ROBECO
The Investment Engineers

ROBECO I 01.04.2023-30.06.2023

Active ownership report

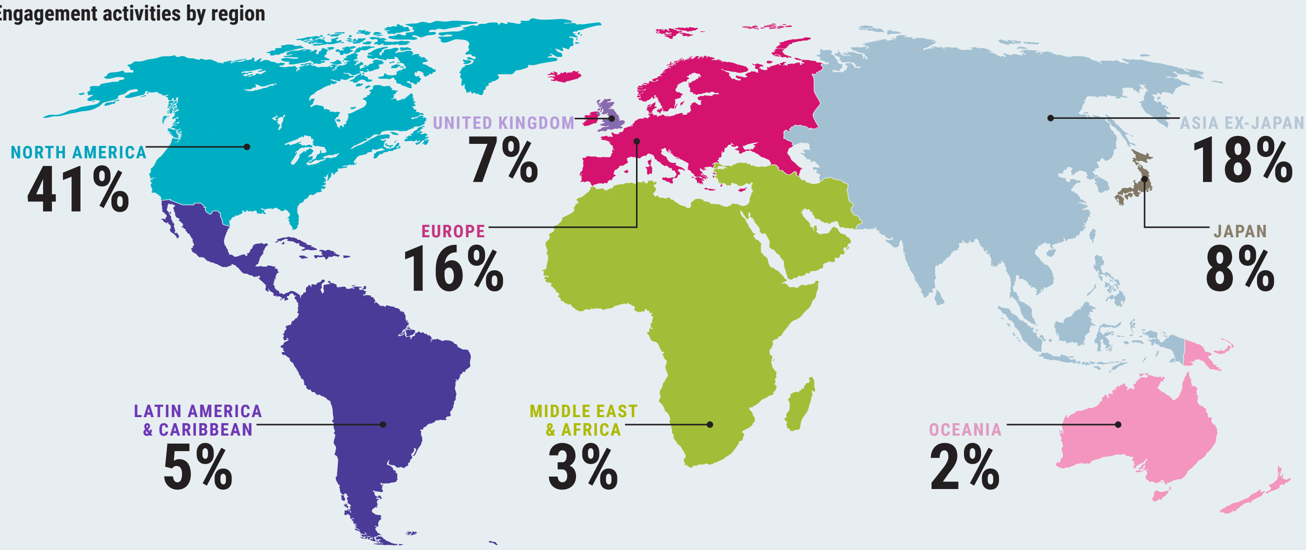
Prepared on behalf of

St. James's Place

Sustainable Investing Expertise by ROBECOSAM

Q2|23 **figures** engagement

Engagement activities by region



Number of engagement cases by topic

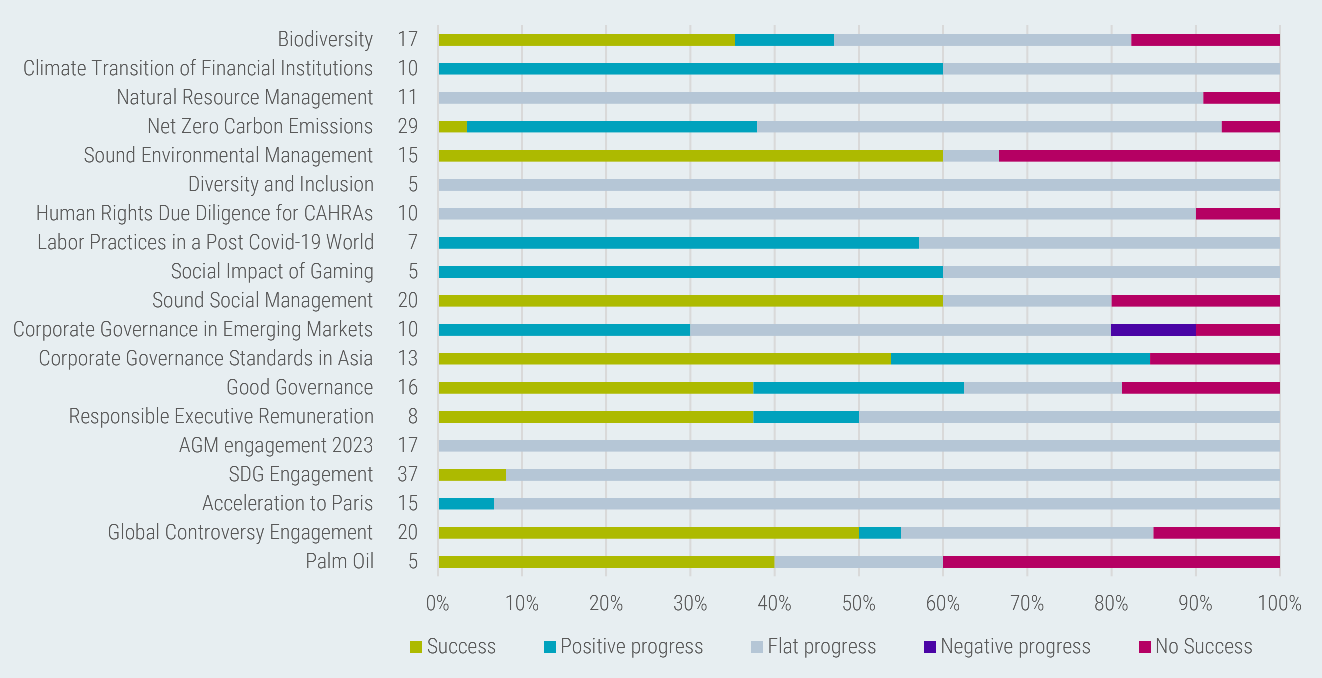
	Q1	Q2	Q3	Q4
Environment	48	60		
Social	19	27		
Corporate Governance	19	19		
Voting Related	13	25		
SDGs	24	4		
Global Controversy	15	13		
Total	**138**	**148**		

