

A short, solid red horizontal line.

SUSTAINABLE INVESTING

Overview engagements








October 2021

LEGENDA

Fundamental Investment Principles















| Theme | For companies | For sovereigns |
|---|---|---|
|  | Principles related to humans & humanity | |
|    | <ol style="list-style-type: none"> 1. Compliance with basic human rights 2. Compliance with basic labour rights 3. No involvement in controversial weapons, no production and sale of civilian firearms and no provision of military equipment to military regimes | <ol style="list-style-type: none"> a. Compliance with basic human rights b. Compliance with basic political rights & civil liberties c. No involvement in controversial arms trade |
|  | Principles related to society | |
|    | <ol style="list-style-type: none"> 4. Compliance with international sanctions 5. No systematic involvement in fraud, corruption and tax evasion 6. No significant involvement in products or businesses doing harm to human (mental) health or animal welfare | <ol style="list-style-type: none"> d. Compliance with international sanctions e. Exhibit good governance |
|  | Principles related to the environment | |
|  | <ol style="list-style-type: none"> 7. No systematic involvement in severe environmental damage | <ol style="list-style-type: none"> f. No systematic involvement in severe environmental damage |

Material Sustainable Drivers

| Drivers | | |
|---|---|---|
|  | Fossil fuel use | Management of fossil fuels use, impacting among other things climate change, air pollution, energy availability and human health |
|  | Water use | Management of freshwater use in water scarce areas, impacting among other things water availability, water quality, health and food production |
|  | Land use | Land conversion management especially for agricultural purposes, impacting climate change, biodiversity loss, and water flows but also local communities and inequalities. |
|  | Chemicals and waste management | Management of toxic and long-lived chemical substances and (hazardous) waste and plastics, impacting the environment and human health. |
|  | Social capital management | Actions to maintain the license to operate on which businesses and sovereigns depend, impacting human rights, community relations, social equity and access and affordability of for instance health care and finance. |
|  | Human capital management | Activities related to labour and union rights, employee health & safety and labour practices, impacting educational opportunities and income and gender inequality. |
|  | Organisational behaviour and integrity | Actions to create an ethical business environment, impacting community networks, justice and work conditions. For companies this refers to their own business model, but also to how they treat companies up- and downstream in their value chain. For sovereigns this refers to how they govern human, civic and political rights. |

Every year, ACTIAM conducts hundreds of engagements with investees to encourage action upon their sustainability risks and opportunities. This way, these companies are preparing themselves for a sustainable transition. Engagement means entering into a dialogue with companies to steer behavior in a positive direction. The dialogue can be of a responsive nature in response to specific incidents, or proactive, to propose solutions with which the companies can move upwards in the acceptable investment universe of ACTIAM.

RESPONSIVE ENGAGEMENTS

| Company | Fundamental Investment Principles | | | | | | | Material Sustainable Drivers | | | | | | |
|--------------------------------|---|---|---|---|---|---|---|---|--|---|---|---|---|---|
| |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| AGL Energy Ltd | | | | | | | • | | | | | | | |
| Bayer Aktiengesellschaft | | | • | | | • | | | | | | | | |
| BHP Billiton Ltd | • | | | | | | • | | | | | | | |
| Companhia Siderúrgica Nacional | | | | | | | | | | • | | | | |
| General Electric | • | | • | | | | | | | | | | | |
| Johnson & Johnson | • | | | | • | • | | | | | | | | |
| Mitsubishi Corporation | | | | | | | • | | | | | | | |
| RWE AG | | | | | | | • | | | | | | | |
| Total SA | • | | | | | | • | | | | | | | |
| Vistra Energy | | | | | | | • | | | | | | | |
| Wells Fargo & Company | | | | | | • | | | | | | | | |

PRO-ACTIVE ENGAGEMENTS (ACTIAM- AND THIRD PARTY- LED)

| Number of companies | Topic | Sector | Region ¹ |
|---------------------|------------------------------|--------------------------------------|--------------------------------|
| 11 companies | Labour Rights | Various sectors | All regions |
| 6 companies | Management and remuneration | Various sectors | All regions |
| 4 companies | Corruption | Banks | Europe and Asia-Pacific |
| 1 company | Cyber security | Commercial & Professional Services | North-America |
| 4 companies | Animal Welfare | Various sectors | All regions |
| 2 companies | Health | Various sectors | All regions |
| 46 companies | Climate Change | Various sectors | All regions |
| 5 companies | Land Use | Various sectors | All regions |
| 22 companies | Human Rights | Various sectors | All regions |
| 2 companies | Deforestation | Food, Beverage & Tobacco | Asia-Pacific |
| 44 companies | General topics | Various sectors | All regions |
| 30 companies | Product and Client Integrity | Various sectors | All regions |
| 15 companies | Transparency and Disclosure | Various sectors | All regions |
| 3 companies | Pollution | Chemicals and Construction Materials | North-America and Asia-Pacific |
| 17 companies | Water Use | Various sectors | All regions |

¹ The following countries are included in the Asia-Pacific region: Australia, Hong Kong, Japan, New-Zealand and Singapore.

PRO-ACTIVE COLLECTIVE ENGAGEMENTS

| Number of companies | Topic | Sector | Region ² |
|---------------------|---|--------------------------------|----------------------------|
| 150 companies | BBFAW - Global Investor Collaboration on Farm Animal Welfare | Supermarkets | All regions |
| 163 companies | Climate Action100+ | Various sectors | All regions |
| 25 companies | FAIRR Sustainable Protein engagement | Supermarkets | All regions |
| 6 companies | Global Investor engagement on meat sourcing | Restaurants | North-America |
| 11 companies | ICCR Investor letter on lobbying by food and beverage companies | Food, Beverage & Tobacco | North-America |
| 22 companies | ATNI - Investor Expectations on Nutrition, Diets and Health sent to company | Food, Beverage & Tobacco | All regions |
| 20 companies | Opportunities 2018 Access to Medicine Index | Pharmaceuticals, Biotechnology | All regions |
| 33 companies | Platform Living Wage Financials | Consumer Durables & Apparel | All regions |
| 33 companies | PRI Climate change transition for oil and gas engagement | Energy | All regions |
| 30 companies | PRI Methane engagement | Various sectors | All regions |
| 15 companies | PRI Sustainable Palm Oil engagement | Food, Beverage & Tobacco | Asia-Pacific |
| 32 companies | PRI-Ceres Investor Initiative for Sustainable Forests | Food, Beverage & Tobacco | Central- and South-America |
| 7 companies | Sustainability challenges for the plastics industry | Paper and packaging products | All regions |
| 1 company | Human Rights Violations in Myanmar | Food, Beverage & Tobacco | Asia-Pacific |
| 6 companies | Energy Efficiency | Chemicals, Metals and Mining | All regions |
| 5 companies | Plastic Solutions Investors Alliance | Various sectors | Europe and North-America |
| 12 companies | Water Stewardship engagement | Various sectors | All regions |

² The following countries are included in the Asia-Pacific region: Australia, Hong Kong, Japan, New-Zealand and Singapore.