growth Fund | Albemarle Corporation | Who Profits | 32,385,375 |
| LCIV Global Alpha Growth Fund | Alphabet | Investigate | 76,337,271 |
| LCIV Global Alpha Growth Fund | Booking Holdings | Who Profits/Investigate/OHCHR | 35,471,597 |
| LCIV Global Alpha Growth Fund | Facebook | Investigate | 40,432,942 |
| LCIV Global Alpha Growth Fund | Microsoft | Investigate | 72,984,724 |
| LCIV Global Alpha Growth Paris Aligned Fund | Alphabet | Investigate | 11,847,862 |
| LCIV Global Alpha Growth Paris Aligned Fund | Booking Holdings | Who Profits/Investigate/OHCHR | 5,565,940 |
| LCIV Global Alpha Growth Paris Aligned Fund | Facebook, Inc | Investigate | 6,423,727 |
| LCIV Global Alpha Growth Paris Aligned Fund | Microsoft Corporation | Investigate | 10,834,764 |
| LCIV Global Equity Focus Fund | Alphabet | Investigate | 36,908,099 |
| LCIV Global Equity Focus Fund | L3harris Techs. | Who Profits/Investigate | 34,897,071 |
| LCIV Global Equity Fund | Abb Ltd | Who Profits/Investigate | 103,885 |
| LCIV Global Equity Fund | Albemarle Corporation | Who Profits | 9,175,209 |
| LCIV Global Equity Fund | Alphabet | Investigate | 35,780,652 |
| LCIV Global Equity Fund | Barclays | Who Profits | 8,729,267 |
| LCIV Global Equity Fund | Microsoft Corporation | Investigate | 34,437,609 |
| LCIV Global Equity Fund | Sony Corporation | Who Profits/Investigate | 18,051,373 |
| LCIV Global Equity Core Fund \* | Alphabet | Investigate | 15,584,381 |
| LCIV Global Equity Core Fund \* | Microsoft Corporation | Investigate | 36,636,713 |
| LCIV Global Bond Fund | Acs Actividades | Investigate | 264,749 |
| LCIV Global Bond Fund | Altice | Who Profits/OHCHR | 167,345 |
| LCIV Global Bond Fund | Babcock | Who Profits | 874,602 |
| LCIV Global Bond Fund | Barclays | Who Profits | 2,996,118 |
| LCIV Global Bond Fund | Boeing | Investigate | 2,743,341 |
| LCIV Global Bond Fund | Bombardier | Investigate | 146,894 |
| LCIV Global Bond Fund | Booking Holdings | Who Profits/Investigate/OHCHR | 258,806 |
| LCIV Global Bond Fund | Expedia | Who Profits/Investigate/OHCHR | 914,788 |
| LCIV Global Bond Fund | Ford Motor | Investigate | 912,255 |
| LCIV Global Bond Fund | G4s Intl | Who Profits/Investigate | 269,041 |
| LCIV Global Bond Fund | General Mills | Who Profits/Investigate/OHCHR | 262,247 |
| LCIV Global Bond Fund | General Electric Co | Investigate | 342,198 |
| LCIV Global Bond Fund | Hsbc | Who Profits | 5,059,473 |
| LCIV Global Bond Fund | Leidos | Investigate | 145,018 |
| LCIV Global Bond Fund | Mitsubishi UFJ FI | Who Profits/Investigate | 1,150,335 |
| LCIV Global Bond Fund | Safran | Who Profits | 343,999 |
| LCIV Global Bond Fund | Toyota Industries | Investigate | 1,231,240 |
| LCIV Sustainable Equity Exclusion Fund | Alphabet | Investigate | 22,615,461 |
| LCIV Sustainable Equity Exclusion Fund | Microsoft Corporation | Investigate | 24,656,578 |
| LCIV Sustainable Equity Fund | Alphabet | Investigate | 49,103,819 |
| LCIV Sustainable Equity Fund | Microsoft Corporation | Investigate | 48,441,521 |
| LCIV UK Equity Fund | Abb Ltd | Who Profits/Investigate | 6,031 |

(Calculated on 31/05/2021) \* LCIV Global Equity Core Fund is calculated as of 31/03/2021 due to manager requirements.

