



Quarterly Engagement Report

2020 - 4

Content

Executive Summary	Page 3
Quarterly Statistics	Page 5
Engagement Brief	Page 6
Company Dialogue & Progress Summary	Page 19
Resolved Cases	Page 20
Engage Cases	Page 25
Disengage Cases	Page 48
Global Standards Engagement Overview	Page 50
About Erste Asset Management	Page 51
About Sustainalytics	Page 52

This report summarizes the shareholder engagement activities that Sustainalytics performed on behalf of Erste Asset Management during September to November 2020. Use of and access to this information is limited to clients of Sustainalytics and is subject to Sustainalytics legal terms and conditions.

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Executive Summary



Segreto Paulina

Paulina Segreto
 Associate Director/
 Product Manager
 Global Standards Engagement

In the three months since our last Quarterly Engagement Report, COVID-19 has continued to affect many countries through a predicted second wave, consequently leading to varying degrees of new social and economic restrictions across regions, including some complete localized lockdowns. In the midst of this very difficult and challenging time, our engagement team has had a busy autumn with conference calls with engagement companies, and several of our engagements have progressed steadily towards their stated Milestones.

Furthermore, we completed work on UN Guiding Principles (UNGPs) assessments, performed on more than 80 of our human rights and labour rights engagement cases. The assessments are available in Global Access under their respective case profiles and cover two parts: firstly, the evaluation of the human rights salience of the case(s) linked to the company in question and secondly, the evaluation of the company's preparedness to align its practices with the UNGPs. The results of our work will be presented in our next Quarterly Engagement Report (due February 2021).

In parallel to our engagement dialogue and case work, we have also updated some of our engagement methodologies, and continued the product alignment with Global Standards Screening (GSS). To ensure we provide clear and consistent engagement signals, Sustainalytics prioritized post the GES/Sustainalytics acquisition to align the GSS and Global Standards Engagement (GSE) approaches in 2020, and to-date, we have opened around 165 new cases in GSE to align with *Watchlist* or *Non-Compliant* status companies in GSS. We have also finalized the closure of all outstanding GES legacy *Engage* and *Evaluate* cases during this quarter by concluding some of our long-term engagements.

Between September and November, Sustainalytics advanced a number of Global Standards Engagement cases, resulting in changed statuses:

Concluded engagements

- Enbridge Inc, an energy delivery company operating in US and Canada, involved in controversial Dakota Access Pipeline project, negatively affecting indigenous people.
- Equifax, a global data, analytics, and technology company, involved in a 2017 data breach of personally identifiable customer information which affected millions of people in US, Canada and UK.
- JBS S.A. and its subsidiary Pilgrim's Pride Corp., companies operating in meat processing industry, repeatedly fined by authorities in US and Brazil over health and safety violations.
- TC Energy Corp., an energy infrastructure company, accused of insufficient community consultations in relation to the controversial Keystone XL pipeline project.

Also, after several years of attempting to engage with two companies, Coal India Limited, linked to poor health and safety performance, and Export-Import Bank of India, a company involved in financing a controversial Rampal power plant project in Bangladesh, with no visible progress, we have decided to issue Disengage statuses.

In addition, two state-owned companies Saudi Arabian Oil Co. and Petróleos de Venezuela S.A., received Disengage statuses due to their involvement in generating significant revenues for governments accused of human rights violations.

New engagements

- Adani Ports & Special Economic Zone Ltd, an Indian company, associated with recurrent environmental violations and controversial projects in India and Australia.
- Chongqing Energy Investment Group Co. Ltd., a financial group which specializes in energy and aluminum, implicated, through its subsidiaries, in recurring fatal accidents in China.

- EDP - Energias de Portugal, S.A., a utilities company, being investigated by Portuguese authorities over corruption allegations.
- Formosa Taffeta Co., Ltd., a Taiwan-based company principally involved in the textile industry, accused of systematic labour rights violations through one of its subsidiaries in Vietnam.
- Two Latin American companies, Grupo México, S.A.B. de C.V. and its subsidiary Southern Copper Corporation, being accused of illegally dissolving a trust fund created for remediation and compensation measures following a tailings waste spill in 2014 at the Buenavista del Cobre mine in Mexico.
- Two US defense and aerospace companies, Lockheed Martin Corp and Raytheon Technologies Corp., supplying arms to countries, including Saudi Arabia and United Arab Emirates, which used the weapons in civilian attacks in Yemen.
- NMC Health PLC, a healthcare company based in the United Arab Emirates, several of whose former executives were linked to suspected manipulation of the company's balance sheet.
- Page Industries Ltd., an Indian manufacturer and clothing retailer, associated with several alleged labour rights violations at one of its factories in India.
- Rio Tinto Ltd., a mining company, for destroying sacred sites in the Pilbara region of Western Australia without proper consultation with the local indigenous people, an alleged breach of the peoples' human rights.
- Two Korean companies, belonging to Samsung Group, Samsung BioLogics Co Ltd and Samsung C&T Corp., accused of accounting fraud, stock price manipulation and breach of trust in connection with a 2015 merger between Chiel Industries, the then-parent company of BioLogics, and Samsung C&T.

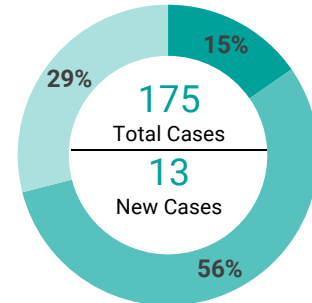
Quarterly Statistics September – November 2020

During September – November 2020, Sustainalytics has continued our dialogue to track specified engagement goals and to seek measurable results of business conduct changes in relation to 175 Engage and Resolved cases.

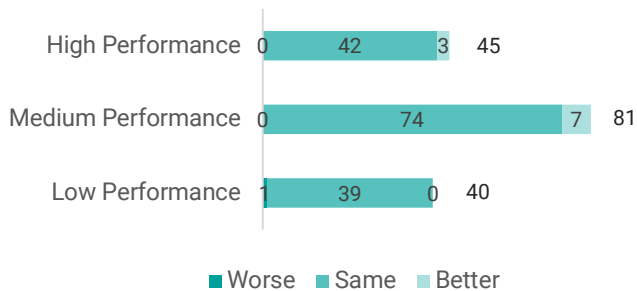


Cases by Theme

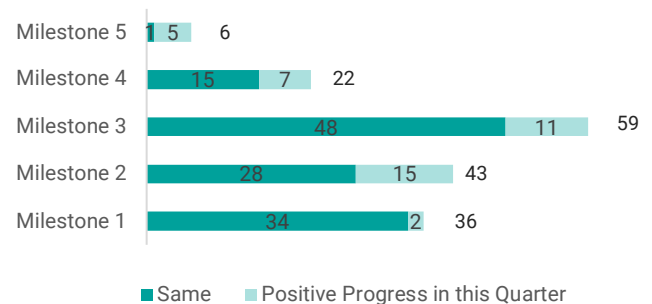
Environmental	26
Social	98
Governance	51



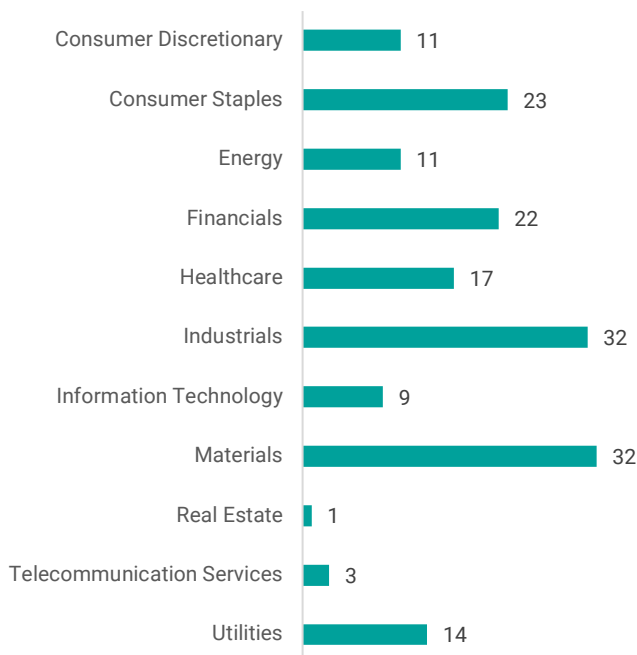
Engagement Performance Overview



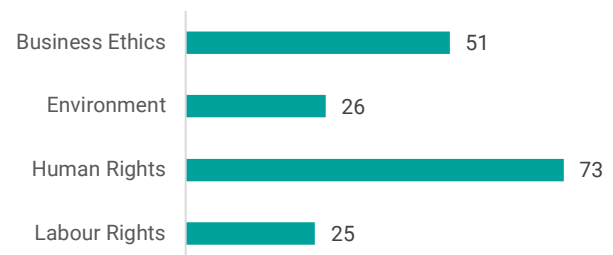
Milestone Overview



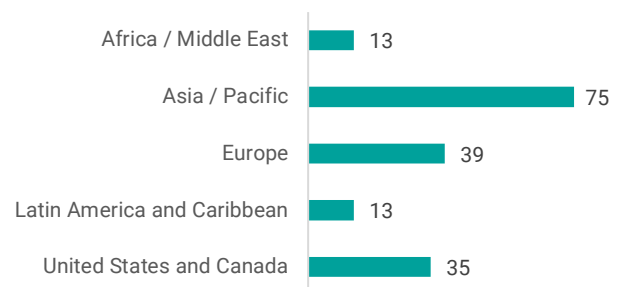
Cases by Sector



Cases by Norm



Cases by Headquarters



Companies Mentioned In This Engagement Brief

● Resolved
 ● Engage
 ● Associated
 ● Disengage
 ● Archive

● ADANI ENTERPRISES LIMITED	13
● ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD	13
● CHONGQING ENERGY INVESTMENT GROUP CO. LTD.	13
● COAL INDIA LIMITED	11
● EDP - ENERGIAS DE PORTUGAL, S.A.	14
● EDP RENOVÁVEIS, S.A.	14
● ENBRIDGE INC	7
● ENERGY TRANSFER LP,	7
● EQUIFAX INC	8
● EXPORT-IMPORT BANK OF INDIA	12
● FORMOSA TAFFETA CO., LTD.	14
● GRUPO MÉXICO, S.A.B. DE C.V.	15
● JBS S.A.	9
● LOCKHEED MARTIN CORP	15
● NMC HEALTH PLC	16
● PAGE INDUSTRIES LTD.	16
● PHILLIPS 66	7
● PILGRIM'S PRIDE CORP.	16
● RAYTHEON TECHNOLOGIES CORP	17
● RIO TINTO LTD.	17
● SAMSUNG BIOLOGICS CO LTD	18
● SAMSUNG C&T CORP.	18
● SAMSUNG ELECTRONICS CO., LTD.	18
● SOUTHERN COPPER CORPORATION	15
● TC ENERGY CORP.	10

Resolved Cases

Enbridge Inc

Background

In September 2016, the UN Special Rapporteur on the rights of indigenous peoples stated that the Dakota Access Pipeline (DAPL) posed significant risks to the Standing Rock Sioux tribe. The DAPL transports crude oil from North Dakota to Illinois and was developed by ENERGY TRANSFER LP, also holding the largest ownership stake in the pipeline. The remaining partners include Enbridge Energy Partners LP, an affiliate of ENBRIDGE INC, PHILLIPS 66 and Marathon Petroleum. The pipeline passes close to the tribe's reservation and beneath the reservation's main source of drinking water. The pipeline's risks include water pollution and the destruction of burial grounds and sacred sites. It has also been alleged that the tribe was not meaningfully consulted and did not give its consent to the routing of the pipeline. All necessary permits were granted by US authorities and the pipeline became operational in June 2017.

Engagement Objective

Enbridge was expected to use its leverage to enable a reconciliation dialogue between Standing Rock, and the developer and operator of the pipeline, Energy Transfer LP. Furthermore, the company was expected to adopt a human rights policy and establish a due diligence process to align with international norms on indigenous peoples' rights across its operations, as well as on security and human rights.

Engagement Activities

Sustainalytics has had substantial engagement with Enbridge on controversies in relation to DAPL and on indigenous peoples' rights more broadly. Enbridge has had dialogue with representatives of the Standing Rock Sioux tribe and has met with Energy Transfer LP to discuss indigenous rights issues and stakeholder engagement. Such activities have been encouraged by Sustainalytics. With regards to aligning company policies and procedures with international norms on indigenous peoples' rights and security and human rights, the company has made substantial progress during the course of the engagement. In doing so, it has been transparent and open to input from Sustainalytics. A key improvement has been the implementation of a 'life-cycle engagement' approach with indigenous communities, i.e., continuous engagement throughout a project's lifecycle. It is aligned with international norms and Sustainalytics's advice to go beyond a one-off consultation process in the early development stages of a project.

Outcome

Enbridge is not the operator of the DAPL but still met with representative of the Standing Rock Sioux tribe and also encouraged the pipeline operator to advance efforts to respects indigenous peoples' rights. Enbridge has adopted a stand-alone indigenous rights policy, as well as a comprehensive framework on the rights of indigenous peoples', and security principles which include human rights provisions. Although DAPL remains a controversial operation, Sustainalytics regards Enbridge, given the company's limited leverage, to have taken sufficient measures to improve the respect of indigenous peoples' rights. Its life-cycle engagement approach should be regarded as a best practice in the industry and is likely to contribute to raising the bar on expected efforts by companies with regards to the respect of the rights of indigenous peoples.

STATUS

Resolved

ISSUE(S)

- Violations of the Rights of Indigenous Peoples

ENGAGEMENT MANAGER







Stina Nilsson
Associate Director
Stockholm

















CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	95	Number of Contacts
	9	Conference Calls
	30	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	Nov 2016
	Milestone 1	Nov 2016
	Conference Call	Dec 2016
	Milestone 2	Feb 2017
	Conference Call	Jun 2017
	Conference Call	Aug 2017
	Milestone 3	Sep 2017
	Conference Call	Dec 2017
	Conference Call	Mar 2018
	Conference Call	Jun 2018
	Conference Call	Feb 2019
	Conference Call	Sep 2019
	Milestone 4	Sep 2019
	Conference Call	May 2020
	Milestone 5	Nov 2020
	Case Resolved	Nov 2020

Equifax Inc

Background

In September 2017, Equifax Inc publicly disclosed a data breach of personally identifiable customer information that may have affected as many as 148 million Americans, up to 15 million UK citizens, as well as around 19,000 Canadians. The company's data was breached in mid-May 2017 and the breach remained undetected by the company until the end of July 2017. The company did not disclose the problem for more than five weeks after its detection of the intrusion. In September 2017, the company's CEO, the chief information officer and the chief security officer resigned as a result of the incident. In February 2020, the US Department of Justice indicted four members of China's military for allegedly stealing the data from Equifax. The company settled multiple claims. The settlement, a total value of USD 425 million, was approved in January 2020 to help the US consumers affected by the breach. It will become effective after all appeals.

Engagement Objective

The objective of the engagement was for Equifax to ensure that the company puts in place adequate internal controls and risk management procedures to manage cybersecurity risks.

Engagement Activities

Equifax prioritized engagement with capital markets after the incident and has been very responsive to Sustainalytics's enquiries. The company collected feedback from various stakeholders, which was considered by Equifax's board and laid the basis for the company's response and remediation efforts. Sustainalytics had three calls and one face-to-face meeting with Equifax, where the company explained the core reasons for the incident and its response strategy. The company was proactive in updating Sustainalytics on strategy implementation.

Outcome

As an immediate response to the breach, Equifax offered its customers additional services to help safeguard their credit. The company's board was reshuffled and enhanced with three new independent directors who have strong backgrounds in IT and cybersecurity. The board members' duties were refined to ensure proper cybersecurity risk oversight. Additionally, in the management board, two new roles were created that are responsible for an information security and transformation programme. The culture of security was reinforced via the alignment of compensation with security performance. Security and IT policies were updated, an enhanced risk-based security framework was implemented, and key compliance certificates were reinstated. Overall, since the 2017 incident, Equifax has significantly improved its preparedness to manage cybersecurity risks.

