

PRESS RELEASE

Investors are joining forces in a new coalition to address the impact of the tech sector on mental health and well-being.

PARIS, 11 JULY 2023

Twenty-seven undersigned global institutional investors, representing \$2,117 bn in assets under management, have launched a collaborative engagement initiative to help tech companies define policies and implement measures to mitigate the potential negative impact of technology on their end consumers' mental health and well-being.

New technologies can make daily life easier and entertain people of all ages, but they can also have significant negative impacts on mental health and well-being.

Literature shows that screen overuse, in the early stages of human development, can lead to concentration and behavioural disorders, including depression and isolation. The increased use of the internet, smartphones, and media (such as video games, social media and streaming services) raises concerns about addiction, the symptoms of which include mood swings, conflicts, withdrawal and relapse. Research also shows that tech impacts well-being: social media can contribute to increased stress and low self-esteem¹, and exposure to screens and web browsing affects sleep quantity and quality².

To limit this impact, regulations have started to act, and we can see a burgeoning but growing regulatory environment around technology, mental health and well-being.

Consequently, this newly formed coalition of investors, initiated by AXA IM and Sycomore AM, will engage with companies in the hardware, media, internet, gaming, software, edtech and the telecommunications space to raise awareness and to ensure that tech companies are developing action plans to mitigate end-consumer mental health and wellbeing issues.

The group of investors will guide tech companies to implement good practices such as:

- Defining a policy and implement measures to mitigate risks of addiction and potential adversary effects on end consumer mental health and well-being.
- Establishing a high-level commitment to keep children safe online in business codes, human rights policies or risk assessment frameworks; for example, setting up a child safety policy and dedicated website. Setting specific goals and disclosing the progress.

¹ *Social media and young people's mental health and wellbeing*, UK Royal Society for Public Health, 2017

² *Problematic video game use: estimated prevalence and associations with mental and physical health*, Brunborg et al., 2011; *Association between Facebook dependence and poor sleep quality: a study in a sample of undergraduate students in Peru*, Wolniczak et al., 2013

- High-level commitment should be supported by specific goals/targets (although not quantitative, given the topic). In addition, setting specific goals allows shareholders to monitor the improvements and progress made by the companies on this topic.
- Developing a mechanism to report on harmful online content, cooperating with authorities to report online abuse, and partnering with third parties on online safety.
- Governance, transparency and disclosure around content control for their products.
- Supporting educational initiatives for online safety and other initiatives related to technology, mental health and well-being.

"When it comes to investing in tech, we have always made it a priority to be aligned with our responsible investment approach.

The potential negative impacts of technology on end user mental health and well-being have long been underestimated by companies. Whereas engagement actions on digital rights, facial recognition and AI ethics have already been initiated, we are proud to join forces to make companies in the tech sector understand that user well-being is a rising concern for active ESG investors. We aim to lead concrete policies and measures." said **Marie Vallaey** – **ESG analyst at Sycomore AM and co-chair of the coalition.**

"We are truly in the first stages of raising awareness on the real impact technologies are having on well-being and mental health. We are pleased to launch this coalition as we feel the time is ripe to engage on this topic; there is still much to be done and we can accelerate awareness and encourage tech companies to implement concrete action plans to protect users and reduce companies' long-term ESG risks.

"Initiating discussions is a first step, and we sincerely hope that companies will be open to a constructive dialogue. We aim for a positive outcome collectively, but if the latter is unsatisfactory, each member may have to consider initiating their own escalation tactics, from downgrading the ESG score, to voting against management during AGMs or filing shareholder resolutions." added **Théo Kotula, ESG analyst at AXA IM and co-chair of the coalition.**

With 27 signatories at launch, the coalition seeks to expand in the coming months with a view to engage with more companies.

To read the coalition's full statement of intent, please [click here](#).

END

NOTES TO EDITORS

List of Signatories

Note: the following 27 signatories with over \$2,117 bn assets are listed in alphabetical order by company name.

Achmea
Achmea Investment Management
Adrian Dominican Sisters, Portfolio Advisory Board
AMIRAL GESTION
Anima Sgr
Aviva Investors
AXA Investment Managers
Bon Secours Mercy Health
Boston Common Asset Management
Congregation of St. Joseph
Dana Investment Advisors
Daughters of Charity, Province of St. Louise
Dorval Asset Management
EFG Asset Management
Ethos Foundation / Ethos Engagement Pool International
Fondo Pensione per il Personale delle Aziende del
Future Super
La Financière de L'Echiquier
La Française Asset Management
Mercy Investment Services, Inc.
National Employment Savings Trust (NEST)
Ofi Invest Asset Management
Providence St. Joseph Health
Stichting Pensioenfondsen voor Huisartsen
Sycomore Asset Management
Trillium Asset Management
U Ethical

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AXA Investment Managers (AXA IM) is a responsible asset manager, actively investing for the long term to help its clients, its people and the world to prosper. Our high conviction approach enables us to uncover what we believe to be the best global investment opportunities across alternative and traditional asset classes, managing approximately €842* billion in assets as at the end of March 2023.

AXA IM is a leading investor in green, social and sustainable markets, managing €489 billion of ESG-integrated, sustainable and impact assets as at the end of December 2022. We are committed to reaching net zero greenhouse gas emissions by 2050 across all our assets, and integrating ESG principles into our business, from

stock selection to our corporate actions and culture. Our goal is to provide clients with a true value responsible investment solution, while driving meaningful change for society and the environment.

At end of December 2022, AXA IM employs over 2,600 employees around the world, operates out of 24 offices across 18 countries and is part of the AXA Group, a worldwide leader in insurance and asset management.

** Includes the contribution from Architas and AXA IM Prime, net of intercompany elimination.*

About Sycomore Asset Management – Mission-led company

Founded in 2001, Sycomore Asset Management is an asset manager specialised in listed investments and driven by a strong entrepreneurial spirit, part of Generali Investments' ecosystem of asset management firms. Since its creation, Sycomore has been committed to delivering long-term returns by identifying the levers enabling a company to generate sustainable value.

The firm's expertise draws on a fieldwork approach and a proprietary corporate fundamental analysis model, which includes financial and extra-financial criteria. Its team of 24 analysts-fund managers, including 10 ESG specialists (Environment, Social and Governance) focuses on assessing the overall performance of a company with respect to its stakeholders: shareholders, clients, employees, suppliers, civil society and the environment.

In 2020, Sycomore AM becomes a mission-led company and receives the B Corp TM label, thus marking its will to contribute positively to society: "a force for good". Its mission: to invest to develop a more sustainable and inclusive economy for all our stakeholders.

As a reference and key player in responsible investment, Sycomore AM is a member of the FIR, the WDI (Workforce Disclosure Initiative) and the IIGCC (Institutional Investors Group on Climate Change). It continues to work on the quantification of environmental and social impacts.