Number of engagement activities per contact type

	Q1	Q2	Q3	Q4	YTD
Meeting	4	9			13
Conference call	92	97			189
Written correspondence	127	77			204
Shareholder resolution	0	0			0
Analysis	16	45			61
Other	1	6			7
Total	**240**	**234**			**474**

Progress per theme

Themes and number of companies under engagement



“Encouraging companies to make positive changes through engagement is one of the key pillars to investing responsibly and ensuring companies consider wider risks and opportunities that could impact their

SAM TURNER – Head of Responsible Investing, St. James’s Place

We, at Robeco, are pleased to work with St. James’s Place, to jointly further our shared commitment to responsible investing. Through the partnership, Robeco will conduct engagements on behalf of St. James’s Place. These engagements will focus on steering companies to make positive changes in material environmental, social and governance focus areas. This customised report will show the main highlights of these engagements.

ROBECO
The Investment Engineers

St James’s Place

Contents

Introduction

We are now halfway through 2023 and can take stock of what has happened thus far, from concluding our deforestation focused engagements to broadening our human rights due diligence engagements in light of the ongoing Russia-Ukraine war.

After three years, we are closing the first cases opened within our biodiversity engagement theme. Begun in 2020, the theme focused on one of the key biodiversity loss drivers: deforestation. We asked companies involved in in key deforestation-risk commodities to assess their biodiversity footprint, set and implement clear 'no native vegetation conversion' targets (avoiding clearing of biodiversity-rich land), and provide evidence of their progress. Key successes with this theme include among others the establishing and accelerating of 'no deforestation and conversion' targets to as early as 2025. Outcomes have been supported by the growth in independently certified or verified product volumes.

While progress is undeniable, society still has a long way to go if we wish to reverse the biodiversity crisis, which is often seen as the flipside of the climate crisis. This is a road which must not only include the large corporations, but also the smallholder farmers and local communities most affected by compliance pressures. While we have seen the roll-out of several support structures for smallholder farmers, such as technical support or biodiversity valuation systems, concerns on the scale and accessibility of such systems remain.

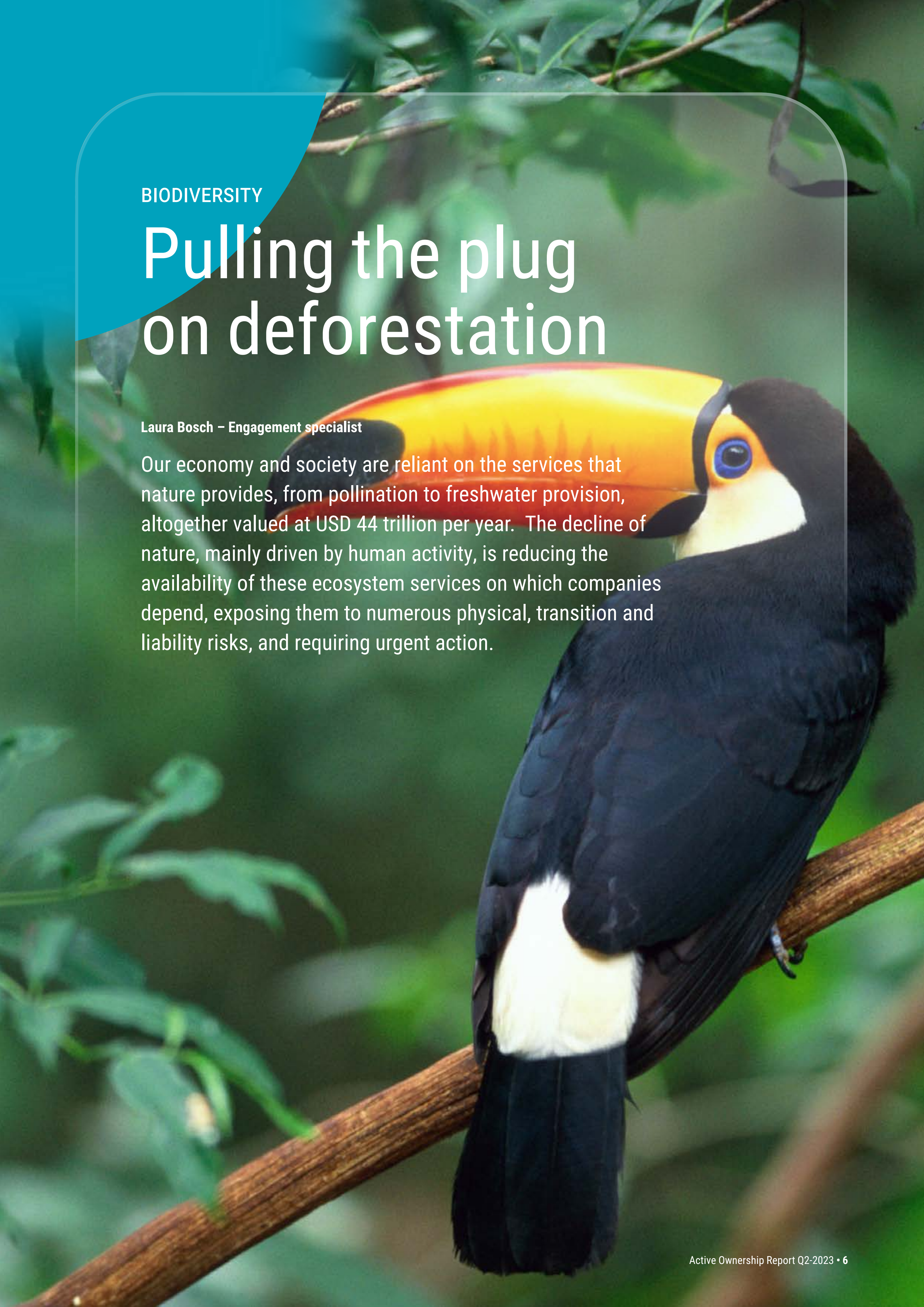
Meanwhile, the Ukraine war entered its second year. It highlights the importance of having adequate human rights due diligence and management systems in place for corporates to mitigate operational, legal and reputational risks. This is echoed in our 'Human rights due diligence for conflict-affected and high-risk areas' engagement theme, which was expanded to include Ukraine. Now that we are midway through the three-year engagement, we have seen the first companies hire dedicated human rights specialists and develop effective due diligence processes. While the results of these efforts are yet to be seen, we remain optimistic.