STATUS

Resolved

ISSUE(S)

► Data Breaches

ENGAGEMENT MANAGER



Olga Kostyurina
Manager
Amsterdam

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	48	Number of Contacts
	3	Conference Calls
	11	Correspondence
	1	Meetings in Person

CASE TIMELINE

	Engagement Since	Feb 2018
	Milestone 1	Feb 2018
	Conference Call	Mar 2018
	Milestone 2	Mar 2018
	Conference Call	May 2018
	Milestone 3	May 2018
	Meeting in Person	Oct 2018
	Milestone 4	Nov 2018
	Conference Calls	Nov 2020
	Milestone 5	Nov 2020
	Case Resolved	Nov 2020

JBS S.A. Pilgrim's Pride Corp.

Background

JBS S.A. is an international company involved in beef, lamb, and poultry processing. JBS is among the world's largest exporters of animal protein. Meat processing facilities operated by subsidiaries PILGRIM'S PRIDE CORP. and JBS USA were inspected and repeatedly fined by the US Occupational Safety and Health Administration (OSHA). OSHA's inspections found persistent health and safety violations and there have been several fatalities. JBS was also prosecuted by Brazilian authorities in a number of states for various types of labour rights violations.

Engagement Objective

The engagement's objective required JBS to take responsibility for addressing the frequent occupational health and safety (H&S) incidents at its subsidiaries. Sustainalytics also asked for H&S policies and practices aligned with International Labour Organization (ILO) standards and ensure their enforcement across the group. This needed to include proactive assessment of risks and mitigation of hazards, supported by appropriate disclosure.

Engagement Activities

Sustainalytics has had a constructive dialogue with JBS about occupational health and safety since 2015. The quality of the dialogue improved over time, with two in-person meetings and five conference calls, of which three in 2020 with JBS. In addition, engagement dialogues were established with its subsidiaries Pilgrim's Pride and JBS USA as well, with two additional conference calls with Pilgrim's Pride. Throughout the engagement, JBS has clearly demonstrated commitment to improve its accountability with respect to occupational health and safety, as well as various other ESG aspects for all of its operations globally. In the latest engagement call in November 2020, JBS's global human resources director reassured us that JBS is ready to roll out a company-wide health and safety policy, accompanied by enhanced performance metrics in Q1 2021.

Outcome

The performance disclosure demonstrates that the company's efforts to improve incident reporting have had effect. Also, the company has been making various tangible adjustments to improve working conditions. Reporting discipline remains high and safety performance has reportedly been steady in Brazil and improving in the US. In early 2020, there were two fatalities at facilities in the US, but the authorities did not identify any major shortcomings and there have not been any new fatalities since then. JBS benchmarks its safety performance to industry and geographical averages. Historically, JBS has usually outperformed industry averages. Our engagement also addressed the company's response to the COVID-19 pandemic which also had serious health and safety implications.

JBS has reached an advanced stage of implementing its company-wide health and safety strategy. As a result, Sustainalytics concludes that this case, along with the associated case on JBS's subsidiary Pilgrim's Pride, is resolved. With the involvement of sharp equipment involved and high processing speeds, meat processing facilities remain relatively dangerous places to work. Sustainalytics will continue to monitor the company's occupational health and safety performance. Should performance deteriorate again, then we will reconsider the status of this case. In the meantime, engagement dialogues on various other ESG issues will continue.

STATUS

Resolved

ISSUE(S)

- Recurring Labour Rights Violations

ENGAGEMENT MANAGER



Joris Laseur
Manager
Amsterdam

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

(Based on JBS S.A.)

	129	Number of Contacts
	5	Conference Calls
	59	Correspondence
	2	Meetings in Person

CASE TIMELINE

	Engagement Since	Jan 2015
	Milestone 1	Jan 2015
	Milestone 2	Oct 2015
	Meeting in Person	May 2016
	Conference Call	Jan 2017
	Meeting in Person	Jun 2017
	Conference Call	Jun 2018
	Milestone 3	Dec 2018
	Conference Call	Feb 2020
	Milestone 4	Apr 2020
	Conference Call	Jun 2020
	Conference Call	Nov 2020
	Milestone 5	Nov 2020
	Case Resolved	Nov 2020

TC Energy Corp.

Background

TC ENERGY CORP.'s (formerly TransCanada Corporation) Keystone XL pipeline will run from the Athabasca Oil Sands in Alberta to join the existing Keystone pipeline system in the US. The pipeline was initially proposed in 2008 and TC Energy expects it to be in service by 2023. Opposition from indigenous groups, local communities, landowners, and environmental NGOs have led to significant delays in permitting and construction. Resistance has focused on climate-related externalities as well as the potential impact of oil spills on rivers, streams, and the Ogallala Aquifer (one of the world's biggest groundwater sources). In March 2020, TC Energy announced construction would proceed. As of November 2020, three legal issues continue to challenge Keystone XL's permits, impacting where and when construction can occur. However, the legal challenges are against the regulators, not TC Energy. The pipeline is also a political issue in the US as Democratic President Elect Joe Biden made an election promise to rescind the pipeline's permits altogether in favour of greener alternative energy sources.

Engagement Objective

The engagement objective was to ensure that appropriate Environmental and Social Impact Assessments (ESIA) had been conducted along the full length of the proposed pipeline. In addition, TC Energy should disclose any preventive and mitigating measures in relation to long-term harm to the environment and people who are dependent upon impacted natural resources. In particular, a best-practice system to detect leakages should be put in place, as should a robust emergency spill response plan. In addition, the company should demonstrate that its consultation process addresses not just landowners, but the wider potentially affected community, including indigenous peoples.

Engagement Activities

After a period of non-responsiveness, Sustainalytics established dialogue and had three conference calls with TC Energy in 2020. Substantial focus was devoted to the discussion of planned leak detection methods and up-and-coming technologies. We successfully challenged the company's claims of 'best available technology' as the technologies are now over ten years old. Sustainalytics provided feedback on the company's environmental disclosure and observed a substantial increase in both the amount and the specificity of disclosure. On the social side, the stakeholder engagement process is based on a principled approach to ensure all stakeholders are treated in the same way. Although the clarity of the process and the framework for engagements is positive, the need for formal links to international standards on human rights or the UN Declaration of the Rights of Indigenous People was encouraged. Lastly, an equity stake in the pipeline was created for Canadian indigenous groups. Sustainalytics supports this concept and understands it is the preferred model at the company as it goes forwards.

Outcome

TC Energy has conducted multiple environmental impact studies, created an equity stake in the pipeline for Canadian indigenous groups and re-routed portions of the US pipeline based on community feedback. Based on our discussions, we understand TC Energy has now industry-standard leak detection methods, spill response plans and a third-party auditing system in place to ensure the integrity of its stored pipe. This information was not known prior to the engagement. Although the company lacks alignment with international standards on human rights, its principled approach to community consultation is structured and well documented internally. The major outcome of this engagement is an increase in disclosure and transparency. After a slow start, TC Energy is evolving on its ESG journey and Sustainalytics has become a trusted source of critical feedback along the way.

STATUS

Resolved

ISSUE(S)

► Pipeline Project Resulting in Negative Environmental and Human Rights Impacts

ENGAGEMENT MANAGER







Dayna Linley-Jones
Director
Toronto













CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	73	Number of Contacts
	4	Conference Calls
	22	Correspondence
	1	Meetings in Person

CASE TIMELINE

	Engagement Since	Jun 2017
	Milestone 1	Jun 2017
	Meeting in Person	Feb 2018
	Milestone 2	Feb 2018
	Milestone 3	Feb 2018
	Conference Call	Jan 2020
	Conference Call	Feb 2020
	Conference Call	Jul 2020
	Milestone 4	Jul 2020
	Conference Call	Nov 2020
	Milestone 5	Nov 2020
	Case Resolved	Nov 2020

Disengage Cases

Coal India Limited

Background

Over several years, subsidiaries of India's state-owned COAL INDIA LIMITED (CIL) have reported poor operational safety records. In 2017, 2018 and 2019, CIL companies experienced 37, 43 and 34 workplace fatalities respectively, and between 2014 and 2016, a total of 110 fatalities. Furthermore, according to a report released by Amnesty International in July 2016, subsidiaries of CIL, operating in Chhattisgarh, Jharkhand and Odisha, were also connected to human rights breaches and did not ensure proper consultation with the Adivasi communities. These communities are tribal groups with special rights under the Indian Constitution regarding land acquisition, rehabilitation, resettlement and the environmental impacts of the mines, which have seriously affected their lives and livelihoods.

Engagement Objective

The engagement objective was for Coal India to strengthen its health and safety management systems, resulting in a material and sustained decrease in accident rates. It should also examine and investigate the root causes of past accidents, and subsequently identify and correct gaps in its systems. Meanwhile, the company should also align its practices to relevant International Finance Corporation Standards, in particular, those related to consultation, resettlement and compensation.

Engagement Activities

Following an initial response via email in 2014 detailing the companies-imposed safety measures and rehabilitation & resettlement policy, CIL has not responded to any further attempts at establishing follow-up dialogue. Numerous attempts were made to reach out to the company via a range of individuals and contacts. Furthermore, a co-signed investor letter was also sent in October 2018. A further investor letter was also sent in September 2020, but the company did not respond to any of these attempts to push for constructive dialogue and the situation remains unchanged. Since then, we have reached out again to other relevant contacts within the company but have not yet received any response.

Outcome

Throughout the engagement, the company generally lacked transparency. It was only through the initial response from the company, that we learned which steps the company had taken in terms of safety. Meanwhile, the continuing fatality rates suggest these steps have been ineffective. The company also denied the allegations concerning the various human rights abuses. The recurrence of such incidents raises concerns over the company's ability to manage both employee safety and human rights across all of its broader operations.

Despite numerous attempts over several years, including by sending collaborative investor letters, Sustainalytics has not managed to establish a constructive dialogue with CIL. The company has not been open to dialogue on the controversies surrounding its practices nor shared any relevant information on how, or if, it addresses human rights and safety across its subsidiaries. With no progress on how the company operates and what processes it has in place and with no meaningful dialogue, Sustainalytics has decided to disengage.

STATUS

Disengage

ISSUE(S)

- ▶ Recurring Workplace Accidents

ENGAGEMENT MANAGER







Henry Pallister-Dixon
Senior Associate
Copenhagen






CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	26	Number of Contacts
	0	Conference Calls
	10	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	Mar 2016
	Milestone 1	Mar 2016
	Investor Letter	Oct 2018
	Investor Letter	Sep 2020
	Case Disengage	Nov 2020

Export-Import Bank of India

Background

In March 2016, UNESCO's World Heritage Committee (WHC) and the International Union for the Conservation of Nature (IUCN) conducted an assessment of the environmental impacts of the Rampal power plant project, situated near the Sundarbans Reserve Forest in Bangladesh. The Sundarbans is a UNESCO World Heritage Site. In October the same year, UNESCO and the IUCN recommended that the Rampal project be cancelled and relocated so as to avoid any negative environmental impacts (in 2016 the power plant was in its early stages). EXPORT-IMPORT BANK OF INDIA (Exim Bank) provided a term loan of USD 1.6 billion to the project. The WHC was due to make a decision on whether to inscribe the Sundarbans on the List of World Heritage in Danger in 2020 owing to environmental concerns of the project but this was postponed due to the coronavirus pandemic.

Engagement Objective

The engagement objective was that Exim Bank should ensure that the project is aligned with UNESCO WHC's and the IUCN's recommendations regarding pollution from coal ash by air, wastewater, waste ash, shipping and dredging, and the cumulative impacts of industrial and related development infrastructure.

Engagement Activities

Sustainalytics had been seeking to engage with Exim Bank for several years, during which time, a number of Exim Bank branches in different locations were contacted. In February 2020, the bank responded for the first time and a face-to-face meeting was held with the London branch. During the meeting, the bank's representatives listened to Sustainalytics' concerns about the Rampal project and agreed to facilitate a dialogue with relevant colleagues in India. The London branch did not follow through on this commitment and Sustainalytics therefore attempted to resume communications, including escalating concerns to the highest level. Sustainalytics wrote to both the Managing Director and Deputy Managing Director in August and September 2020, outlining our concerns and seeking engagement. Over this period, Sustainalytics' clients also sent letters to the same executives. No response was received. Finally, Sustainalytics attempted to contact the bank via one of its business partners but this also proved unsuccessful. Consequently, it remains unclear in what way, if any, Exim Bank has applied social and environmental due diligence when financing the Rampal project.

Outcome

Given the numerous attempts by Sustainalytics to engage with Exim Bank, we consider there is no other viable option but to disengage. Should UNESCO's WHC decide to inscribe the Sundarbans on the List of World Heritage Sites in Danger - a move designed to encourage corrective action - Exim Bank may need to re-examine its role as lender to controversial projects. It is hoped that Exim Bank will review its processes, transparently incorporate ESG due diligence into its lending criteria and play a responsible role in mitigation efforts to avoid harmful social and environmental impacts. The decision by UNESCO's WHC is not due until June/July 2021.

STATUS

Disengage

ISSUE(S)

► Project(s) With Environmental and Human Rights Risks

ENGAGEMENT MANAGER







Anita Nagarajan
Manager
London








CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	28	Number of Contacts
	0	Conference Calls
	12	Correspondence
	1	Meetings in Person

CASE TIMELINE

	Engagement Since	Aug 2017
	Milestone 1	Aug 2017
	Milestone 2	Feb 2020
	Meeting in Person	Feb 2020
	Investor Letter	Sep 2020
	Investor Letter	Oct 2020
	Case Disengage	Aug 2020

Engage Cases

Adani Ports & Special Economic Zone Ltd

Background

ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD (APSEZ) has been associated with recurrent environmental violations and controversial projects in India and Australia. Marine Infrastructure Developer Private Limited (MIDPL), a subsidiary of APSEZ, has faced opposition from environmentalists and residents concerning the company's Kattupalli Port expansion plans in Chennai, India which is linked to potential adverse impacts on the environment in the area and on the livelihoods of local communities. Via its Abbot Point Terminal subsidiary in Australia, APSEZ is also linked to the Carmichael mine project under development by ADANI ENTERPRISES LIMITED. It is also feared that the planned expansion of the terminal will have a potentially adverse impact on the ecosystem of the Great Barrier Reef.

Engagement Objective and Activity

The engagement will focus on ensuring the company has an ongoing stakeholder engagement with local communities and transparent processes in place to ensure effective management, including subsidiaries. APSEZ has previously informed Sustainalytics of certain measures it has undertaken to improve its policies and due diligence processes aimed at addressing environmental management and human rights issues before initializing projects. However, the recent developments in Australia relating to the Abbot point port, Carmichael mine and with the Kattupalli port expansion plans may indicate unresolved management failures at a subsidiary level.

Next Step

Sustainalytics will reach out to APSEZ to understand what steps the company has in place to thoroughly mitigate any potential environmental damage from its projects and ensure that local stakeholders are taken into account.

STATUS

Engage

ISSUE(S)

► Project(s) with Environmental and Human Rights Risks

ENGAGEMENT MANAGER



Henry Pallister-Dixon
Senior Associate
Copenhagen

CONTRIBUTION TO SDGs



Chongqing Energy Investment Group Co. Ltd.

Background

CHONGQING ENERGY INVESTMENT GROUP CO. LTD. (Chongqing) is a financial group which specializes in energy and aluminum. In September 2020, 16 workers were fatally poisoned and 38 were injured by carbon monoxide at the Songzao coal mine operated by a subsidiary of Chongqing. The official investigation cited poorly maintained equipment as the cause of the fire. The company does not disclose health and safety statistics, but research indicates that its coal mines have had several serious fatal accidents in the past, including 12 fatalities in two incidents in 2018, and two gas explosions in 2014 (22 fatalities) and 2009 (30 fatalities).

Engagement Objective and Activity

Chongqing should make sure that families of the deceased workers have received financial support. The company should also demonstrate that the causes of the accidents have been fully investigated and that safety management systems are improved in accordance with the findings. The company's efforts should be independently third party verified.

Next Step

As a first step, Sustainalytics will seek to open a dialogue with Chongqing. Then we will seek to understand whether the company has undertaken any internal investigations of the accidents and the lesson learnt as well as addressing compensation to the victims and the families of the deceased.

STATUS

Engage

ISSUE(S)

► Fatal Accident(s)

ENGAGEMENT MANAGER



Linda Björk
Manager
Stockholm

CONTRIBUTION TO SDGs



EDP - Energias de Portugal, S.A.

