SIFEM Grievance Mechanism

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Distribution: Public

1. Introduction

The SIFEM Grievance Mechanism provides a complainant, i.e., person, community, or other external stakeholder to the Swiss Investment Fund for Emerging Markets (SIFEM AG, SIFEM, or the Company), with the possibility to address problems by convening dialogues or conducting investigations in a manner that is timely and fair.

Any person, community, or other external stakeholder that has been or may be affected negatively by an investment or an investee company of SIFEM may submit a complaint.

SIFEM requires each investee to establish and maintain an appropriate grievance mechanism for employees and any other internal or external stakeholders (e.g., customers and the local community). SIFEM urges any complainant to utilise this grievance mechanism channel to file complaints. Nonetheless, SIFEM recognises that individuals and communities that are subject to risks or impacts from SIFEM or our investees also need to be able to lodge a complaint directly to SIFEM. This mechanism is aligned with SIFEM's Approach to Responsible Investment and its implementation is embedded in SIFEM's wider process and policy framework including but not limited to SIFEM's Crisis Communication Policy.

The SIFEM Grievance Mechanism is not a legal enforcement mechanism and does not confer or preclude any rights of access to legal recourse to claimants.

2. How to Make a Complaint

SIFEM encourages complainants to discuss the matter in a first instance directly on project level or with the investee company concerned. Where the complaint has not been sufficiently addressed at the project/investee company level, it can be filed to SIFEM under its Grievance Mechanism.

Complaints may be filed in English, or in the local language of the complainant by sending an email to complaint@invest.sifem.ch. Where possible, a translation should be provided in English. Otherwise, SIFEM will attempt to have the complaint translated and respond in the language of the complainant. The complainant should provide the following information:

- Name and contact details (for the response).
- Name of the project and/or investee company to which the concern relates.
- Description of the concern and any supporting documentation.
- Date of any specific incident or occurrence that may have caused the concern.
- Specific remedy sought (if applicable).
- Any further information that the complainant wishes to offer.

If deemed necessary, the complainant can choose to file the complaint anonymously. Nonetheless, a proper identification of the complainant enables the establishment of a channel of communication. It also prevents malicious or abusive use of the Grievance Mechanism. Anonymous reports will be considered and investigated, to the best ability. A response will not be provided, unless contact details are received. Any personal data will be handled in accordance with applicable data protection law.

3. How a Complaint is Handled

The process of receiving, reviewing, and responding to complaints is managed by the Complaint Committee of SIFEM. SIFEM's Complaint Committee comprises of four members of the Portfolio Manager of SIFEM Team Lead Portfolio Manager, SIFEM CFO, ESG and Impact Lead SIFEM and Head of Legal Investments Equity) and the Chair of the Board of Directors of SIFEM.

A confirmation of receipt will be provided within 5 business days of receiving the written concern or complaint. Whitin the same time, a copy of the complaint will also be filed to Chair of the Board of Directors of SIFEM and Chair of the Audit Committee of SIFEM.

SIFEM's Complaint Committee determines whether a complaint is legitimate or not, based on if the complaint is directly or indirectly linked to SIFEM and the nature of the complaint. SIFEM will not dismiss complaints unless clearly unfounded. SIFEM informs the claimant about the decision made and the basis of the decision and aims to respond to the complainant in writing within 30 business days.

If a complaint is deemed legitimate, the Complaint Committee of SIFEM will assess the issues raised in the complaint to come to a proper understanding of the issues and impacts. If the assessment concludes that a deeper investigation should be done, the Complaint Committee of SIFEM will escalate the matter to the relevant bodies of SIFEM, set up a timeframe depending on the complexity of the matter, including factors such as the parties involved, severity of the issue, whether the issue is contested, and if negotiation or mediation is required. It may be decided that SIFEM engages an external expert for further investigation and/or redress.

The conclusions of the investigation will be included in a report to the respective organisational unit of SIFEM, which will include recommendations for corrective actions and potential redress. Corrective actions may include improvements of policies or procedures, remediation, or training and capacity building. In addition, the concluding report is presented to the Board of Directors of SIFEM for decision and may be escalated to the State Secretariat for Economic Affairs (SECO), as a representant of the shareholder, if deemed appropriate and based on the decision of the Board of Directors of SIFEM. The outcome will be communicated to the claimant. At this stage the claimant can either accept or reject the outcome, which will formally be logged.

SIFEM commits to protecting the identity of all complainants and will not share any personal information with third parties unless required to by law or is formally authorised to in writing by the complainant.