It's not just conflict zones that can create problems for investors. Poor corporate governance remains a huge issue, as seen in the collapse of three US banks, and the merger forced upon former Swiss titan Credit Suisse to avoid yet another financial crisis. We reflect on how this spring's events call for reform that is based on improving corporate governance rather than simply relying on regulation.

Finally, having concluded this year's AGM season, we reflect on the growing participation of NGOs, employees and local communities to express concerns about societal issues, interactions which in extreme cases have even turned violent. However, we believe that this trend reflects a gap in effective communication and engagement channels between corporates and respective stakeholders, who are seeking out ways to raise their concerns. Going forward, this might well lead to a change in the structure of the AGM as we know it.

As we move into the second half of 2023, we continue our work on biodiversity through the Nature Action 100 collaboration and will start to explore the connections between the climate transition and social concerns through our work on Just Transition. Furthermore, we will strengthen our efforts on human rights, focusing on modern slavery, as well as take a new look on responsible taxation. Throughout all this, we are excited to continue working with our client St. James's Place, who is essential in shaping our engagement work and agenda.

Carola van Lamoen
Head of Sustainable Investing



BIODIVERSITY

Pulling the plug on deforestation

Laura Bosch – Engagement specialist

Our economy and society are reliant on the services that nature provides, from pollination to freshwater provision, altogether valued at USD 44 trillion per year. The decline of nature, mainly driven by human activity, is reducing the availability of these ecosystem services on which companies depend, exposing them to numerous physical, transition and liability risks, and requiring urgent action.

In 2020, we initiated an engagement program focused on one of the key biodiversity loss drivers – deforestation. It focused on some of the highest-risk soft commodities, namely cocoa, pulp and paper, natural rubber, beef and soy. For the past three years we have engaged with companies sourcing these raw materials as key components in their production processes, covering sectors such as materials and consumer staples.

As our engagement efforts come to an end, we reflect on the main achievements and challenges we have identified across the several sectors covered in our work. We expected companies to set credible zero deforestation and conversion commitments, conduct robust biodiversity impact assessments, and address the social challenges in their supply chains. These social issues often amplify power imbalances and further incentivize deforestation.

Setting credible zero deforestation commitments

In line with the Global Biodiversity Framework agreed at COP 15, we expect companies to actively work towards reverting nature loss no later than 2030. We encouraged companies to set time-bound commitments to end deforestation and native vegetation conversion in their supply chains no later than 2025. In the last three years, we have seen companies set and accelerate their zero deforestation targets to as early as 2025 and strengthen their monitoring systems to map how their suppliers are exposed to deforestation risks. However, challenges remain around the scope of some of these policies, along with the depth and credibility of monitoring efforts.

Many companies sourcing soy and beef still struggle to include legal deforestation and native vegetation under their commitments. Pulp and paper companies tend to be vertically integrated and source smaller volumes from external suppliers – hence they have better monitoring systems in place. They are also able to rely on well established certification schemes such as the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC).

For companies sourcing cocoa and rubber, the challenge around traceability remains an uphill battle. These soft commodities rely heavily on smallholder farmers and have several intermediaries involved in the value chain, making the overall visibility across the supply chain more challenging.

Biodiversity impact assessments

One way for companies to manage their negative impact on land use change is through ecosystem conservation and restoration efforts. In our engagement, we asked companies to implement adequate land restoration efforts and improve their disclosures on sourcing locations in high carbon stock areas.

Most companies have restoration and conservation projects in place. However, these tend to be implemented on an ad-hoc basis without being strategically set to reverse or mitigate the negative impact of their sourcing strategies. While few have committed sizable investments on this front, we have seen companies issue their first restoration or conservation-linked green bonds or make the initial payments for ecosystem service pilot schemes.

Assessing the impact of the companies' sourcing strategies and their own operations on biodiversity is crucial to being able to factor these risks into their decision-making process. In our engagements, we have asked companies to conduct such assessments using the best available science, while prioritizing their efforts based on their internal risk assessments.

Few companies are checking their reliance on different fauna and flora species or are trying to calculate their impact on nature with tools such as the Integrated Biodiversity Assessment Tool (IBAT). We hope the integration of the new Taskforce for Nature-related Financial Disclosures (TNFD) framework will help in streamlining a holistic approach towards how companies carry out their biodiversity impact assessments.

CASE STUDY

MONDELEZ INTERNATIONAL

Mondelez is one of the world's largest US snacks companies. With many of their products based on chocolate, the company is a major importer of cocoa, one of the five key forest-risk commodities.

We have been in an ongoing dialogue with the company, pushing them in particular on integrating its forest restoration efforts within its operating model.