*Associated Company: **EDP Renováveis, S.A.**

Background

EDP - ENERGIAS DE PORTUGAL, S.A. (EDP), a Portuguese utilities company, and its renewable energy generation subsidiary EDP RENOVÁVEIS, S.A. (EDPR) have been involved in allegedly corrupting ex-members of the Portuguese government in the 2000s. An investigation has been ongoing since 2012, which resulted in the CEOs of both EDP and EDPR being named as suspects in 2017. In July 2020, the CEOs were suspended by court order and EDP itself was named as a suspect due to the alleged benefits it had gained through corrupt practices. EDP has numerous policies and procedures in place although it seems to have failed to follow them.

Engagement Objective and Activity

EDP should commission an independent investigation of the allegations, it should disclose the findings and show how it plans to enact any recommendations of the investigation. The company should also ensure that executive contracts have both malus and claw-back provisions.

Next Step

Sustainalytics will request a conference call with EDP to confirm whether an independent investigation has been commissioned. We will also run through the extensive policies and protocols the company has in place.

STATUS

Engage

ISSUE(S)

► Corrupt Practices

ENGAGEMENT MANAGER



Cathrine Steenstrup
Associate Director
Copenhagen

CONTRIBUTION TO SDGs



Formosa Taffeta Co., Ltd.

Background

FORMOSA TAFFETA CO., LTD. (FT) manufactures nylon products and other fabrics and is accused of systematic labour rights violations through one of its subsidiaries in Vietnam, FT Dong Nai, dating to 2017 and 2018. The allegations stem from the Council on Ethics (CoE) for the Norwegian Government Pension Fund Global, which serves as an advisory body for the manager of the fund, Norges Bank. The investigation by the CoE alleged violations pertaining to excessive overtime, underpayment and the deduction of wages, health and safety issues and a lack of freedom of association. Furthermore, the CoE claims FT had withheld information and was intentionally misleading in its response.

Engagement Objective and Activity

FT's disclosure should clearly address the concerns raised by the CoE's report and demonstrate that any alleged issues are resolved and its labour practices align with international standards. The onus is on the company to confirm that its labour practices are appropriate and that it is not complicit in rights violations at any of its facilities, including Dong Nai. FT should also ensure its disclosure shows its policies and practices are effectively implemented and operating.

Next Step

Sustainalytics will reach out to FT to establish a dialogue about its labour practices. Through the engagement, Sustainalytics will outline investor expectations regarding labour rights and working conditions, pointing towards industry best practice and international standards. The focus will be given to understanding FT's disclosure and practices in place.

STATUS

Engage

ISSUE(S)

► Labour Rights Violations at Company Operations

ENGAGEMENT MANAGER



Matthew Barg
Associate Director
Toronto

CONTRIBUTION TO SDGs



Grupo México, S.A.B. de C.V. Southern Copper Corporation

Background

In 2020, the Mexican Supreme Court found GRUPO MÉXICO, S.A.B. DE C.V. (Grupo México) and its subsidiary SOUTHERN COPPER CORPORATION to have illegally dissolved a trust fund created for remediation and compensation measures following a tailings waste spill in 2014 at the Buenavista del Cobre mine. In addition, in December 2019, a federal judge ordered Mexico's General Prosecutor to reopen a criminal investigation into the spill, following several requests from local communities and a trade union, who alleged that the negative impacts of the spill still continue.

Engagement Objective and Activity

Engagement will focus on consultation with local communities and authorities and addressing any remaining concerns regarding shortcomings in the remediation and compensation measures taken. The company should commission an independent monitoring programme to assess the extent of alleged drinking water contamination prior to undertaking effective remedial measures. Furthermore, the company should ensure its tailings storage facilities meet international tailing dam standards to reduce the risk of future spills.

Next Step

Sustainalytics is in the process of securing a meeting with Grupo México on the case. We will seek to understand the company's community consultation process and encourage the company to undertake an independent drinking water monitoring programme.

STATUS

Engage

ISSUE(S)

► Leak(s) Resulting in Environmental and Human Rights Impacts

ENGAGEMENT MANAGER



Emma Henningsson
Associate Director
Stockholm

CONTRIBUTION TO SDGs



Lockheed Martin Corp

Background

LOCKHEED MARTIN CORP (Lockheed) is a US-based defence and aerospace company, which has been supplying arms to the Saudi Arabian military since 1965. Between 2014 and 2018, various NGOs have identified numerous examples of the use of arms produced by Lockheed being used in alleged unlawful attacks on civilian targets. Lockheed weapons have allegedly been used in numerous civilian attacks in Yemen, including those on school buses and hospitals. Lockheed weapons have also allegedly been used in civilian attacks through following supply routes to numerous other countries, including Bahrain, United Arab Emirates, Egypt, India, and Turkey.

Engagement Objective and Activity

Lockheed should establish clear criteria to identify high-risk destination countries and develop human rights due diligence procedures to be applied to military equipment sales deals.

Next Step

As a first step, Sustainalytics will review Lockheed's existing level of disclosure and request a conference call with them in order to understand the due diligence processes, if any, utilized prior to selling to countries or states, especially those with a history of human rights violations.

STATUS

Engage

ISSUE(S)

► Operations in Territories with Elevated Human Rights Risks

ENGAGEMENT MANAGER



Linda Björk
Manager
Stockholm

CONTRIBUTION TO SDGs



NMC Health PLC

Background

NMC HEALTH PLC (NMC) is a healthcare company based in the United Arab Emirates. In December 2019, concerns were raised over suspected manipulation of the company's balance sheet. An investigation, reported in February 2020, resulted in the London Stock Exchange suspending NMC and several executives losing their jobs, including the CEO and CFO. The investigation reportedly discovered evidence leading to suspected fraudulent behaviour in relation to NMC's previous financial activities. A PricewaterhouseCoopers (PwC) investigation identified USD 4.3 billion in undisclosed debt. NMC has been under administration since April 2020.

Engagement Objective and Activity

NMC should identify the extent of the fraudulent activity, and act upon the recommendations of the investigations carried out by the joint administration. NMC Health should ensure that robust policies and internal controls which address business ethics – and especially accounting fraud – are implemented effectively throughout the organization, including subsidiaries.

Next Step

As a first step, Sustainalytics will request a conference call with NMC to confirm the current status of the company which has been under administration since April 2020 and is reportedly undergoing either a lender-led restructuring or sale by April 2021.

STATUS

Engage

ISSUE(S)

► Accounting Fraud

ENGAGEMENT MANAGER



Linda Björk
Manager
Stockholm

CONTRIBUTION TO SDGs



Page Industries Ltd.

Background

At the end of August 2020, Norges Bank published its decision to exclude PAGE INDUSTRIES LTD. from investment by the Norwegian Government Pension Fund Global due to an unacceptable risk that the company contributes to systematic human rights abuses. The decision was based on the February 2020 recommendation by the Council on Ethics in Norway (CoE) that had conducted an investigation into the company in 2016. The report revealed employee harassment, poor occupational health and safety standards and the placement of restrictions on unions at one of the company's garment factories in India, specifically in Unit 3 in Bangalore.

Engagement Objective and Activity

Page Industries should improve the working conditions in its factory in Bangalore and across the company in compliance with international standards. It should implement a rigorous programme to monitor and report on labour rights policies and procedures to address labour rights risks and impacts within its operations.

Next Step

Page Industries responded to the initial enquiry by denying the conclusions of the CoE's investigation. Sustainalytics will schedule a call with the company to discuss its position on the matter.

STATUS

Engage

ISSUE(S)

► Poor working conditions

ENGAGEMENT MANAGER



Olga Kostyurina
Manager
Amsterdam

CONTRIBUTION TO SDGs



Raytheon Technologies Corp.

Background

RAYTHEON TECHNOLOGIES CORP. (Raytheon) is a US-based defense and aerospace company, which has been supplying arms to the Saudi Arabian military since 2014. Various NGOs have identified numerous examples of the use of arms produced by Raytheon in alleged unlawful attacks on civilian targets. In March 2019, one report showed strong evidence of its weapons being used in attacks against civilians which resulted in 114 fatalities and 574 injuries. Then in September 2019, three attacks allegedly using Raytheon arms resulted in 45 deaths and 42 injuries. Raytheon weapons have allegedly also been used in civilian attacks through following supply routes to numerous other countries, including Bahrain, Colombia, Egypt, India, and Turkey.

Engagement Objective and Activity

Raytheon should establish clear criteria to identify high-risk destination countries and develop human rights due diligence procedures to be applied to military equipment sales deals.

Next Step

As a first step, Sustainalytics will review Raytheon's existing level of disclosure and request a conference call with them company in order to understand the due diligence processes, if any, utilized prior to selling to countries or states, especially those with a history of human rights violations.

STATUS

Engage

ISSUE(S)

► Operations in Territories with Elevated Human Rights Risks

ENGAGEMENT MANAGER



Linda Björk
Manager
Stockholm

CONTRIBUTION TO SDGs



Rio Tinto Ltd.

Background

RIO TINTO LTD. is one of the world's largest diversified mining companies. In May 2020, two ancient rock-shelters were destroyed in the Pilbara region of Western Australia. A recent study of the Juukan Gorge, located on Puutu Kunti Kurrama and Pinikura (PKKP) land, dated one rock shelter as more than 46,000 years old and was the only one in the country to show continuous human occupation since the last Ice Age. The findings were not publicized. The consultation by company with the PKKP has also been criticized, for example although the company knew of the study identifying the usage of one rock shelter, this information was allegedly not passed on to either the regulators or the PKKP.

Engagement Objective and Activity

Rio Tinto should compensate the local aboriginal tribes for the destruction of the Juukan Gorge rock shelters. The company should work to amend the relevant laws in Western Australia. Rio Tinto should seek to re-establish good working relations with the aboriginal peoples who are impacted or potentially impacted and should integrate its community and indigenous peoples' relations teams into its operations so that decisions on mine activities cannot be undertaken without relevant input.

Next Step

As a first step, Sustainalytics will request a conference call with Rio Tinto to confirm the actions it has taken since the incident. We will then ask about whether the company intends to restructure its operations to ensure that operational decisions are discussed in advance with the community consultation team.

STATUS

Engage

ISSUE(S)

► Violations of the Rights of Indigenous People

ENGAGEMENT MANAGER



Cathrine Steenstrup
Associate Director
Copenhagen

CONTRIBUTION TO SDGs



Samsung BioLogics Co Ltd

Samsung C&T Corp.

Background

In September 2020, South Korean prosecutors indicted 11 executives from the Samsung Group including the CEO of SAMSUNG BIOLOGICS CO LTD, the vice chairman of SAMSUNG ELECTRONICS CO., LTD. and three current and former SAMSUNG C&T CORP. executives. The executives were accused of accounting fraud, stock price manipulation and breach of trust in connection with a 2015 merger between Chiel Industries, the then-parent company of BioLogics, and Samsung C&T; the merger helped the vice chairman of Samsung Electronics to increase control of Samsung Group by the increase of its shares.

Engagement Objective and Activity

The companies involved in the fraud should ensure robust policies and internal controls that address business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including at its subsidiaries. The companies should strengthen their corporate governance and culture of integrity. Furthermore, no allegations related to business ethics should arise. As of November 2020, both Samsung C&T and Samsung BioLogics have developed measures to strengthen its corporate governance, compliance management programme, and culture of integrity. However, there is no detailed information about the status and effectiveness of these measures.

Next Step

Sustainalytics will reach out individually to each company to establish an initial dialogue about the current plans they have in place to execute a company-wide compliance program to establish a culture of integrity.

STATUS

Engage

ISSUE(S)

► Accounting Fraud

ENGAGEMENT MANAGER



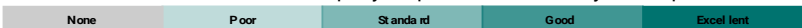
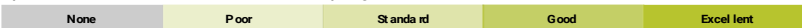


Enrique Figallo
Senior Associate
Stockholm

CONTRIBUTION TO SDGs



Company Dialogue & Progress Summary

Legend

Country	The country in the list indicates where the business conduct issue occurred. The breakdown into the regions: Africa/ Middle East, Asia/ Pacific, Europe, Latin America and Caribbean and United States and Canada is based on where the company headquarter is.
Year	The year shows when the case was downgraded to Engage status.
Response	<p>The indicator describes how the company responds to Sustainalytics' inquiries.</p> 
Progress	<p>The indicator describes whether or not the violation continues, or how the company's work to prevent future violations is developing.</p> 
Performance	<p>The indicator describes the combined company progress and response performance.</p> <p>▲ High Performance - good or excellent Response in combination with good or excellent Progress.</p> <p>▶ Medium Performance - standard level of Response and Progress.</p> <p>▼ Low Performance - poor or no Response in combination with poor or no Progress.</p> <p>New, Same, Better or Worse Performance - indicates the change in either Response or Progress since the last quarterly report.</p>
Low Performance Tracker (Tracker)	<p>The indicator describes the time elapsed with Low Performance. One piece equals three months.</p>  <p>After two years, the case will be reviewed by Sustainalytics and a Disengage status can be selected if all other engagement options are ineffective.</p>
Milestones	<p>The indicator describes the milestone achieved from 1 to 5.</p>  3/5 Achieve

Resolved

LATIN AMERICA AND CARIBBEAN

JBS S.A. (United States, 2015)

JBS has taken responsibility for addressing the recurring occupational health and safety incidents at its subsidiaries. It is on track with implementing a company-wide occupational health and safety policy and enhanced performance metrics in Q1 2021. Due to the measures taken by the company as well as the fact the company's safety performance has been steady in Brazil and is improving in the US, with no major shortcomings identified recently, Sustainalytics has decided to resolve the case.

* Associated company: **Independencia International Ltd.**

ISSUE

► Recurring Labour Rights Violations

MILESTONES

5/5 Achieved

UNITED STATES AND CANADA

Enbridge Inc (Brazil, 2016)

Enbridge is not the operator of the DAPL, but still met with representatives of the Standing Rock Sioux Tribe and also encouraged the pipeline operator to advance efforts to respects indigenous peoples' rights. The company has adopted a standalone indigenous rights policy, as well as a comprehensive framework on the rights of indigenous peoples', and security principles that include human rights provisions. Although the DAPL remains a controversial operation, Sustainalytics regards Enbridge, given the company's leverage, to have taken sufficient measures to improve its respect of indigenous peoples' rights. It has also progressed in the areas of security and human rights. Therefore, Sustainalytics regards the case as resolved.

ISSUE

► Violations of the Rights of Indigenous Peoples

MILESTONES

5/5 Achieved

Equifax (United States, 2018)

Equifax demonstrated a high level of commitment to reform the company after the incident. The company improved the quality of the Board and the management by hiring experts who have a relevant background and refining the roles to reflect its increased focus on cybersecurity. Since 2018, Equifax has been successfully implementing a seven-pillar transformation strategy that includes its ambition to become a leader in security. After the incident, the company introduced additional measures to help consumers safeguard their credit. Equifax has settled the majority of class actions and lawsuits filed after the data breach. In January 2020, a global settlement for a total of USD 425 million was approved to help US consumers affected by the data breach. Overall, the company took responsible actions to remediate the incident and responded positively to address it. Based on the company's actions, Sustainalytics has concluded the case.

ISSUE

► Data Breaches

MILESTONES

5/5 Achieved

Pilgrim's Pride Corp. (United States, 2015)

Pilgrim's Pride has addressed the identified occupational health and safety (H&S) shortcomings at its processing facilities. It continues to mitigate hazards and improve working conditions and maintains a high level of discipline with respect to incident reporting. Its parent company, JBS, is implementing a company-wide H&S policy, along with enhanced performance metrics. Due to the measures taken by the company as well as the fact the company's safety performance has improved, with no major shortcomings identified recently, Sustainalytics has decided to resolve the case.

ISSUE

► Recurring Labour Rights Violations

MILESTONES

5/5 Achieved

TC Energy Corp. (United States, 2018)

TC Energy has followed regulatory guidelines, conducted multiple environmental impact studies, created an equity stake in the pipeline for Canadian indigenous groups and re-routed portions of the US pipeline based on feedback. The company has now industry standard leak detection methods, spill response plans are available to the public by request and a third-party auditing system in place to ensure the integrity of its stored pipe. Although the company lacks alignment with international standards for human rights, its principled approach to community consultation is structured and well documented internally. With such improvements, Sustainalytics regards the case as resolved.