**Pooled Funds**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund Name** | **Company** | **Reference** | **% of Fund Exposure** |
| LCIV Global Total Return | Atlas Copco | Investigate | 0.27% |
| LCIV Mac Fund | Altice France | Who Profits/Investigate | 0.32% |
| LCIV Mac Fund | Altice USA Inc | Who Profits/Investigate | 0.07% |
| LCIV Mac Fund | Barclays | Who Profits | 0.22% |
| LCIV Mac Fund | Bombardier Inc | Investigate | 0.01% |
| LCIV Mac Fund | Booking Holdings | Who Profits/Investigate/OHCHR | 0.08% |
| LCIV Mac Fund | Edreams Odigeo | Investigate | 0.03% |
| LCIV Mac Fund | Ford Motor Company | Investigate | 0.01% |
| LCIV Mac Fund | Ford Motor Credit | Investigate | 0.21% |
| LCIV Mac Fund | HSBC | Who Profits | 0.41% |
| LCIV Mac Fund | Leonardo Spa | Who Profits | 0.02% |
| LCIV Mac Fund | Safran | Who Profits | 0.12% |
| LCIV Mac Fund | Sony Group | Who Profits/Investigate | 0.10% |
| LCIV Real Return | Bae Systems | Who Profits/Investigate | 0.42% |
| LCIV Real Return | Lockheed Martin | Who Profits/Investigate | 0.47% |
| LCIV Real Return | Alphabet | Investigate | 1.00% |
| LCIV Real Return | Microsoft Corporation | Investigate | 1.10% |
| LCIV Diversified Growth Fund | Albemarle Corporation | Who Profits | 0.12% |
| LCIV Diversified Growth Fund | Alphabet | Investigate | 0.10% |
| LCIV Diversified Growth Fund | Atlas Copco | Investigate | 0.10% |
| LCIV Diversified Growth Fund | Atlas Copco | Investigate | 0.04% |
| LCIV Diversified Growth Fund | Barclays | Who Profits | 0.01% |
| LCIV Diversified Growth Fund | Barclays | Who Profits | 0.36% |
| LCIV Diversified Growth Fund | Booking Holdings | Who Profits/Investigate/OHCHR | 0.23% |
| LCIV Diversified Growth Fund | Cisco Systems | Who Profits/Investigate | 0.05% |
| LCIV Diversified Growth Fund | Facebook, Inc | Investigate | 0.15% |
| LCIV Diversified Growth Fund | HSBC | Who Profits | 0.52% |
| LCIV Diversified Growth Fund | Microsoft Corporation | Investigate | 0.22% |
| LCIV Diversified Growth Fund | Orbia Advance Corp | Investigate | 0.01% |
| LCIV Diversified Growth Fund | Siemens Gamesa Renewable Energy | Who Profits/Investigate | 0.41% |
| LCIV Diversified Growth Fund | Sony Corporation | Who Profits/Investigate | 0.09% |

(Calculated on 31/05/2021)

**Other LCIV Exposures**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund Name** | **Company** | **Reference** | **% of Fund Exposure** |
| Fund X | Barclays | Who Profits | 1.49% |
| Fund X | Sony Corporation | Who Profits/Investigate | 0.36% |
| Fund X | Northrop Grumman | Who Profits/Investigate | 0.37% |
| Fund X | Lockheed Martin | Who Profits/Investigate | 0.33% |
| Fund X | Bae Systems | Who Profits/Investigate | 0.35% |

(Calculated on 31/05/2021) References: Investigate, United Nations Human Rights Office of the High Commissioner A/HRC/37/39 Report and WhoProfits Online Database and Information Centre

1. A Threshold Crossed: Israeli Authorities and the Crimes of Apartheid and Persecution, 27th April 2021, Human Rights Watch. [↑](#footnote-ref-1)
2. Assessment has been conducted using United Nations Human Rights Office of the High Commissioner (“OHCHR”) A/HRC/37/39 Report and WhoProfits Online Database and Information Centre. [↑](#footnote-ref-2)
3. Uyghurs for sale: ‘Re-education’, forced labour and surveillance beyond Xinjiang, March 2020, Australian Strategic Policy Institute. [↑](#footnote-ref-3)
4. G20 arms exports to Saudi Arabia worth three times aid to Yemen since 2015, 17th November 2020, Oxfam. [↑](#footnote-ref-4)
5. Nodes of Corruption, Lines of Abuse How Mytel, Viettel and a global network of businesses support the international crimes of the Myanmar military. Justice for Myanmar. [↑](#footnote-ref-5)