In 2023, under the company's new sustainable cocoa sourcing models, Mondelez has for the first time included clear off- and on-farm restoration targets. While affected areas continue to be insignificant compared to the company's sourcing footprint, we see this as a first step to a more ambitious biodiversity approach.

Disclosure and social impacts

The livelihood and well-being of local communities has shown to be directly linked to deforestation rates. Recognizing that farmers often cannot earn a living income by selling their produce, some companies have integrated a premium into the commodity price as a way to fill this gap. This aims to drive systemic change by improving living conditions and meeting the basic needs of farmers. However, pressure from buyers to keep commodity prices at competitive levels still remains, hindering the applicability of this instrument.

Transparency is key to being able to understand the depth and breath of the scope of corporate commitments, and the implementation of these. We recognize that some companies are starting to disclose their deforestation-free volumes as well as Scope 3 emissions linked to land use change – something that was not publicly disclosed few years ago.

Adoption of certification schemes has also increased, especially within the pulp and paper industry, while the natural rubber and soy sectors still lack credible certification standards. Key disclosure challenges remain regarding the divergent definitions used by companies to report their deforestation efforts, a lack of independent verification for some of their efforts, and an overall lack of disclosure of the hectares linked to land use change.

> *"Pulp and paper companies tend to be vertically integrated and source smaller volumes from external suppliers, hence they have better monitoring systems in place, while for companies sourcing cocoa and rubber, the challenge around traceability remains an uphill battle.*
>
> Laura Bosch

Increased momentum and ongoing engagement efforts

Increased momentum on the topic of mitigating biodiversity loss in the next decade is undeniable. Both companies and investors are directly exposed to soft and hard law requiring more transparency on how nature impacts and dependencies are accounted for across their organizations. Under the EU's Sustainable Finance Disclosure Regulation (SFDR), European investors need to assess the principal adverse impacts of their investments on biodiversity and other sustainability-related issues.

Companies exposed to deforestation risks are increasingly facing regulatory requirements that aim to bring more transparency on how these risks are managed and mitigated. For instance, the EU Deforestation Regulation (EUDR) requires companies importing products linked to high-risk soft commodities to clearly prove that these are not linked to deforestation.

Hence, our corporate engagement efforts around minimizing biodiversity loss will continue, despite the closure of the engagement dialogues related to deforestation. In the coming months, we will be involved in the launch of Nature Action 100, targeting our engagement efforts on those companies and sectors with the highest negative impact on nature loss, beyond deforestation. Moreover, we will continue our sovereign engagement work focused on supporting government agencies in their efforts to reduce deforestation rates in Brazil and Indonesia. As biodiversity is inextricably linked to global warming, we cannot afford another decade of nature loss if we are serious about tackling climate change.

CASE STUDY

SUZANO

Suzano is Brazil's largest pulp and paper producer, souring most of wood from its own plantations.

Under the Finance Sector Deforestation Action, we led the collaborative engagement with the company, including a field-visit to their plantations in Brazil.

Suzano solely plants on previously degraded pastures and undergoes high conservation value assessments for each plantation, leading to on average 30-40% of each plot being protected. To enhance the biodiversity value of these plots, the company is actively connecting conservation areas, both through biodiversity-enhanced plantation models and restoration efforts. The company aims to connect half a million of hectares of native forest and tracks the number of monkeys on their land as a proxy for forest connectivity.

HUMAN RIGHTS DUE DILIGENCE
FOR CONFLICT-AFFECTED AND HIGH-RISK AREAS

Where one cannot look away

Ghislaine Nadaud – Engagement specialist

In an interconnected world, corporations often operate across a range of markets, including in regions affected by conflict or other high human rights risk. While these areas present opportunities for economic growth and social development, they also pose significant challenges when it comes to respecting human rights.

The responsibilities in conflict-affected and high-risk areas (CAHRA) are not just a matter of responsibility of the public sector. Companies also play a significant role in determining the well-being of individuals. Under the UN Guiding Principles on Business and Human Rights (UNGPs, 'soft law') corporates – including investors – have a shared responsibility to respect human rights. In addition, we see a changing regulatory landscape ('hard law') on both the national and regional level, with increased requirements for companies on human rights due diligence and disclosures.

The engagements

Investors recognize that adverse human rights impacts pose regulatory, legal, financial and reputational risks to business. When these are not managed or mitigated, they could negatively impact the value of a company. To address this, we launched a dedicated human rights engagement program in the fourth quarter of 2021.

The correlation between conflict-affected areas and human rights violations necessitates that companies conduct enhanced and robust due diligence to understand and mitigate the potential harm their operations may cause. The engagement also focuses on reporting, remediation and performance measurement.

The engagement objectives are:

1. Enhanced human rights due diligence: companies should develop or increase their mechanisms to help mitigate the risks of their presence in conflict-affected areas.
2. Reporting: companies should improve their reporting mechanism to provide transparent information about their human rights policies and practices.
3. Remediation: companies should establish effective grievance mechanisms that allow affected individuals or communities to raise concerns and seek remedies.
4. Performance measurement: companies should measure and evaluate their performance in terms of human rights due diligence to identify areas for improvement.

Taking stock

As our three-year engagement program has reached its midway point, it is important to take stock of the progress made, and the challenges that companies operating from CAHRA continue to face.

At the start of the engagement theme, we selected 10 companies from eight different sectors with significant exposure to CAHRA, with a focus on the Occupied Palestinian Territories (OPT), Myanmar and China/Xinjiang. Each company operates in different industries and areas but shares the opportunity to improve their human rights risk due diligence and management in these challenging contexts.

Progress and challenges

The progress of the engagement has varied among the companies. Overall, they have been open to our engagement, with only one company failing to respond despite multiple attempts to establish contact.