ISSUE

► Pipeline Project(s)
Resulting in Negative
Environmental and Human
Rights Impacts

MILESTONES

🟢 🟢 🟢 🟢 🟢 5/5 Achieved

Archived

AFRICA / MIDDLE EAST

Bank Hapoalim B.M. (Palestinian Authority, 2009)

A dialogue with the Israeli banks has been in place for about a decade, with the most recent interaction as late as July 2020. Bank Hapoalim has, through The Association of Banks in Israel, discussed the issues raised by investors. While there was a shift in awareness among the stakeholders, the dialogue has not fully advanced on core objectives, and appears to have reached a stalemate due to the complexity of the issues. Therefore, despite our long-standing engagement efforts, we do not expect any further substantial progress on the case. As such, Sustainalytics has decided to archive the case.

ISSUE

► Financing of Illegal Settlements in Occupied Territories

Bank Leumi Le-Israel Ltd. (Palestinian Authority, 2009)

A dialogue with the Israeli banks has been in place for about a decade, with the most recent interaction as late as July 2020. Bank Leumi has, through The Association of Banks in Israel, discussed the issues raised by investors. While there was a shift in awareness among the stakeholders, the dialogue has not fully advanced on core objectives, and appears to have reached a stalemate due to the complexity of the issues. Therefore, despite our long-standing engagement efforts, we do not expect any further substantial progress on the case. As such, Sustainalytics has decided to archive the case.

ISSUE

► Financing of Illegal Settlements in Occupied Territories

Israel Discount Bank Ltd. (Palestinian Authority, 2009)

A dialogue with the Israeli banks has been in place for about a decade, with the most recent interaction as late as July 2020. Israel Discount Bank has, through The Association of Banks in Israel, discussed the issues raised by investors. While there was a shift in awareness among the stakeholders, the dialogue has not fully advanced on core objectives, and appears to have reached a stalemate due to the complexity of the issues. Therefore, despite our long-standing engagement efforts, we do not expect any further substantial progress on the case. As such, Sustainalytics has decided to archive the case.

ISSUE

► Financing of Illegal Settlements in Occupied Territories

Mivne Real Estate (K.D) Ltd. (Palestinian Authority, 2010)

Sustainalytics has tried to engage with Mivne Real Estate (previously Industrial Buildings Corporation and Jerusalem Economy) since 2012, without success which is why the case was previously assessed as Disengage. However, under the Global Standards Screening (GSS) methodology, there is no evidence of Mivne Real Estate's involvement falling under the categories in scope. Therefore, the GSS threshold has not been met. As such, Sustainalytics has decided to archive the case.

ISSUE

► Operations in Occupied Territories

Mizrahi Tefahot Bank Ltd. (Palestinian Authority, 2010)

A dialogue with the Israeli banks has been in place for about a decade, with the most recent interaction as late as July 2020. Mizrahi Tefahot has, through The Association of Banks in Israel, discussed the issues raised by investors. While there was a shift in awareness among the stakeholders, the dialogue has not fully advanced on core objectives, and appears to have reached a stalemate due to the complexity of the issues. Therefore, despite our long-standing engagement efforts, we do not expect any further substantial progress on the case. As such, Sustainalytics has decided to archive the case.

ISSUE

► Financing of Illegal Settlements in Occupied Territories

The First International Bank of Israel Ltd. (Palestinian Authority, 2010)

A dialogue with the Israeli banks has been in place for about a decade, with the most recent interaction as late as July 2020. First International Bank of Israel has, through The Association of Banks in Israel, discussed the issues raised by investors. While there was a shift in awareness among the stakeholders, the dialogue has not fully advanced on core objectives, and appears to have reached a stalemate due to the complexity of the issues. Therefore, despite our long-standing engagement efforts, we do not expect any further substantial progress on the case. As such, Sustainalytics has decided to archive the case.

ISSUE

► Financing of Illegal Settlements in Occupied Territories

ASIA / PACIFIC

China Railway Group Ltd (China, 2013)

CRG has improved its disclosure on safety-related issues, suggesting that the topic has risen higher on the company's agenda. The company has strengthened its management of operational safety by implementing training for employees, carrying out risk controls and evaluating contractors' safety records in the bidding process. CRG has strengthened its health and safety management and public disclosure which is a significant step forward. Nevertheless, more transparency, especially on H&S statistics, would be crucial to confirm that the measures taken are effective and to put the recent news about several fatal accidents in context. As to date, the company has not published that data. At the same time, the severity of current allegations, in comparison with other health and safety issues that Sustainalytics engages on, has been assessed as not high enough to warrant continued engagement. Thus, Sustainalytics has decided to archive the case.

* Associated company: **China Railway Engineering Corp.**

ISSUE

- Recurring Workplace Accidents

Nelco Ltd. (India, 2019)

Nelco is no longer considered involved in nuclear weapons. The company is 50.8% owned by The Tata Power Company Limited (Tata Power), which, through its Strategic Engineering Division, previously provided the control systems for the Arihant class of submarines, used to deliver nuclear missiles for the Indian Navy. In October 2020, Tata Power completed the sale of its Defense business to its affiliate, TATA Advanced Systems Ltd. (TATA). As a result, TATA took over Tata Power's nuclear weapons related activities.

ISSUE

- Nuclear Weapons Development

PetroChina Co Ltd (China, 2015)

PetroChina discloses an anti-corruption policy and procedure and has affirmed that it has carried out training in anti-corruption for senior management and other staff. Also, the level of public reporting on anti-corruption more widely has improved from 2015 to 2019. However, it is not clear that the anti-corruption policy and procedure have been implemented in all businesses. It is also not clear whether any steps are taken to monitor the effectiveness of anti-corruption training. At the same time, the severity of current allegations, in comparison with other corruption issues that Sustainalytics engages on, has been assessed as not high enough to warrant continued engagement. Thus, Sustainalytics has decided to archive the case.

ISSUE

- Corrupt Practices

The Tata Power Company Limited (India, 2019)

The Tata Power Company Limited is no longer considered directly involved in nuclear weapons. In October 2020, Tata Power completed the sale of its Defense business to its affiliate, TATA Advanced Systems Ltd (TATA). As a result, TATA took over Tata Power's nuclear weapons related activities.

ISSUE

- Nuclear Weapons Development

EUROPE

HeidelbergCement AG (Palestinian Authority, 2012)

Sustainalytics has had an open engagement case with HeidelbergCement since 2012. The company is taking steps to sell the quarry, located in West Bank, however the dialogue on the remaining objective has not fully advanced, reflecting the complexity of the issue. Due to the expected sale of the quarry and its corresponding assets, Sustainalytics has decided to archive the case.

ISSUE

- Illegal Exploitation of Natural Resources

LATIN AMERICA AND CARIBBEAN

1MDB Global Investments Ltd. (Malaysia, 2017)

1MDB's most significant legal proceeding was settled in October 2019 with the US DOJ, and although there are other investigations, the majority of the stolen money has been received. While the company was non-responsive to Sustainalytics attempts at engagement dialogue and has not provided guidance, beyond general statements, on how internal financial controls have improved, it faces no new material litigations or investigations regarding claims of executive misconduct or embezzlement. Furthermore, the company is not operational; in 2018 it became insolvent and unable to pay debts owed. In several attempts to email and/or call the company over the past year, we have not been able to successfully contact the company as all of its contact methods are closed and non-operational. Based on the above and the fact that there have been no new allegations after 2015, Sustainalytics decided to archive the case.

ISSUE

- Embezzlement

CEMEX, S.A.B. de C.V. (Palestinian Authority, 2009)

Sustainalytics has had an open engagement case with Cemex since 2009. The company, through Readymix Industries, its business unit in Israel, owned a Yatir quarry, which was sold in 2015. The company still operates three ready-mix concrete plants in Israeli settlements in the West Bank. After the sale of the quarry, Cemex was no longer involved in natural resource extractive activities in the OPT. However, the dialogue on the remaining objective has not fully advanced, reflecting the complexity of the issue. As such, Sustainalytics has decided to archive the case.

ISSUE

- Operations in Occupied Territories

UNITED STATES AND CANADA

Phillips 66 (United States, 2016)

While Phillips 66 was the third-largest investor in the project by having 25% of stake (now through its majority-owned subsidiary), its involvement is considered by Sustainalytics as indirect, i.e. the company is not the operator of the pipeline. The company's preparedness is aligned with US legal requirements on indigenous peoples' rights, rather than requirements embedded within international norms. It has made some improvements with regards to human rights and improved reporting on already existing procedures with regards to indigenous peoples' and other communities affected by its operations. Based on the company's nature of involvement as well as improvements done during the course of engagement, Sustainalytics decided to archive the case.

ISSUE

- Violations of the Rights of Indigenous Peoples

For more detailed information, please see the full case profiles on Global Access.

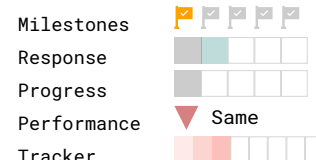
Engage

AFRICA / MIDDLE EAST

Bezeq The Israeli Telecommunication Corp. Ltd. (Israel, 2019)

► Corrupt Practices

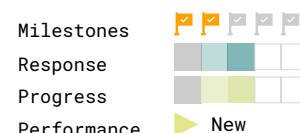
Change Objective: Bezeq should implement and demonstrate an appropriate anti-corruption programme and internal control mechanisms. It should further ensure that its media ethics guidelines are sufficient to guard against similar subjective influence and cooperate with the authorities on the ongoing investigations.



El Sewedy Electric Co (Tanzania, 2020)

► Power Project(s) Resulting in Negative Environmental Impacts

Change Objective: Elsewedy should identify the gaps in the existing strategic environmental assessment, demonstrate actions taken to address the gaps, and publicly disclose the results. The company should use its leverage to ensure that mitigation measures are in place wherever possible to address the negative impacts of the project. It should also have a due diligence process in accordance with international norms to mitigate negative environmental impacts in future projects.



Eskom Holdings SOC Limited (South Africa, 2019)

► Air Pollution

Change Objective: Eskom should make sure that more extensive maintenance programme is introduced to its plants and the implementation of environmental offset programmes in the communities is confirmed. It should prioritise the plants which will remain operational for a longer time and be able to prove it takes all the possible actions to minimise the impacts of its operations.



Harmony Gold Mining Co. Ltd. (South Africa, 2015)

► Fatal Accident(s)

Change Objective: Harmony Gold should make sure that families of the decedent workers have received financial support. The company should also demonstrate that the causes of the accidents have been fully investigated and that safety management systems are improved in accordance with the findings. The company's efforts should be independently third party verified.



MTN Group Limited (South Africa, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: MTN Group should implement a robust human rights due diligence programme to improve its business policies and practices in line with internationally accepted standards. The programme should provide clear guidance criteria to identify high risk jurisdictions and manage that heightened exposure. The company should also provide transparent reporting on human rights issues that provides insight into its management of these issues and exposure in high-risk markets.

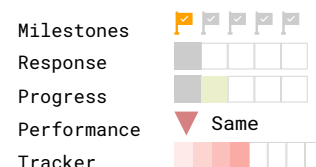


*Associated company: **MTN Nigeria Communications Ltd.**

Mumias Sugar Company Limited (Kenya, 2019)

► Accounting Fraud

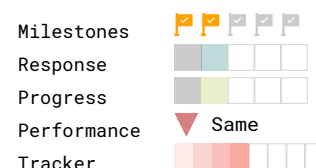
Change Objective: Mumias Sugar should reinforce board oversight and compliance measures, such as a more effective code of conduct, whistleblower mechanism, and structural compliance awareness training. Furthermore, the company should take measures to compensate the dismissed staff.



OCP S.A. (Western Sahara, 2016)

► Operations in Occupied Territories

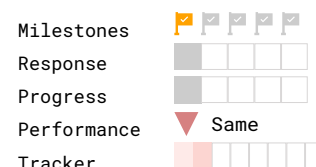
Change Objective: OCP should demonstrate how its activities in Western Sahara will continue in line with international law as well as the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights.



Orascom Investment Holding SAE (North Korea, 2020)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: OIH should implement and disclose human rights policies and due diligence to improve its business policies and practices in line with internationally accepted standards. Regular human rights impact assessments of its operations in sensitive jurisdictions. The company should provide some transparent reporting on human rights issues that give insight into the management of these issues and exposure in high-risk markets.

**Sibanye Stillwater Ltd.** (South Africa, 2018)

► Recurring Workplace Accidents

Change Objective: Sibanye-Stillwater should, based upon a review of the incidents, seek to identify the main causes of the accidents and to put into place improvements in its health and safety training and working practices to develop an enhanced health and safety culture at its operations. Sibanye's safety performance will be monitored by Sustainalytics for at least two years and is expected to show decreasing figures during the time.

**Teva Pharmaceutical Industries Limited** (United States, 2019)

► Price-Fixing Violations

Change Objective: Teva should take appropriate actions by investigating the alleged misconduct internally and cooperate with authorities to address the issue. The company should also develop and implement a drug pricing model that ensures equitable access to medicine and implement competition guidelines.

**The Okomu Oil Palm Co PLC** (Nigeria, 2019)

► Activities Resulting in Adverse Human Rights Impacts

Change Objective: Okomu should ensure that affected communities are consulted in a meaningful manner, according to the principles of Free, Prior and Informed consent. It should also implement its human rights policy and demonstrate human rights due diligence in its operations to prevent adverse human rights impacts.

**Tiger Brands Limited** (South Africa, 2019)

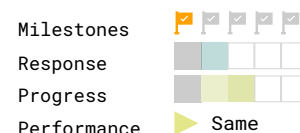
► Product-Related Fatalities

Change Objective: Tiger Brands should ensure that it has taken appropriate actions to responsibly address the impacts of the incident. Tiger Brands should also demonstrate that it has taken adequate measures to improve consistency of operational practices and procedures for product safety across the group.

**Tongaat Hulett Limited** (South Africa, 2020)

► Accounting Fraud

Change Objective: Tongaat Hulett should ensure its Code of Business Conduct and Ethics is observed throughout its entire operations. The company should implement a dedicated program to deliver on the commitment in the Code to detect, prevent and combat corruption, and improve transparency in reporting on how it ensures compliance in this area.

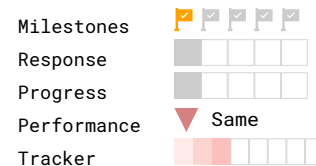


ASIA / PACIFIC

63 Moons Technologies Ltd (India, 2020)

► Fraud

Change Objective: 63 moons should cease ownership in any market infrastructure. The company should implement robust countermeasures to guard against financial crime and strengthen its internal controls. 63 moons should reimburse affected investors.



Adani Enterprises Limited (Australia, 2016)

► Project(s) with Environmental and Human Rights Risks

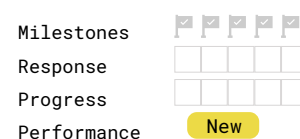
Change Objective: Adani should respect the rights of the indigenous people living in the project's area by obtaining their consent for the land use. The company should prevent the projected environmental impacts of the Carmichael mine and, in case this is proven to be impossible, withdraw from the project.



Adani Ports & Special Economic Zone Ltd (India, 2020)

► Project(s) with Environmental and Human Rights Risks

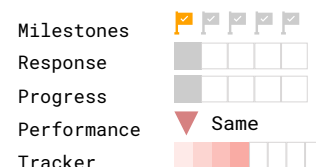
Change Objective: APSEZ should adopt corporate policies and processes addressing environmental and social risks in infrastructure projects. It should advocate a precautionary approach and require that projects comply with internationally proclaimed environmental and social standards. The company should also engage with stakeholders transparently, with efforts in place to increase transparency and disclosure in relation to stakeholder management and its projects.



Aekyung Industrial Co., Ltd. (South Korea, 2019)

► Quality and Safety Violations

Change Objective: Aekyung Industrial should disclose the findings of any internal and external investigations into the disinfectant issue. It should respond appropriately to these findings, including reviewing, upgrading and externally assuring its quality and safety management system as needed, and disclosing outcomes of product safety audits. It should also ensure suitable compensation of victims and/or their families.



AMP Limited (Australia, 2019)

► Consumer Fraud

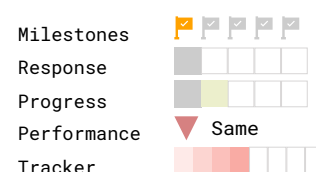
Change Objective: AMP should ensure that robust policies and internal controls addressing product governance and business ethics are implemented, universally applied and where appropriate, disclosed.



Anbang Insurance Group Co., Ltd. (China, 2019)

► Fraud

Change Objective: Anbang Insurance Group should demonstrate business ethics-related policies and programmes, such as Code of Conduct, Anti-Fraud Policy, Compliance and Risk Management processes, that are robust and universally applied across the company.

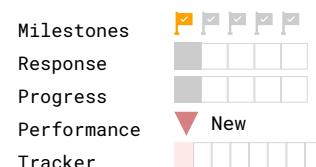


*Associated companies: **TongYang Life Insurance Co Ltd** and **Dajia Life Insurance Co. Ltd.**

Aviation Industry Corporation of China, Ltd. (China, 2020)

► Operations in Territories with Elevated Human Rights Risks

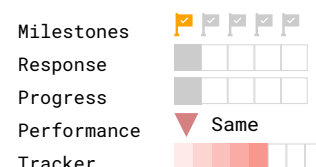
Change Objective: AVIC should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.



AviChina Industry & Technology Company Limited (China, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: AviChina should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.



Bharat Heavy Electricals Limited (Bangladesh, 2017)

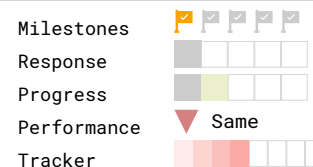
► Project(s) with Environmental and Human Rights Risks

Change Objective: BHEL should align its operations with WHC and IUCN recommendations regarding pollution from coal ash by air, pollution from wastewater and waste ash, increased shipping and dredging, and the cumulative impact of industrial and related development infrastructure. The original WHC and IUCN recommended was that the Rampal project should be cancelled and relocated to avoid negative impact on the Sundarbans but WHC and IUCN may find other mitigation efforts satisfactory.

**China Energy Engineering Corporation Ltd** (China, 2019)

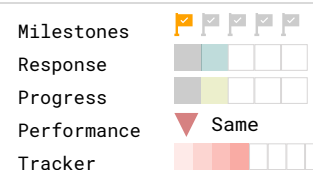
► Fatal Workplace Accident(s)

Change Objective: China Energy Engineering Corporation (CEEC) should carry out an internal investigation into the causes of the accident and accordingly strengthen its control risk management process of construction sites. CEEC should also disclose how it has improved its safety management system across its operations and subsidiaries.

**China Huarong Asset Management Co Ltd** (China, 2019)

► Corrupt Practices

Change Objective: Huarong should ensure that it has anti-corruption policies and procedures in place, which are fully integrated into its businesses and its subsidiaries. The company should disclose the respective policies publicly and provide details on their implementation.

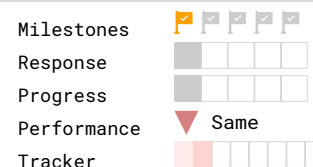


*Associated companies: **Huarong International Financial Holdings Ltd.** (New), **Huarong Investment Stock Corp Ltd** (New) and **Huarong Real Estate Co., Ltd.** (New)

China National Petroleum Corp. (China, 2020)

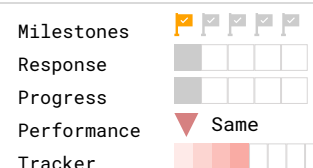
► Operations in Territories with Elevated Human Rights Risks

Change Objective: China National Petroleum Corp. should follow the international best-practice for respecting human rights. While operating in conflict-affected countries, it should undertake the due diligence adapted to the specific situation of the region and act adequately on the findings. The company should also engage with the governments and other relevant stakeholders to encourage open and accountable management of the revenues it provides and contribute to local peace efforts.

**China North Industries Corp.** (China, 2019)

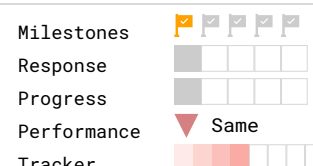
► Operations in Territories with Elevated Human Rights Risks

Change Objective: China North Industries should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.

**China Northern Rare Earth (Group) High-Tech Co Ltd** (China, 2019)

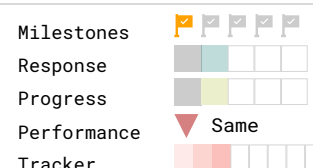
► Project(s) Resulting in Negative Environmental and Human Rights Impacts

Change Objective: China Northern Rare Earth (Group) High-Tech Co should publish a robust and comprehensive tailings management policy and a satisfactory strategy to minimise further environmental contamination. It should display a comprehensive program to address the health, community and environmental impacts of the tailings site.

**China Petroleum & Chemical Corp.** (China, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: China Petroleum & Chemical Corp should ensure its practices are generally aligned with international best practice for respecting human rights. While operating in conflict-affected countries, it should undertake and respond appropriately to human rights due diligence. It should also engage with governments and other stakeholders to encourage open and accountable management of production revenues and contribute to local peace efforts. The company should report clearly on these efforts.

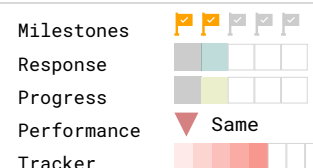


*Associated company: **Sinopec Kantons Holdings Ltd**

China Railway Group Ltd (Democratic Republic of the Congo, 2019)

► Forced Evictions

Change Objective: CREC should compensate the affected communities and create an anti-harassment and discrimination policy adapted to its risk exposure. The company should also ensure that its corporate culture supports the policy and has mechanisms in place to monitor the related compliance.

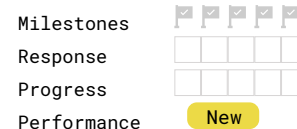


*Associated company: **China Railway Engineering Corp.**

Chongqing Energy Investment Group Co. Ltd. (China, 2020)

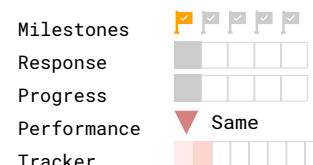
► Fatal Accident(s)

Change Objective: Chongqing should compensate the victims and the families of decedents. The company should ensure that all of its equipment is properly maintained (including emergency equipment) and that the safety management systems should be revised and independently assessed by an independent third party.

**CK Power Public Co. Ltd.** (Laos, 2020)

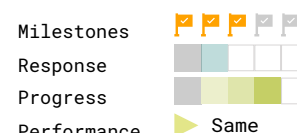
► Project(s) With Environmental and Human Rights Risks

Change Objective: CK Power should demonstrate it has processes in place to adequately assess and monitor the impacts that the Xayaburi dam has been having on Mekong communities and biodiversity. The company should cooperate with relevant international stakeholders and independent experts on appropriate mitigation plans, to address the adverse impacts of the project where possible and remediate human rights impacts that have been identified.

**Commonwealth Bank of Australia** (Australia, 2019)

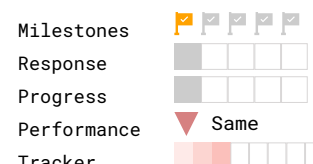
► Money Laundering

Change Objective: CBA should ensure it is not complicit in any money laundering. The company should strengthen its Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) processes and implement all improvements in accordance with the Remedial Action Plan. The company should ensure it has robust internal controls, risk management, sufficient and effective board oversight.

**Convoy Global Holdings Ltd** (Hong Kong, 2019)

► Fraud

Change Objective: Convoy should implement the remediation programme to eliminate irregularities in the company. The legal proceedings against the former executives should be pursued to recover the losses and provide necessary compensation to the investors. Furthermore, the company should ensure adequate risk management and internal controls.

**FGV Holdings Bhd.** (Malaysia, 2017)

► Labour Rights Violations at Company Operations

Change Objective: FGV Holdings Bhd should establish a social and human rights due diligence programme to identify, prevent and mitigate any social and/or human rights impacts caused, or, contributed by its own activities or its business partners. The company should also develop supplier guidelines for responsible business conduct at all levels, including business partners and contractors.

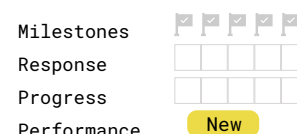


*Associated company: **MSM Malaysia Holdings Bhd**

Formosa Taffeta Co., Ltd. (Taiwan, 2020)

► Labour Rights Violations at Company Operations

Change Objective: Formosa Taffeta's should demonstrate that its labour practices align with international standards. The onus is on the company to confirm that its labour practices are appropriate and that it is not complicit in rights violations at any of its facilities, including Dong Nai. The company should also ensure its disclosure shows its policies and practices are effectively implemented and operating



*Associated company: **Formosa Chemicals & Fibre Corp** (New)

Golden Agri-Resources Ltd (Indonesia, 2020)

► Deforestation

Change Objective: Golden Agri Resources should implement robust environmental protection policies, and enhanced policies to oversee executive conduct in order to prevent illegal deforestation and properly track environmental activities. GAR should disclose these changes to the aforementioned policies as much as possible.



*Associated company: **PT Sinar Mas Agro Resources & Technology Tbk**

Habib Bank Limited (Pakistan, 2019)

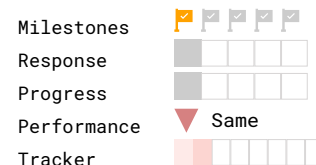
► Money Laundering

Change Objective: Habib Bank should implement appropriate risk management systems and internal controls that address financial crime, including money laundering and terrorist financing, as well as demonstrate that they are robust and universally applied. The company should ensure a high level of risk management in satellite offices that are in line with global banking best practices.

**Hanergy Mobile Energy Holding Group Co., Ltd.** (Hong Kong, 2020)

► Accounting Fraud

Change Objective: Hanergy Mobile Energy should strengthen its risk management and internal controls and improve disclosure on relevant policies and their implementation.

**Hangzhou Hikvision Digital Technology Co., Ltd.** (China, 2019)

► Human Rights Impacts of Surveillance Systems

Change Objective: Hikvision should take steps towards ensuring its surveillance products and services are not contributing to human rights abuses. The company should implement a robust human rights due diligence program to bring its business policies and practices in line with internationally accepted standards and that support the company in managing exposure, including in high-risk countries. The company should also provide transparent reporting on human rights issues that provides insight into its management of these issues and exposure in high-risk markets.

**Indofood Agri Resources Ltd** (Indonesia, 2018)

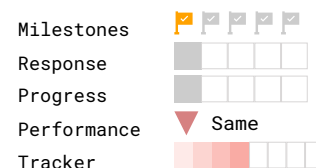
► Labour Rights Violations at Plantations

Change Objective: IndoAgri should adopt and implement a more rigorous social and human right due diligence programme to identify, prevent and mitigate any social and/or human rights impacts. The company should also strengthen its grievance mechanism.

**Inner Mongolia Baotou Steel Union Co. Ltd.** (China, 2019)

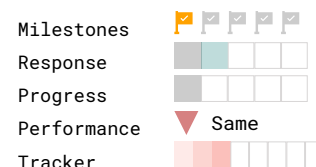
► Environmental Pollution

Change Objective: Inner Mongolian Baotou Steel Union should publish a robust and comprehensive tailings management policy and a satisfactory strategy to minimise further environmental contamination. It should display a comprehensive programme to address the health, community and environmental impacts of the tailings site.

**Kangde Xin Composite Material Group Co., Ltd.** (China, 2020)

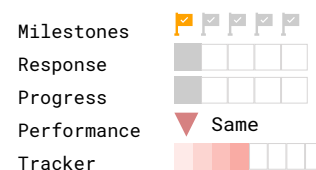
► Accounting Irregularities

Change Objective: Kangde Xin should ensure that an independent investigation is held into the alleged financial mismanagement at the company. The company should seek to have the embezzled funds returned where practical. It should also ensure that its business transactions are verifiable by third party auditors and that it has the protocols in place to prevent recurrence of similar incidents.

**Kangmei Pharmaceutical Co Ltd** (China, 2019)

► Accounting Fraud

Change Objective: Kangmei Pharmaceutical should improve its corporate governance and culture. Also, it needs to establish adequate compliance risk management systems and internal controls. Understand the cause take appropriate actions by investigating the alleged misconduct internally.

**Korea Electric Power Corporation** (Laos, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: KEPCO's subsidiary should use its leverage to ensure that project-affected communities are adequately compensated and consulted, and make sure that a transparent process for grievance and compensation is established for the project. Once the project is running, it should ensure the continuance of the mitigation measures established for the communities. It should have an ongoing human rights due diligence process to identify, prevent and mitigate its impact on human rights in future projects.



Korea Western Power Co., Ltd. (Laos, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: KOWEPO should use its leverage to ensure that project-affected communities are adequately compensated and consulted, and make sure that a transparent process for grievance and compensation is established for the project. Once the project is running, it should ensure the continuance of the mitigation measures established for the communities. It should have an ongoing human rights due diligence process to identify, prevent and mitigate its impact on human rights in future projects.

**Lotte Corp** (South Korea, 2019)

► Embezzlement

Change Objective: Lotte should adopt an anti-corruption policy and implement a programme to ensure monitoring and compliance, including detailed guidelines for facilitation payments, political and charitable contributions, and gifts. Further, Lotte should also ensure that the internal audit committees have the mandate and capacity to carry out its functions properly and strengthen Board independence.



*Associated companies: **Lotte Chemical Corp, Lotte Chilsung Beverage Co Ltd, Lotte Confectionery (New), Lotte Data Communication Co. (New), Lotte Fine Chemical Co., Ltd., Lotte Food Co., Ltd., LOTTE Himart Co. Ltd., Lotte Non-Life Insurance Co., Ltd., Lotte Shopping Co., Ltd.**

Lu Thai Textile Co., Ltd. (Myanmar, 2019)

► Poor Working Conditions

Change Objective: Lu Thai Textile should improve the working conditions in its factories in Cambodia and Myanmar in compliance with international standards. It should implement a rigorous programme to monitor and report on labour rights policies and procedures to address labour rights risks and impacts within its operations.

**Luckin Coffee, Inc.** (China, 2020)

► Accounting Fraud

Change Objective: Luckin Coffee should ensure it has robust policies and procedures regarding executive misconduct and executive ethics as well as robust oversight of reporting and accounting, in order to prevent future occurrences of accounting fraud.

**Mitsubishi Materials Corporation** (Japan, 2019)

► Quality and Safety Violations

Change Objective: Mitsubishi Materials Corporation should ensure that it has in place suitable board-level oversight of quality control and take steps to strengthen the quality control culture throughout the business. It should obtain independent verification of the steps it has taken to improve its quality control framework.

**NTPC Limited** (Bangladesh, 2017)

► Project(s) With Environmental and Human Rights Risks

Change Objective: NTPC should align its operations with WHC and IUCN recommendations regarding pollution from coal ash by air, pollution from wastewater and waste ash, increased shipping and dredging, and the cumulative impact of industrial and related development infrastructure. The original WHC and IUCN recommended was that the Rampal project should be cancelled and relocated to avoid negative impact on the Sundarbans but WHC and IUCN may find other mitigation efforts satisfactory.

**NTPC Limited** (India, 2018)

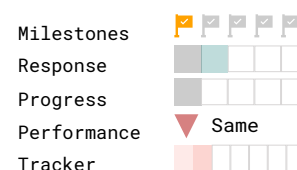
► Recurring Workplace Accidents

Change Objective: NTPC should make sure that families to the decedent workers have received financial support. The company should also demonstrate that the causes of the accidents have been fully investigated and that safety management systems are improved in accordance with the findings.

**OFILM Group Co., Ltd.** (China, 2020)

► Forced Labour

Change Objective: OFILM Group should put in place a group-wide human rights due diligence programme and provide greater disclosure on relevant policies and implementation thereof. The company should also adopt grievance mechanisms accessible to all employees.



Oil and Natural Gas Corporation Limited (India, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Oil and Natural Gas Corporation Limited should follow international best practice for respecting human rights. While operating in conflict-affected countries, it should undertake due diligence adapted to the specific situation of the region and act adequately on the findings. The company should also engage with governments and other relevant stakeholders to encourage open and accountable management of the revenues it provides and contribute to local peace efforts.