We have seen positive progress with two companies in developing management processes allowing them to exercise effective human rights due diligence in line with the UNGPs. One company hired two dedicated human rights experts to further implement these commitments. Other cases showed a slower evolution in terms of due diligence but improvements in audit and reporting mechanisms, including one for operational level grievance mechanisms.

It remains challenging for most companies to close the gap between their commitments and implementation, as demonstrated by some cases where positive commitments did not translate into tangible processes. It is crucial for companies to bridge this gap between their commitments and actual results. In our engagement going forward, we will increase our focus on companies' implementation efforts.

Regional trends

The engagement also revealed regional trends, with better progress observed in the OPT compared to Myanmar and Xinjiang. Since the start of the engagement, two companies decided to stop their operations: one in the OPT and one in Myanmar. Going forward, our engagement will focus on the human rights implications of withdrawing versus staying, as this has to be carefully weighted to ensure a responsible exit.

Added focus on the Russia-Ukraine war

The past two years have been influenced by ongoing and emerging conflicts and other geopolitical developments. In light of the Russian-Ukraine war and the increased attention to Xinjiang, another four companies have been included in the engagement program.

In addition to our company engagement, we will continue to consult relevant stakeholders such as civil society groups,

> *"We see a changing regulatory landscape ('hard law') on both the national and regional level, with increased requirements for companies on human rights due diligence and disclosures.*
>
> Ghislaine Nadaud

international human rights organizations and experts. Since obtaining information regarding the situation on the ground in CAHRA is extra challenging, we note the importance of this consultation as being necessary to achieve a positive outcome of our program.

Conclusion

Operating in CAHRA presents unique challenges to companies, which is why human rights due diligence plays a crucial role in helping them navigate the local complexities.

By developing robust policies and procedures, conducting comprehensive risk assessments, engaging stakeholders and establishing effective grievance mechanisms, companies can mitigate potential human rights risks. They can then contribute to positive change in these challenging environments while safeguarding their own reputation and long-term sustainability.

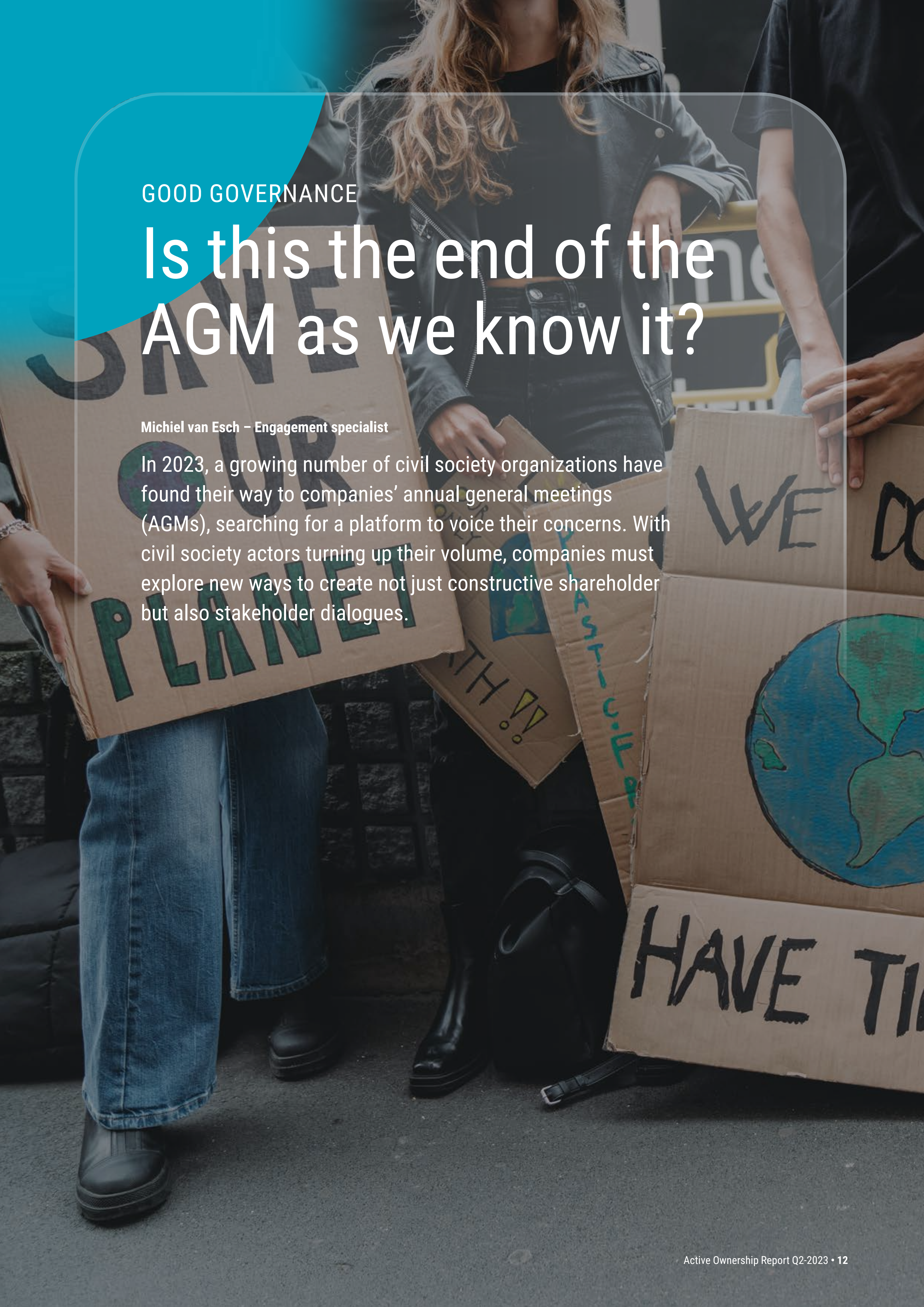
Given the growing number of global conflicts, it has become evident that the engagement theme has gained even greater significance. Consequently, we will enhance our engagement with the companies to demonstrate tangible advancements towards our objectives.