**Olympus Corporation** (United States, 2019)

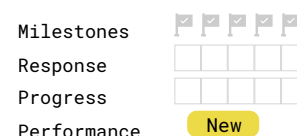
► Product-Related Fatalities

Change Objective: Olympus should continue to improve the safety of its duodenoscopes by enabling health care professionals to clean fixed endcap duodenoscopes effectively before re-use and to transition to disposable endcap duodenoscopes. Progress could be demonstrated by further reduction in the residual contamination rate for high-concern organisms and/or the number of incidents associated with the company's duodenoscope products.

**Page Industries** (India, 2020)

► Poor working conditions

Change Objective: Page Industries should guarantee the freedom of association to the employees across all manufacturing sites. The company should ensure decent working conditions in its factories. Page is encouraged to improve its reporting on health and safety incidents and preventive measures.

**PetroChina Co Ltd** (China, 2019)

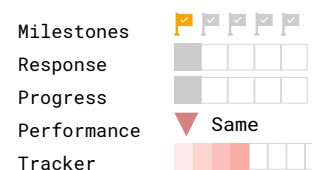
► Operations in Territories with Elevated Human Rights Risks

Change Objective: PetroChina should follow the international best-practice for respecting human rights. While operating in conflict-affected countries, it should undertake the due diligence adapted to the specific situation of the region and act adequately on the findings. The company should also engage with the governments and other relevant stakeholders to encourage open and accountable management of the revenues it provides and contribute to local peace efforts.

**Petrolim Nasional Berhad** (Malaysia, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Petrolim Nasional Berhad should follow international best practice for respecting human rights. While operating in conflict-affected countries, it should undertake due diligence adapted to the specific situation of the region and act adequately on the findings. The company should also engage with the governments and other relevant stakeholders to encourage open and accountable management of the revenues it provides and contribute to local peace efforts.

*Associated company: **Petronas Global Sukuk Ltd.****POSCO** (Uzbekistan, 2012)

► Labour Rights Violations in Supply Chain

Change Objective: POSCO should cease its operations linked to Uzbek cotton or demonstrate how its subsidiary POSCO International is having a concrete positive impact on the harvesting practices in the country. POSCO should also align its group-wide policies with the UN Guiding Principles on Business and Human Rights and the ILO core conventions, especially conventions 138 and 182 on child labour and forced labour.

**POSCO INTERNATIONAL Corp.** (Uzbekistan, 2012)

► Labour Rights Violations in Supply Chain

Change Objective: POSCO International Corp. should implement a supply chain management system aligned with the ILO core conventions, especially conventions 138 and 182, and use its leverage in Uzbekistan to push for better labour practices. If the company is not able to guarantee that the cotton supplied to it is produced without forced labour, it should develop a timeline for withdrawing from Uzbekistan.

**PT Indofood Sukses Makmur Tbk** (Indonesia, 2018)

► Labour Rights Violations at Plantations

Change Objective: Indofood Sukses Makmur should adopt and implement a social and human right due diligence programme to identify, prevent and mitigate any social and/or human rights impacts. The company should also adopt a grievance mechanism.



PT Indonesia Asahan Aluminium (Persero) (Indonesia, 2020)

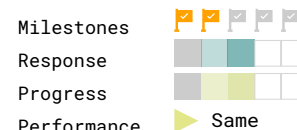
► Environmental Impacts from Waste Practices

Change Objective: Inalum should introduce a policy prohibiting riverine tailings disposal in future projects, where there is a viable and more environmentally sustainable alternative. PT Indonesia Asahan Aluminium, should ensure that the existing monitoring and reporting of the tailings management at Grasberg is maintained and enhanced in accordance with current development mines.

**PT Perusahaan Perkebunan London Sumatra Indonesia Tbk (Indonesia, 2019)**

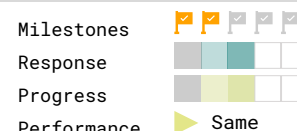
► Labour Rights Violations at Plantations

Change Objective: Lonsum should take responsibility for addressing labour rights incidents at its plantations. Lonsum should adopt and implement a more rigorous human rights due diligence programme to identify, prevent and mitigate any human rights impacts. Lonsum should also improve the existing Sustainable Palm Oil Policy.

**PT Salim Ivomas Pratama Tbk (Indonesia, 2019)**

► Labour Rights Violations at Plantations

Change Objective: Salim Ivomas should take responsibility for addressing labour rights incidents at its plantations. The company should adopt and implement a human rights due diligence programme to identify, prevent and mitigate any human rights impacts. Salim Ivomas should also improve the existing Sustainable Palm Oil Policy.

**PT Sinar Mas Group (Indonesia, 2020)**

► Deforestation

Change Objective: Sinar Mas and its subsidiaries should demonstrate clear action plans and targets concerning deforestation, also accounting for its suppliers, and disclose these plans and targets as much as is appropriate. Sinar Mas through its affiliation with Global Agri-Resources should implement enhanced policies to oversee executive conduct in order to prevent illegal deforestation and properly track environmental activities.

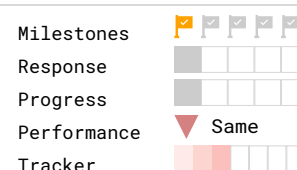


*Associated companies: **PT Indah Kiat Pulp & Paper Tbk (New)** and **PT Pabrik Kertas Tjiwi Kimia Tbk (New)**

PT Tiga Pilar Sejahtera Food Tbk (Indonesia, 2019)

► Consumer Fraud

Change Objective: PT Tiga Pilar Sejahtera Food should ensure that it implements adequate risk management processes and internal controls meant to reduce compliance breaches, and regulatory action, and disclose the results where appropriate. The anti-corruption programme should be reported on and transparent in terms of implementation, follow-up mechanisms, corrective actions and external verification.

**Punjab National Bank (India, 2019)**

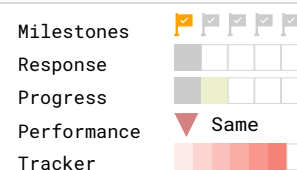
► Fraud

Change Objective: PNB should improve its internal control systems by monitoring adherence to its policies, especially at the executive level. The company should apply the directives issued by regulators and implement a company-wide code of conduct addressing financial crime issues.

**Ratch Group Public Co. Ltd. (Laos, 2019)**

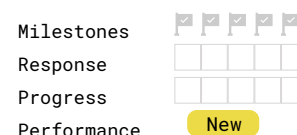
► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: Ratch should ensure that a comprehensive assessment of the safety and stability of the project is conducted, together with independent experts and that appropriate mitigation measures are taken. It should use its leverage to ensure adequate consultations with, and compensation to, project-affected communities and a transparent process for grievance and compensation. It should have an ongoing human rights due diligence process to identify, prevent and mitigate its impact on human rights.

**Rio Tinto Ltd. (Australia, 2020)**

► Violations of the Rights of Indigenous People

Change Objective: Rio Tinto should compensate the local aboriginal tribes for the destruction of the Juukan Gorge rock shelters. Rio Tinto should seek to re-establish good working relations with the aboriginal peoples who are impacted or potentially impacted or potentially impacts. and should integrate its community and indigenous peoples' relations teams into its operations so that decisions on mine activities cannot be undertaken without relevant input. The company should work to further amendment of relevant laws in Western Australia.

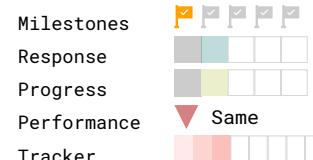


*Associated company: **Energy Resources of Australia Ltd. (New)**

Samling Global Limited (Malaysia, 2019)

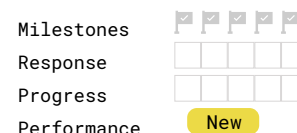
► Deforestation

Change Objective: Samling Global should cease excessive and illegal logging practices. It should mitigate impacts to affected communities and promote significant reforestation of affected areas. The company should implement transparent and detailed forest management policies and systems aligned with the Statement of Principles on Forests, sufficient to regain FSC certification.

**Samsung BioLogics** (South Korea, 2020)

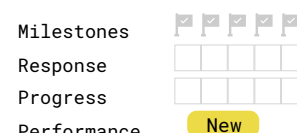
► Accounting Fraud

Change Objective: Samsung BioLogics should ensure that robust policies and internal controls addressing business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including subsidiaries. It should strengthen its corporate governance and culture of integrity. Furthermore, no allegations related to business ethics should arise.

**Samsung C&T** (South Korea, 2020)

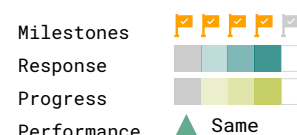
► Accounting Fraud

Change Objective: Samsung C&T should ensure that robust policies and internal controls addressing business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including subsidiaries. It should strengthen its corporate governance and culture of integrity. Furthermore, no allegations related to business ethics should arise.

**Samsung Electronics Co., Ltd.** (South Korea, 2017)

► Corrupt Practices

Change Objective: Samsung should adopt detailed policies for political, charitable contributions, facilitation payments, gifts and travel expenses. The company should further ensure that its anti-corruption policies are properly implemented and monitored. Samsung should increase independence of its board of directors and assure its audit and related party committees are fully independent.

**SK Discovery Co. Ltd.** (South Korea, 2019)

► Quality and Safety Violations

Change Objective: SK Discovery Co should disclose the findings of any internal and external investigations into the disinfectant issue. It should respond appropriately to these findings, including reviewing, upgrading and externally assuring its quality and safety management system as needed, and disclosing outcomes of product safety audits. It should also ensure suitable compensation of victims and/or their families.



*Associated company: **SK Chemicals Co. Ltd.**

SK Holdings Co Ltd (Laos, 2019)

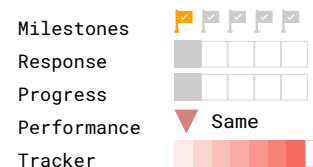
► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: SK Holdings' subsidiary should conduct a comprehensive assessment of the safety and stability of the project, together with independent experts and take appropriate mitigation measures. It should use its leverage to ensure adequate consultations with, and compensations to, project-affected communities and a transparent process for grievance and compensation. The company should have an ongoing human rights due diligence process to identify, prevent and mitigate its impact on human rights.

**Steel Authority of India Limited** (India, 2019)

► Fatal Workplace Accident(s)

Change Objective: Bhilai Steel Plant should establish a safety committee which would be responsible for the implementation of robust occupational safety norms.

**Suruga Bank Ltd.** (Japan, 2019)

► Fraud

Change Objective: Suruga Bank should ensure that robust policies and programs related to consumer fraud, sales culture, sales conduct oversight and other risk management systems are in place to ensure strong business ethics practices and prevent recurrence of loan falsification incidents. The company should disclose substantial changes to consumer related policies as much as possible.



Tokyo Electric Power Company Holdings, Incorporated (Japan, 2011)

► Incident(s) Resulting in Negative Environmental and Human Rights Impacts

Change Objective: TEPCO should ensure it operates its nuclear power plants safely, that any contamination is contained to the affected area and monitoring is in place to measures both environmental and health effects and that a compensation programme is in place as and when the effects of accidents are identified.

**Toshiba Corp.** (Japan, 2020)

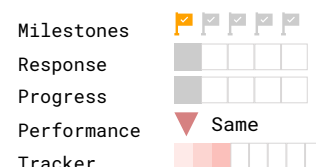
► Accounting Fraud

Change Objective: Toshiba should ensure that robust policies and internal controls addressing business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including subsidiaries.

**Unitech Limited** (India, 2019)

► Consumer Fraud

Change Objective: Unitech should demonstrate its ability to meet contractual obligations, such as action to complete the stalled housing projects, or otherwise compensate home buyers and investors for their losses. Unitech should also reform its corporate governance strategy and internal control mechanisms and show evidence of its successful implementation.

**Vedanta Limited** (India, 2019)

► Community Protests

Change Objective: Vedanta should analyse the root causes of the protests in Tuticorin and address the identified issues in cooperation with the local communities. It should develop a framework for improving its communication with stakeholders with the aim of applying it across operations. The company should also launch the process of becoming a signatory of The Voluntary Principles on Security and Human Rights.

*Associated company: **Hindustan Zinc Limited****Westpac Banking Corporation** (Australia, 2020)

► Money Laundering

Change Objective: Westpac should ensure it is not complicit in any money laundering. The company should strengthen its Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) processes and implement all improvements in accordance with the Response Plan. The company should ensure it has robust internal controls, risk management, sufficient and effective board oversight.

**Wilmar International Limited** (Indonesia, 2019)

► Violations of the Rights of Indigenous Peoples

Change Objective: Wilmar should resolve active complaint cases in Indonesia, Liberia, Nigeria and Uganda and take appropriate measures against any identified gaps. The company should also strengthen implementation of its policies by reporting more regularly on progress and the outcomes of site audits.

*Associated company: **Shree Renuka Sugars Ltd****Wockhardt Limited** (India, 2019)

► Quality and Safety Breaches

Change Objective: Wockhardt should meet international regulatory requirements to obtain clearance on its manufacturing sites. Wockhardt should also disclose information about its product quality risk management system and good manufacturing practices to ensure compliance with international quality standards.

**Yes Bank Ltd** (India, 2020)

► Fraud

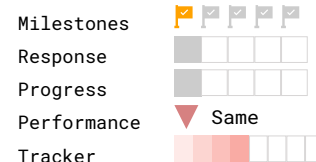
Change Objective: Yes Bank should properly report non-performing assets to the regulator. The bank should responsibly manage the restructuring process and reform the internal control and compliance systems to ensure their effectiveness. A robust anti-corruption policy should be adopted; its implementation should be properly overseen at the board level and sufficiently disclosed in the public reporting.



Zhejiang Huahai Pharmaceutical Co., Ltd. (China, 2019)

► Consumer Fraud

Change Objective: Zhejiang Huahai should meet international regulatory requirements in order to receive a clearance on its products. Zhejiang should also disclose information about its product quality risk management system and good manufacturing practices to ensure compliance with international quality standards.

**Zijin Mining Group Company Limited** (Papua New Guinea, 2015)

► Activities Resulting in Adverse Human Rights Impacts

Change Objective: Zijin Mining Corp should demonstrate that it has initiated a process to align its practices to international human rights standards.

**Zijin Mining Group Company Limited** (Papua New Guinea, 2015)

► Activities Resulting in Negative Environmental Impacts

Change Objective: Zijin Mining should exert pressure on Barrick to ensure responsible management of tailings and to address potential long-term legacy issues at Porgera and ensure that it is reported in a publicly available strategy. Zijin should adopt a policy of prohibiting the future use of riverine tailings disposal.

**ZTE Corporation** (Iran, 2019)

► Human Rights Impacts of Surveillance Systems

Change Objective: ZTE should take steps to ensure its technology products and services, particularly those providing surveillance or monitoring capabilities, are not complicit in the violation of human rights. The company should implement a robust human rights due diligence programme to improve its business policies and practices in line with internationally accepted standards, particularly for its activities in high risk countries. The company should also provide transparent reporting on human rights issues that provides insight into its management of these issues and exposure in high-risk markets.



EUROPE

Andritz AG (Turkey, 2010)

► Project(s) Resulting in Negative Environmental and Human Rights Impacts

Change Objective: Andritz should adopt corporate policies that address environmental and social risks in infrastructure projects. The policies should advocate a precautionary approach and require that projects comply with internationally proclaimed environmental and social standards.



Atlantia S.p.A. (Italy, 2018)

► Quality and Safety Violations

Change Objective: Atlantia needs to identify the cause of the bridge collapse, assess projects within its control to prevent similar failures in the future, develop a remedial strategy for the affected people, ensure project monitoring and maintenance systems and emergency procedures are in place.



*Associated company: **Autostrade per l'Italia SpA**

Barclays PLC (United Kingdom, 2019)

► Corrupt Practices

Change Objective: Barclays should ensure on-going implementation of whistle-blower policies as mandated by regulators, as well as relevant international organizations and global banking industry best-practices. The company should also implement best practices regarding whistle-blower protections and procedures, ensure that whistle-blower bodies have the appropriate independence and provide disclosures regarding the on-going enforcement of whistle-blower policies. To the extent possible, Barclays should disclose all relevant material regarding whistleblowing protections, business ethics at the executive level, and corporate culture.