CASE STUDY

BOOKING HOLDINGS

Booking Holdings, the world's largest online travel agency by sales, lists accommodations in conflict areas such as the Occupied Palestinian Territories. Several controversies were highlighted by civil society organizations amongst others, Booking Holdings' lack of a human rights policy and disclosures.

We have been in an open dialogue with Booking since the start of our engagement. Over the last year, the company published a human rights policy aligning with international standards. The policy explicitly includes heightened due diligence requirements on listings located in conflict areas. The company also hired a human rights officer who will be responsible for integrating these commitments and increased its disclosures on its approach to human rights and CAHRA. Going forward, we will focus on Booking Holdings' implementation of its human rights policy.



GOOD GOVERNANCE

Is this the end of the AGM as we know it?

Michiel van Esch – Engagement specialist

In 2023, a growing number of civil society organizations have found their way to companies' annual general meetings (AGMs), searching for a platform to voice their concerns. With civil society actors turning up their volume, companies must explore new ways to create not just constructive shareholder but also stakeholder dialogues.

The AGM season generally creates an opportunity for shareholders to engage investee companies on a range of governance topics. As most companies want to prevent the unwanted surprise of failed resolutions, they engage with larger shareholders or representative organizations well before the meeting to make sure that any contentious issues are laid out in advance. Since most large institutional shareholders vote their shares via proxy (at a distance), the actual meeting doesn't tend to see much debate, and instead is more of a 'rubber-stamping' formality. Institutional investors may still join a meeting to make a public statement, but that seems to be the exception rather than the rule.

However, AGMs at many larger listed companies are getting livelier, particularly due to the participation of shareholders that are not part of that pre-AGM engagement. It is not uncommon for stakeholders of companies including employees, local communities and sustainability focused NGOs to join shareholder meetings and raise concerns. This is especially true at larger international companies entangled in complex societal issues, such as their extraction or use of fossil fuels.

At the AGMs of oil and gas companies, these groups usually ask a higher number of questions than institutional or retail shareholders. During periods of takeovers or restructurings, employees and labor unions also find their way to the AGM to make their voices heard. If non-shareholder stakeholders don't have another channel to effectively to raise their concerns, the AGM can become an annual meeting of stakeholders rather than shareholders.

We saw this happen a lot during the current AGM season. We attended the AGM of Ahold Delhaize in Amsterdam and asked for more substance on tax reporting, a more complete set of sustainability related KPIs for the Dutch retailer's remuneration policy, and clarification around the nomination process for the board.

At Unilever's AGM, we asked about the priorities of the company after the upcoming change in CEO, and whether we can expect reasonable external assurance around the key sustainability metrics in its remuneration policy. We also asked about the company's ambitions to limit its biodiversity impact to neutral or even positive, and what measurement systems the company has for this.

At both AGMs, other stakeholders claimed a significant role for themselves. Belgian labor unions showed up to Dutch retail chain Ahold Delhaize's meeting, and Dutch climate-focused NGO Milieudefensie repeatedly asked for a more ambitious climate target.

At Unilever's AGM, representatives of Milieudefensie also repeatedly asked the same question about climate targets. It meant the meetings took much longer than usual, and several other investors became annoyed by the hold-up. Yet, the meetings were conducted in a safe manner, and still allowed all shareholder to raise their questions and receive replies from management.

This was not the case at other AGMs. ING's meeting was halted by the chair on many occasions due to repeated disruptions. Food was thrown at Volkswagen's board of directors, while over at Shell, a participant stormed the platform on which the board was sitting, visibly frightening several attendees in the room. At Berkshire Hathaway, the Chairman and CEO of the National Legal and Policy Center got very critical and insulting and was removed by security. This change in tone and form was much more persistent this year than at any earlier proxy seasons.

The vast majority of AGMs are though much calmer, as seen at Adyen, Arcadis and Signify. In these cases, managements were also challenged about climate matters, but with both sides politely listening to each others' questions and answers.

The fact that the AGM is a platform where environmental and social and political topics are raised is nothing new, partly driven by the fact that sustainability topics are becoming more important. The observation that the AGM season was livelier than in previous years is perhaps not surprising, as participation was mostly limited to virtual attendance during the Covid pandemic.

This year, participants could finally again join the meetings in the old in-person format and made full use of that opportunity. What is concerning is where the tone of the debate is becoming much more hostile and, in some instances, even violent. Such 'debates' are far from being a dialogue, and increasingly the AGM is becoming just a place to make a point or a

“ One thing is certain: stakeholder communication around the future of the AGM needs directors with social antennas and a meeting format fit for the 21st century

Michiel van Esch

political statement. This does not lead to common understanding, or compromise or progress in any form; it just makes it clear that there is disagreement. The topics of the conversation rarely have any connection with the vote result or the agenda itself.

The events of the 2023 season might lead to a change in the participation of both company managements and institutional shareholders. Managements might increasingly decide to hold virtual-only AGMs, which we already see at many different US tech companies. We are not in favor of virtual-only AGMs as it provides managements with the opportunity to prioritize questions they are comfortable with, and to limit the opportunity for shareholders to raise concerns.

We also might see institutional shareholders focus on their one-on-one discussions with managements more, as these are often more effective than the AGM. Further reduction of participation of institutional investors during an AGM will not benefit the credibility of the meeting itself, and would reduce its function as the one moment in the year when companies are publicly held to account by their shareholders. But if the credibility of the AGM as a platform is to be maintained, changes are needed to facilitate a constructive conversation.

What changes are necessary is difficult to say, but pre-AGM engagements (or other forms of effective communication) with a larger set of stakeholders than just institutional investors seem a good way forward. There is also a role for the board as the conductor of the meeting beyond just opening the room for questions and sitting through until all questions are answered.

The obvious solution may lie in prioritizing questions that are sent in beforehand and allowing room for follow-up conversations. Hybrid set-ups can also allow for broader participation at an AGM by foreign shareholders. One thing is certain: stakeholder communication around the future of the AGM needs directors with social antennas and a meeting format fit for the 21st century.

PROXY VOTING – MARKET INSIGHT

2023 banking crisis: A cautionary tale of corporate governance

Diana Trif – Engagement specialist

The spring of 2023 was far from serene. The world watched in shock as Silicon Valley Bank (SVB), Signature Bank and First Republic failed in the US, spreading fears of contagion to other regional banks and beyond. Credit Suisse, once a symbol of Swiss financial power and stability, collapsed after years of scandals, and was taken over by its long-time domestic rival UBS in a rushed deal orchestrated by the government.

One question is now on everybody's mind – what went wrong? The simple answer is corporate governance.

In recent years, environmental, social and governance (ESG) factors have gained growing importance. The 'E' and the 'S' have arguably drawn the most attention recently, led by the focus on combating climate change. There is now a growing awareness that effective governance is imperative to long-term ESG success, and that poor corporate governance can have far-reaching consequences for the economy as a whole. Governance – once a more traditional topic for investors – seemed to have gone out of fashion, but every time something goes wrong, investor attention refocuses on it.

Where are we at?

The Federal Reserve's report examining the SVB collapse concluded that the bank failed because of a "textbook case of mismanagement". The regulator found that the directors and management failed to manage risk, noting that the full board was neither adequately informed by management on risk, nor did they hold management accountable for effectively managing this risk. According to the report, the growth of Silicon Valley Bank Financial Group, the holding company of SVB, "far outpaced the abilities of its board of directors and senior management", while executive compensation packages incentivized managers to focus on short-term profit.

Similarly, a report from the Federal Deposit Insurance Corporation (FDIC) concluded that the collapse of Signature Bank was due to "poor management". The regulator noted that "the board of directors and management pursued rapid, unrestrained growth without developing and maintaining adequate risk management practices and controls appropriate for the size, complexity and risk profile of the institution."

While the report into the Credit Suisse collapse is yet to be released by the Swiss government, the lender was engulfed in one scandal after another in recent years. Its long list of missteps ranged from accusations of spying to money laundering, and pointed out deep-rooted corporate governance issues. In fact, the 2021 report by the Paul Weiss law firm into the Archegos debacle, in which Credit Suisse lost billions on highly risky financial swaps, reads like a case study of what can go wrong in a firm's corporate governance.

The report revealed no less than "a lackadaisical attitude towards risk and risk discipline; a lack of accountability for risk failures; risk systems that identified acute risks, which were systematically ignored by business and risk personnel; and a cultural unwillingness to engage in challenging discussions or to escalate matters posing grave economic and reputational risk." While the lender rolled out an extensive set of measures to remediate the shortcomings identified, the ensuing events which ultimately led to its demise suggest that these issues were far from being resolved.

What next?

Looking back, the enhancement of corporate governance regulations was often a result of corporate failures. The Sarbanes-Oxley Act was passed in the aftermath of the Enron and WorldCom scandals. The 2003 collapse of Italian food giant Parmalat prompted a reform of insolvency law. We can therefore expect that the unfolding crisis will again trigger regulatory reform.

However, should this reform be the sole focus?

In a recent speech, the European Central Bank's Chair of the Supervisory Board noted the following:

> " *We should abandon the ambition of designing ever-more precise regulations that accurately measure all risks under any circumstances, covering even the most extreme business models and risk configurations. That approach only results in excessive complexity, with burdensome procedures for supervisors and excessive rewards for the few institutions that have the wherewithal to game the system. Instead, we should focus our efforts on empowering supervisory teams, within a strong accountability framework.*

The reality is that a myriad of factors contribute and lead to good governance. It's not only about having experienced directors on the board. It is also about fostering a sound ethical tone at the top and having the right board dynamics, ensuring that directors are engaged, that they challenge management and promote a culture of accountability. It is also about ensuring that shareholders have the proper tools available to hold the board and management accountable.

Shareholders have the right to vote at their shareholder meetings. Voting can be used to push for basic governance tools and should be used by shareholders to flag their concerns by voting against the appropriate agenda item. Corporate governance only functions well if shareholders make active use of their rights and hold management to account for their performance – something that we still need much more of.

Companies under engagement on behalf on St. James's Place in 2023

ENVIRONMENT

Biodiversity
Archer-Daniels-Midland Co
Barry Callebaut AG
Bridgestone Corp
Bunge Ltd
Cie Generale des Etablissements Michelin SCA
Cranswick PLC
Hershey Co/The
JBS S/A
Marfrig Global Foods SA
Mondelez International Inc
Ryohin Keikaku Co Ltd
Sappi Ltd
Signify NV
Suzano SA
Top Glove Corp Bhd
Unilever PLC
VF Corp

Climate Transition of Financial Institutions
Australia & New Zealand Banking Group Ltd
Bank of America Corp
Barclays PLC
BNP Paribas SA
Citigroup Inc
DBS Group Holdings Ltd
HSBC Holdings PLC
ING Groep NV
JPMorgan Chase & Co
Sumitomo Mitsui Financial Group Inc