Bayer AG (United States, 2018)

► Concealing Data on Product-Related Toxicity

Change Objective: Bayer (formerly Monsanto) should ensure that it has a policy and procedure for the disclosure of health, safety, and environmental data to both regulators and consumers.



*Associated company: **Bayer CropScience Limited**

Bayer AG (United States, 2019)

► Quality and Safety Breaches

Change Objective: Bayer AG needs to ensure that it has suitable systems for identifying and communicating the side effects of its products to regulators, health professionals, and patients. The company should ensure that customer complaints are reviewed by an independent third-party that can review product quality and safety in relation to customer complaints.



*Associated company: **Bayer CropScience Limited**

BMW Group (Germany, 2019)

► Antitrust Violations

Change Objective: BMW should ensure that it is not complicit in any antitrust violations. It should demonstrate how its commitment to compliance is sufficiently supported by procedures and practices, as well as accountability at board level. Furthermore, it should continue to collaborate with the authorities in order to enable the European Commission to conclude its investigation.



Bolloré SA (Cameroon, 2019)

► Activities Resulting in Adverse Human Rights Impacts

Change Objective: Bolloré should ensure that affected communities are consulted according to the principle of free, prior and informed consent. The company should also implement its human rights policy and demonstrate due diligence in its different business relationships to prevent adverse human rights impacts.



Boohoo Group Plc (United Kingdom, 2020)

► Labour Rights Violations in Supply Chain

Change Objective: Boohoo should ensure that it no longer sources from suppliers that violate workers' rights. It should also put in place a human rights due-diligence programme that includes robust audits and addresses the root-causes of illegal practices in its supply chain (e.g. purchasing practices and unauthorised sub-contractors). In addition, the company should adopt an effective grievance mechanism accessible to supply chain workers.

**Credit Suisse Group AG** (Switzerland, 2019)

► Fraud

Change Objective: Credit Suisse should ensure that it reviews all of its operations with regard to anti-money laundering. Credit Suisse should implement robust policies, programs, compliance processes and risk management systems that prevent anti-money laundering (AML) and corruption throughout the entire company and where appropriate, disclose these policies.

**Daimler AG** (Germany, 2019)

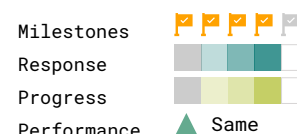
► Antitrust Violations

Change Objective: Daimler should ensure that it is not complicit in any antitrust violations. It should demonstrate how its commitment to compliance is sufficiently supported by procedures and practices, as well as accountability at board level. Furthermore, it should continue to collaborate with the authorities in order to enable the European Commission to conclude its investigation.

**Danske Bank A/S** (Estonia, 2018)

► Money Laundering

Change Objective: Danske Bank should ensure that it has implemented risk management systems and internal controls that aim to prevent financial crime and money laundering and demonstrate that they are robust and universally applied. Danske Bank should ensure that the board has sufficient and effective oversight of the business. To the extent possible, Danske Bank should disclose all changes relates to its AML program.

**Deutsche Bank AG** (Russia, 2019)

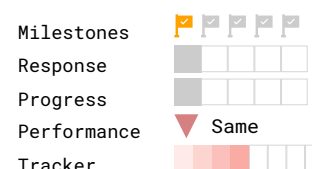
► Money Laundering

Change Objective: Deutsche Bank should ensure that robust policies, programmes, compliance processes and risk management systems addressing anti-money laundering (AML), Know-Your-Customer (KYC), and sanctions issues are in place. The bank should publish comprehensive disclosures on how it is managing AML risks, how it trains employees in different ways, and how the board is set up to prevent financial crime.

**DNO ASA** (Norway, 2019)

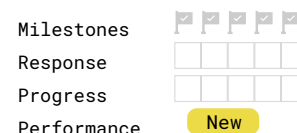
► Operations in Territories with Elevated Human Rights Risks

Change Objective: DNO ASA should follow international best practice for respecting human rights. While operating in Kurdistan Region of Iraq and other disputed or conflict-affected regions, it should undertake due diligence adapted to the specific situation of the region and act adequately on the findings. The company should also engage with the governments and other relevant stakeholders to encourage open and accountable management of the revenues it provides and contribute to local peace efforts.

**EDP - Energias de Portugal, S.A.** (Portugal, 2020)

► Corrupt Practices

Change Objective: EDP should commission an independent investigation in the allegations, it should disclose the findings and show how it plans to enact any recommendations. The company should also ensure that executive contracts have both malus and clawback provisions.



*Associated Companies: **EDP Renováveis, S.A.** (New) and **EDP - Energias do Brasil SA** (New)

G4S PLC (Qatar, 2020)

► Forced Labour

Change Objective: G4S should ensure it is not complicit in any forced labour. The company should assure its Supplier Code of Conduct and Migrant Worker Policy are implemented throughout its global operations, including subsidiaries. G4S shall show it has accurate processes to manage grievances and improve transparency in reporting on how it ensures compliance in this area.



Genel Energy plc (Somalia, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Genel should ensure its practices are generally aligned to international best practice for respecting human rights. While operating in conflict-affected countries, it should undertake and respond adequately to human rights due diligence. It should also engage where possible with governments and other stakeholders to encourage open and accountable management of production revenues and contribute to local peace efforts. The company should report clearly on these efforts.

**Indivior PLC** (United States, 2019)

► Consumer Fraud

Change Objective: Indivior should develop and implement ethical practices within its marketing and sales programmes. The company should also demonstrate the preventative measures it has undertaken are to be in compliance with regulatory requirements.

**ING Groep N.V.** (Russia, 2019)

► Money Laundering

Change Objective: ING should ensure that it has implemented risk management systems and internal controls that aim to prevent financial crime and money laundering and demonstrate that they are robust and universally applied. ING should ensure that it properly addresses corporate culture in order to prevent ethical breaches. The company's risk management framework related to AML should be publically disclosed as is appropriate.

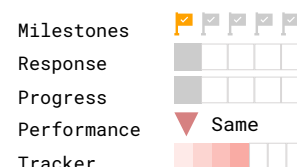


*Associated company: **ING Bank Slaski SA**

Irkut Corporation (Russia, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Irkut should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.

**Mallinckrodt PLC** (United States, 2020)

► Quality and Safety Breaches

Change Objective: Mallinckrodt should ensure that there are robust governance, compliance, and risk management systems in place. These should address marketing practises, the disclosure of risks from its products, and ethical business practices such as, demonstrated enhancements to anti-diversion systems, and compliance with regulatory requirements. If necessary, the company should comply with settlement provisions, external monitors, and Chapter 11 conditions.

**MMC Norilsk Nickel PJSC** (Russia, 2010)

► Activities Resulting in Negative Environmental and Human Rights Impacts

Change Objective: Norilsk Nickel should ensure for its Polar division that operations related health impacts are properly managed, that emissions will not cause excessive harm to the environment and that historical impacts are properly remediated. Operations should align with the Russian environmental regulations, the CLRTAP, the Espoo Convention and the UN Convention on Biological Diversity.

**MMC Norilsk Nickel PJSC** (Russia, 2020)

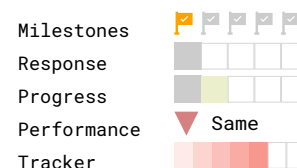
► Spill(s) Resulting in Environmental and Human Rights Impacts

Change Objective: Nornickel should take appropriate actions to contain the oil and prevent further damage to the environment. It should have remedial measures in place to address the impacts of the leak. The company should also ensure that it has the maintenance and monitoring programmes to address the risks to its infrastructure, including from melting permafrost.

**Mozambique Ematum Finance 2020 BV** (Mozambique, 2019)

► Asset Misappropriation

Change Objective: Mozambique Ematum Finance should ensure transparency in its financial practices and treatment of labor in accordance with international standards.

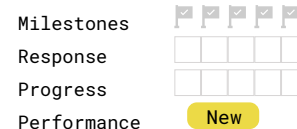


NMC Health (United Kingdom, 2020)

► Accounting Fraud

Change Objective: NMC Health should ensure that it has adequate risk management systems and internal controls. It should demonstrate that its compliance program and code of conduct work effectively in practice. Also, the company should cooperate with authorities in any investigations and seek to resolve any resultant legal proceedings as soon as possible.

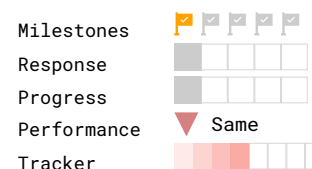
*Associated company: **NMC Health (Jersey) Ltd.** (New)

**Rostec Corporation** (Russia, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Rostec should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.

*Associated company: **Rostec International LLC** (New)

**Sanofi** (Philippines, 2020)

► Product-Related Fatalities

Change Objective: Sanofi should have a robust governance, compliance, and risk management system in place with respect to its research and development of new products. Sanofi should also ensure appropriate levels of disclosure on the risks and side-effects of its products.

*Associated company: **Sanofi India Ltd.**

**Siemens AG** (Western Sahara, 2017)

► Operations in Occupied Territories

Change Objective: Siemens should demonstrate how its activities in Western Sahara are in line with the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights. Should this not be possible, the company should withdraw from Western Sahara.

*Previously as **Siemens Aktiengesellschaft**

*Associated company: **Sivantos GmbH** (New)

**Siemens Gamesa Renewable Energy, S.A.** (Western Sahara, 2018)

► Operations in Occupied Territories

Change Objective: Siemens Gamesa Renewable Energy should demonstrate how its activities in Western Sahara are in line with the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights. Should this not be possible, the company should withdraw from Western Sahara.

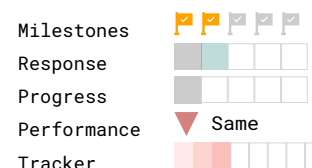
*Associated company: **Siemens Energy AG** (New)

**Socfin SA** (Cameroon, 2019)

► Activities Resulting in Adverse Human Rights Impacts

Change Objective: Socfin should ensure that affected communities are consulted according to the principle of free, prior and informed consent. The company should also implement its human rights policy and demonstrate due diligence in its different business relationships to prevent adverse human rights impacts.

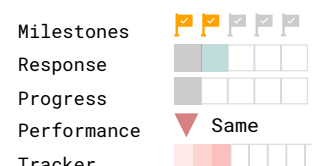
*Associated company: **Socfinas S.A.**

**Société Financière des Caoutchoucs SA** (Cameroon, 2019)

► Activities Resulting in Adverse Human Rights Impacts

Change Objective: Socfin should ensure that affected communities are consulted according to the principle of free, prior and informed consent. The company should also implement its human rights policy and demonstrate due diligence in its different business relationships to prevent adverse human rights impacts.

*Associated company: **Société de Caoutchoucs de Grand-Bereby**



Steinhoff International Holdings N.V. (South Africa, 2019)

► Accounting Fraud

Change Objective: Steinhoff should demonstrate that it has taken sufficient measures to recover from the fraud and to prevent recurrence. Also, Steinhoff should disclose more details about its Remediation Plan and report on its progress.

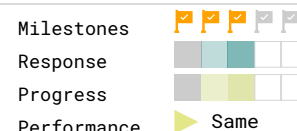


*Associated company: **Pepkor Holdings Ltd.**

Swedbank AB (Sweden, 2019)

► Money Laundering

Change Objective: Swedbank should ensure that it has implemented risk management systems and internal controls that aim to prevent financial crime and money laundering and demonstrate that they are robust and universally applied. It should also ensure that the board has sufficient and effective oversight of the business.

**Syngenta AG** (Thailand, 2019)

► Quality and Safety Breaches

Change Objective: Syngenta should address the environmental and/or health impacts of its products. We are seeking Syngenta to fully disclose all research material on these chemicals and their impacts and to have a process of seeking independent product reviews before the market release of any new products.

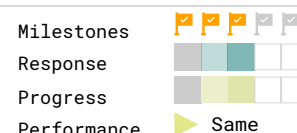


*Associated companies: **China National Chemical Corp. (New)** and **Syngenta Group (New)**

Telefonaktiebolaget LM Ericsson (Sweden, 2020)

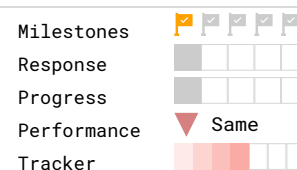
► Corrupt Practices

Change Objective: Ericsson should continue to strengthen its anti-corruption and ethical compliance processes in accordance with commitments its public commitments and the settlement with US authorities. Ericsson should maintain transparency regarding the implementation of these improvements or any new concerns that arise.

**United Aircraft Corp. PJSC** (Russia, 2019)

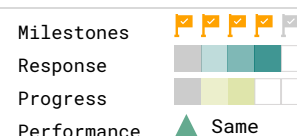
► Operations in Territories with Elevated Human Rights Risks

Change Objective: United Aircraft should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.

**Vedanta Resources Ltd.** (India, 2019)

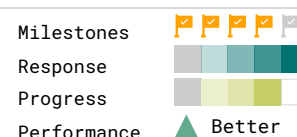
► Community Protests

Change Objective: Vedanta should analyse the root causes of the protests in Tuticorin and address the identified issues in cooperation with the local communities. It should develop a framework for improving its communication with stakeholders with the aim of applying it across operations. The company should also launch the process of becoming a signatory of The Voluntary Principles on Security and Human Rights.

**Volkswagen AG** (United States, 2016)

► Activities Resulting in Negative Environmental and Human Rights Impacts

Change Objective: VW should ensure that it has adequate risk management systems and internal controls and that the Supervisory Board has sufficient oversight, independence and skills in order to prevent future violations. Furthermore, VW should demonstrate that it has improved its corporate culture.



*Associated company: **Porsche Automobil Holding SE**

Volvo AB (Israel, 2019)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Volvo should use its leverage with importers and distributors in high-risk locations to reduce the risk of its products getting implicated in human rights violations. It should establish clear criteria to identify high-risk countries and collaborate with local business partners to conduct human rights due diligence.



*Previously as **AB Volvo (publ)**

Wirecard AG (Germany, 2020)

► Fraud

Change Objective: Wirecard should ensure that it is not complicit in any fraudulent activities. The root causes of the misconduct should be investigated with the involvement of external consultants and stakeholders and high level of public accountability. Wirecard should thoroughly re-examine its internal controls and compliance, and implement robust countermeasures based on the concrete outcomes of the investigation.



LATIN AMERICA AND CARRIBEAN

Andrade Gutierrez SA (Brazil, 2019)

► Corrupt Practices

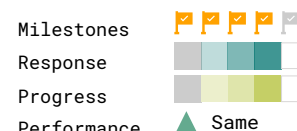
Change Objective: Andrade Gutierrez (AG) should investigate the alleged misconduct and take appropriate measures against any identified gaps, as well as cooperating with authorities to address the issue. AG should also demonstrate the effectiveness of its ethics and compliance work by improving its disclosure.



BRF S.A. (Brazil, 2019)

► Consumer Fraud

Change Objective: BRF should ensure that the failure to meet food safety standards due to a bribery scheme has been investigated thoroughly and that its food quality and safety policies and management systems are properly implemented, monitored and reported.

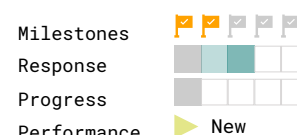


*Associated company: **BFF International Ltd.**

Centrais Elétricas Brasileiras SA (Brazil, 2020)

► Project(s) Resulting in Adverse Human Rights Impacts

Change Objective: Eletrobras should carry out a human rights due diligence process of projects with alleged human rights impacts and address the identified issues in alignment with international norms. It should disclose information on progress, dialogue with the affected communities and conclusions. The company should also be transparent about the methodology used, remediation measures and, where necessary, cooperate with third-party experts.



Eldorado Brasil Celulose S.A. (Brazil, 2019)

► Corrupt Practices

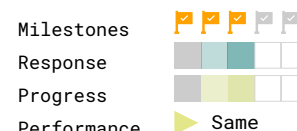
Change Objective: Eldorado Brasil Celulose SA should ensure that the bribery schemes have been investigated thoroughly and it should cooperate with the investigating authorities. Its anti-corruption programme should be strengthened in order to reflect its corruption risk exposure. Allocated resources, implementation, corrective actions and external verification in relation to the programme should be communicated.