Natural Resource Management
Ambev SA
Callon Petroleum Co
CF Industries Holdings Inc
Continental Resources Inc/OK
Diageo PLC
OCI NV
PepsiCo Inc
Sappi Ltd
Severn Trent PLC
Tronox Holdings PLC
United Utilities Group PLC

Net Zero Carbon Emissions
Anglo American PLC
ArcelorMittal SA
Berkshire Hathaway Inc
BHP Group Ltd
BlueScope Steel Ltd
BP PLC
CEZ AS
Chevron Corp
China National Building Material Co Ltd
CRH PLC
Ecopetrol SA
Enel SpA
Exxon Mobil Corp
Heidelberg Materials AG
Hyundai Motor Co
JFE Holdings Inc
LyondellBasell Industries NV
Marathon Petroleum Corp
Petroleo Brasileiro SA
Phillips 66
PTT Exploration & Production PCL
Rio Tinto PLC
Saudi Arabian Oil Co
Shell PLC
Valero Energy Corp
Vistra Corp
WEC Energy Group Inc

Sound Environmental Management
Alexandria Real Estate Equities Inc
Guangdong Investment Ltd
Hangzhou First Applied Material Co Ltd
LONGi Green Energy Technology Co Ltd

SOCIAL

Diversity and Inclusion
Eli Lilly & Co
Netflix Inc
Oracle Corp
Taiwan Semiconductor Manufacturing Co Ltd
Thermo Fisher Scientific Inc

Human Rights Due Diligence for Conflict-Affected and High-Risk Areas
Bharat Electronics Ltd
Booking Holdings Inc
Cemex SAB de CV
Fast Retailing Co Ltd
Heidelberg Materials AG
Industria de Diseno Textil SA
PTT Exploration & Production PCL
Sinotruk Hong Kong Ltd
SolarEdge Technologies Inc
Wacker Chemie AG

Labor Practices in a Post Covid-19 World
Accor SA
Delivery Hero SE
InterContinental Hotels Group PLC
Marriott International Inc/MD
Meituan
Uber Technologies Inc
Walmart Inc

Social Impact of Gaming
Activision Blizzard Inc
NCSoft Corp
NetEase Inc
Take-Two Interactive Software Inc
Tencent Holdings Ltd

Sound Social Management
Baidu Inc
Post Holdings Inc
Tencent Holdings Ltd
Tesco PLC
Weibo Corp

GOVERNANCE

Corporate Governance in Emerging Markets
CCR SA
Cosan SA
Coway Co Ltd
CPFL Energia SA
ENN Energy Holdings Ltd
Haier Smart Home Co Ltd
Hyundai Motor Co
Midea Group Co Ltd
Samsung Electronics Co Ltd

Corporate Governance Standards in Asia
Inpex Corp
Rohm Co Ltd
Shin-Etsu Chemical Co Ltd
SK Hynix Inc

Good Governance
Adyen NV
DSM-Firmenich AG
Heineken Holding NV
Koninklijke Ahold Delhaize NV
Signify NV
Unilever PLC

Responsible Executive Remuneration
Aspen Technology Inc
Booking Holdings Inc
Henkel AG & Co KGaA
NIKE Inc
Schneider Electric SE

Tesco PLC
WALT DISNEY CO/THE
Wolters Kluwer NV

VOTING RELATED ENGAGEMENT

AGM engagement 2023

Airbus SE
BAWAG Group AG
Boeing Co/The
CBRE Group Inc
Cheniere Energy Inc
Deutsche Bank AG
Hana Financial Group Inc
Morgan Stanley
NextEra Energy Inc
Ovintiv Inc
Plug Power Inc
Prysmian SpA
Semen Indonesia Persero Tbk PT
Sendas Distribuidora S/A
Sociedad Quimica y Minera de Chile SA
Wells Fargo & Co
Xylem Inc/NY

SDGS

SDG Engagement

Adobe Inc
Alphabet Inc
Amazon.com Inc
Amgen Inc
Apple Inc
AutoZone Inc
Banco BTG Pactual SA
Bank of Montreal
Capital One Financial Corp
CBRE Group Inc
CCR SA
Deutsche Boerse AG
eBay Inc
Elanco Animal Health Inc
Electronic Arts Inc
Elevance Health Inc
F5 Inc
Grupo Bimbo SAB de CV
Jeronimo Martins SGPS SA
Meta Platforms Inc
Mr Price Group Ltd
Nasdaq Inc
Neste Oyj
Novartis AG
OTP Bank Nyrt
Rio Tinto PLC
Salesforce Inc
Salmar ASA
Samsung Electronics Co Ltd
Sandvik AB
Sony Group Corp
STMicroelectronics NV
TotalEnergies SE
Trane Technologies PLC
Union Pacific Corp
United Parcel Service Inc
Volvo AB

GLOBAL CONTROVERSY ENGAGEMENT

Acceleration to Paris

African Rainbow Minerals Ltd
Anhui Conch Cement Co Ltd
Berkshire Hathaway Inc
Caterpillar Inc
Formosa Plastics Corp
ITOCHU Corp
Marubeni Corp
Mitsubishi Corp
Mitsui & Co Ltd
Nippon Steel Corp
POSCO Holdings Inc
Sumitomo Corp
Toyota Industries Corp
WH Group Ltd

Global Controversy Engagement

During the quarter, 8 companies were under engagement based on potential breaches of the UN Global Compact and/or the OECD Guidelines for Multinational Enterprises.

Palm Oil

Wilmar International Ltd

Notes

The companies listed above represent all holdings from St. James's Place with an open engagement dialogue. Companies are listed in alphabetical order and are captured by each open theme in Robeco's yearly engagement cycle.

Important information