Empresas Publicas de Medellin E.S.P. (Colombia, 2019)

► Project(s) Resulting in Adverse Human Rights Impacts

Change Objective: EPM should conduct a comprehensive assessment of the safety and stability of the dam, together with independent experts. The company should take appropriate mitigation measures as a result, both on legacy issues and identified impacts and risks. The company should make sure consultations with, and compensation to, project-affected communities are aligned with international norms, such as the IFC performance standards or similar and put in place relevant processes to ensure compliance with international norms for future projects.



Grupo México, S.A.B. de C.V. (Mexico, 2020)

► Labour Rights Violations at Company Operations

Change Objective: Grupo Mexico should improve its labour practices in accordance with international standards. The company should demonstrate how it is meeting these obligations by improving its external disclosure on the implementations of the measures and their effectiveness.

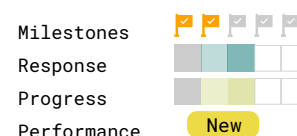


*Associated company: **GMéxico Transportes SAB de CV (New)**

Grupo México, S.A.B. de C.V. (Mexico, 2020)

► Leak(s) Resulting in Environmental and Human Rights Impacts

Change Objective: Grupo Mexico should consult with affected communities and authorities to address concerns over shortcomings in the remediation and compensation measures taken. The company should show mitigate any remaining negative impacts of the spill and address shortcomings in compensation measures. Grupo Mexico should strengthen its management of its tailings storage facilities to meet international tailing dam standards.



*Associated company: **GMéxico Transportes SAB de CV (New)**

JBS S.A. (United States, 2020)

► Antitrust Violations

Change Objective: JBS should ensure that it is not involved in any illegal price-fixing or other types of antitrust practices. It should demonstrate how its commitment to compliance is sufficiently supported by procedures and practices, a speak-up culture and accountability at board level. Furthermore, it should fully collaborate with the authorities in any ongoing investigations.



*Associated companies: **JBS USA Food Co**, **Pilgrim's Pride Corp.** and **Independencia International**

JBS S.A. (Brazil, 2017)

► Corrupt Practices

Change Objective: JBS should ensure that the bribery scheme has been investigated thoroughly and it should cooperate with the investigating authorities. Its anti-corruption programme should be strengthened in order to reflect its corruption risk exposure. Allocated resources, implementation, corrective actions and external verification in relation to the programme should be communicated.



*Associated company: **Independencia International**

Odebrecht S.A. (Brazil, 2020)

► Fraud

Change Objective: Odebrecht should ensure that all requirements by the US Department of Justice are being resolved and externally monitored, including the company's anti-corruption programme and governance structure.



*Associated company: **Ocyan Participacoes SA**

Petroleos Mexicanos S.A. de C.V. (Mexico, 2015)

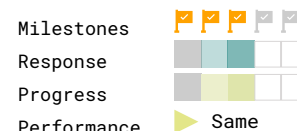
► Spill(s) Resulting in Environmental and Human Rights Impacts

Change Objective: PEMEX should mitigate environmental and health impacts from the spills. The company should trace the causes of spills and strengthen its internal programmes, leak control and monitoring systems to minimise likelihood of new spills. The company should also exert its influence on all stakeholders to counter oil theft activity and its related impacts.

**Vale S.A.** (Brazil, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: Vale should commission an external technical review into the causes of the collapse; strengthen its management of its tailings storage facilities using best available technology; adopt a policy of designing tailings facility based upon safety first and cost second; ensure remedial programmes are in place and improve the technical knowledge of its board with reporting lines are in place to ensure potential concerns are addressed appropriately.



*Associated company: **PT Vale Indonesia Tbk**

UNITED STATES AND CANADA

3M Co (United States, 2019)

► Activities Resulting in Negative Environmental and Human Rights Impacts

Change Objective: 3M Co. should provide greater clarity and public disclosure on its PFAS stewardship initiative and how it is mitigating potential liability from the historic sale/use of its products outside of the US. In addition, the company should explain how it is applying the lessons learnt from PFAS to its product development.

*Associated Company: **3M India Ltd.** (New)



Amazon.com Inc (United States, 2020)

► Workplace Accident(s)

Change Objective: Amazon should take steps to understand the health and safety risks faced by its workers. It should introduce appropriate improvements involving H&S policies and practices aligned with international standards, including proactively mitigating hazards and improving working conditions. The company should report on its H&S performance and consider independent third-party verification of its management system.



Bausch Health Companies Inc (United States, 2019)

► Accounting Fraud

Change Objective: Bausch Health should ensure that it has adequate risk management systems and internal controls. It should demonstrate that its compliance program and code of conduct work effectively in practice. Also, the company should cooperate with authorities to resolve outstanding legal proceedings.



Bausch Health Companies Inc (United States, 2019)

► Price Discrimination

Change Objective: Bausch Health should put in place policies and practices that ensure a consistent methodology to the pricing of its drugs and improved affordability to customers, including a drug pricing model that meets competition guidelines and ensures equitable access to its medicines. It should ensure that the governance and oversight of the company reflect this strategy and that incentives discourage the inflation of drug prices to meet pre-set targets.



Cargill, Inc. (Brazil, 2020)

► Deforestation

Change Objective: Cargill should demonstrate a clear action plan and targets in relation to deforestation, for both the company and its suppliers. It should establish a monitoring and verification system for supplier's compliance and disclose progress against its company and supplier targets. In Brazil, it should support soy moratorium for the Cerrado biome or take other meaningful action to limit its forest loss.



Caterpillar Inc (Myanmar, 2020)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Caterpillar should use its leverage with importers and distributors in high-risk locations to reduce the risk of its products getting implicated in human rights violations. It should establish clear criteria to identify high-risk countries and collaborate with local business partners to conduct human rights due diligence and report transparently on these processes.



*Associated company: **Caterpillar International Finance DAC**

Citigroup, Inc. (United States, 2019)

► Money Laundering

Change Objective: Citigroup should implement on-going systematic controls related to money laundering, financial crime risk management; implement strong oversight mechanisms to govern those systems and and disclose these systems and changes whenever appropriate. The company should adopt a robust strategy to positively influence the corporate culture into one that results in less regulatory challenges and accusations.



*Associated company: **Associates First Capital Corporation**

CoreCivic Inc (United States, 2019)

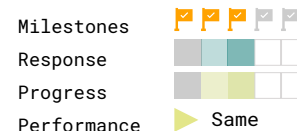
► Forced Labour

Change Objective: CoreCivic should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.

**Corteva, Inc.** (United States, 2019)

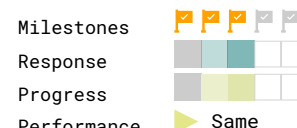
► Product-Related Incidents

Change Objective: Corteva Agriscience should address how it is preparing itself to address the potential future liabilities in relation to its chlorpyrifos product; and, how the company has amended its research and development in order to mitigate the potential impacts of future products.

**Dow, Inc.** (United States, 2019)

► Quality and Safety Violations

Change Objective: Dow should address how it is addressing the environmental and health legacy associated with its long-term production, marketing, and associated use of its chlorpyrifos chemical. And what, if any, changes it has introduced to its research and development protocols to mitigate the potential impacts of future products.



*Associated company: **Union Carbide Corp.**

DuPont de Nemours, Inc. (United States, 2018)

► Activities Resulting in Negative Environmental and Human Rights Impacts

Change Objective: DuPont should address legacy issues in relation to pollution on its existing operations and show that its current waste practices comply with international best practice, in order to prevent future liabilities arising from potential detrimental human health or environmental impacts.

**Edison International** (United States, 2019)

► Product-Related Fatalities

Change Objective: Edison should address the impacts of the incidents and ensure that remedial measures are in place. It should have comprehensive practices to mitigate wildfire and other physical risks, based on long-term scenario analysis and report transparently on the progress against clearly defined goals. It should also establish wide collaboration with communities, authorities and rescue forces to ensure integrated efforts to minimize the risks of future wildfires.

**Energy Transfer LP** (United States, 2016)

► Violations of the Rights of Indigenous Peoples

Change Objective: Energy Transfer LP should enter into a reconciliation dialogue with Standing Rock on the Dakota Access Pipeline. It should adopt a human rights policy and establish a due diligence process to align with international norms on indigenous peoples' rights across its operations, as well as on security and human rights.

**Facebook Inc** (United States, 2018)

► Privacy Breaches

Change Objective: Facebook should implement its commitments to privacy and data security by ensuring that it has in place adequate internal controls systems and risk management procedures to manage the cybersecurity risks. Specifically, the company should ensure an adequate protection level for personal data. Facebook should increase transparency in reporting on the management of data security and users' privacy.

**GEO Group, Inc.** (United States, 2019)

► Forced Labour

Change Objective: Geo Group should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.



Johnson & Johnson (United States, 2018)

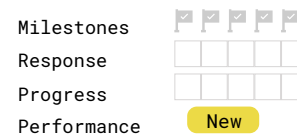
► Product-Related Incidents

Change Objective: Johnson and Johnson should ensure that the lessons learned from the numerous product quality issues have been incorporated into its protocols and procedures, to minimise the risk of future litigation.

**Lockheed Martin** (United States, 2020)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Lockheed should establish clear criteria to identify high-risk destination countries and develop human rights due diligence procedures to be applied to military equipment sales deals.

**McDonald's Corp** (United States, 2015)

► Labour Rights Violations at Contractors

Change Objective: McDonald's should actively promote the company's Standard of Business Conduct among its franchisees, and ensure franchisees live up to this especially with regards to labour rights. Efforts taken by the company to ensure compliance in this area should be transparently reported to relevant stakeholders.

**McKesson Corp** (United States, 2019)

► Consumer Fraud

Change Objective: McKesson should implement the necessary enhancements to its anti-diversion systems in compliance with regulatory requirements. McKesson should also demonstrate how it has implemented the preventative measures in response to the FDA's warning letter.



*Associated company: **McKesson Europe AG**

Pan American Silver Corp. (Guatemala, 2019)

► Violations of the Rights of Indigenous Peoples

Change Objective: Pan American Silver should align policies and practices to international human rights norms, in particular with regards to security and human rights and community relation, and in particular with regards to the Escobal mine.

**PG&E Corp** (United States, 2019)

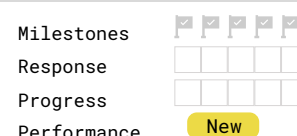
► Product-Related Fatalities

Change Objective: PG&E should address the impacts of the incident and ensure that suitable remedial measures have been put in place. The company should also develop a comprehensive, risk-based, safety strategy. The company-wide strategy should address the employee, contractor and public safety and consider future potential risks, including those related to changing climate conditions. The company should also establish a process for monitoring the execution of the strategy.

**Raytheon Technologies Corp.** (United States, 2020)

► Operations in Territories with Elevated Human Rights Risks

Change Objective: Raytheon Technologies Corp should establish clear criteria to identify high-risk destination countries and develop human rights due diligence procedures to be applied to military equipment sales deals.



*Associated companies: **Raytheon Co** (New) and **United Technologies Corp** (New)

Southern Copper Corporation (Mexico, 2015)

► Labour Rights Violations at Company Operations

Change Objective: Southern Copper Corporation should improve its labour practices in accordance with international standards. The company should demonstrate how it is meeting these obligations by improving its external disclosure on the implementations of the measures and its effectiveness.

**Southern Copper Corporation** (Mexico, 2020)

► Leak(s) Resulting in Environmental and Human Rights Impacts

Change Objective: Southern Copper Corporation should consult with affected communities and authorities to address concerns over shortcomings in the remediation and compensation measures taken. The company show mitigate any remaining negative impacts of the spill and address shortcomings in compensation measures. Southern Copper Corporation should strengthen its management of its tailings storage facilities to meet international tailing dam standards.



Stryker Corporation (United States, 2019)

► Quality and Safety Breaches

Change Objective: Stryker should take appropriate actions to responsibly address the negative impacts of its products. The company should continue to improve quality and safety of its devices and improve the disclosure of all product-related data to ensure that relevant information is communicated to the public.

**The Boeing Company** (United States, 2019)

► Quality and Safety Breaches

Change Objective: Boeing should accomplish the safe return of the 737 MAX aircraft to commercial flight (i.e. re-certified and flight bans lifted). It should ensure that the people affected by the two accidents are appropriately supported and compensated. Boeing should adopt a robust, precautionary approach to product quality management at all of its commercial aircraft manufacturing facilities.

**The Chemours Co** (United States, 2018)

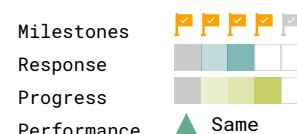
► Activities Resulting in Negative Environmental and Human Rights Impacts

Change Objective: Chemours has stated that it wishes to eradicate the discharge of persistent chemicals from its operations; however, there are a number of legacy issues in relation to pollution from its operations. We, therefore, wish to ensure that Chemours has a strategy in place for each legacy issue and to show that its current waste practices comply with international best practice, in order to prevent future liabilities arising from potential detrimental human health or environmental impacts. The company should also show that it is addressing PFAS contamination where applicable.

**The Goldman Sachs Group, Inc.** (Malaysia, 2019)

► Corrupt Practices

Change Objective: Goldman Sachs should implement on-going systematic controls related to business ethics, corruption and bribery and disclose these controls whenever appropriate.



*Associated company: **CMC Markets PLC**

Uber Technologies, Inc. (United States, 2019)

► Privacy Breaches

Change Objective: Uber Technologies should improve its privacy programme in line with regulatory requirements and international norms including implementation of measures to ensure and monitor compliance with global privacy and data protection laws and standards, respect for customer privacy, security of user data, and appropriate processing and use of data. Uber should also improve public disclosure to provide transparency on its progress toward improvement and preparedness to manage its related risk exposure.

**Walmart Inc.** (United States, 2006)

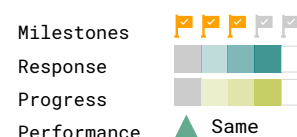
► Recurring Labour Rights Violations

Change Objective: Walmart should cease and mitigate non-compliance in areas related to labour rights and strengthen its policies and guidelines on these issues.

**Wells Fargo & Company** (United States, 2019)

► Fraud

Change Objective: Wells Fargo should ensure that it implements adequate risk management processes and internal controls meant to reduce compliance breaches, and regulatory action, and disclose the results where appropriate.



Disengage

AFRICA / MIDDLE EAST

Elbit Systems Ltd.

- Operations in Occupied Territories

*Associated company: **Ashot Ashkelon Industries Ltd.**

Palestinian Authority

Israel Aerospace Industries Ltd.

- Involvement in Cluster Munitions

Israel

Makina Ve Kimya Endustrisi Kurumu

- Involvement in Cluster Munitions

Turkey

Roketsan Roket Sanayii ve Ticaret AS

- Involvement in Cluster Munitions

Turkey

ASIA / PACIFIC

Abdul Qader Khan Research Laboratories (AQKRL)

- Nuclear Weapons Development

Pakistan

Aerospace Long-March International Trade Co., Ltd.

- Involvement in Cluster Munitions

China

Air Weapons Complex (New)

- Involvement in Cluster Munitions

Pakistan

Anhui GreatWall Military Industry Co., Ltd.

- Involvement in Cluster Munitions

China

Bharat Dynamics Limited

- Nuclear Weapons Development

India

CH. Karnchang Public Company Limited

- Project(s) with Environmental and Human Rights Risks

Laos

China Aerospace Science & Technology Corp.

- Involvement in Cluster Munitions

China

China North Industries Corp.

- Involvement in Cluster Munitions

China

China Spacesat Co Ltd

- Involvement in Cluster Munitions

China

Coal India Limited (New)

- Recurring Workplace Accidents

India

Defense Research & Development Organization

- Inhumane Weapons

- Involvement in Cluster Munitions

India

Export-Import Bank of India (New)

- Project(s) With Environmental and Human Rights Risks

India

Hanwha Corp

- Involvement in Cluster Munitions

South Korea

Larsen & Toubro Limited

- Nuclear Weapons Development

India

*Associated companies: **L&T Finance Holdings Ltd, L&T Technology**

Services Ltd. and Larsen & Toubro Infotech Limited

LIG Corp.

- Involvement in Cluster Munitions

South Korea

LIG Nex1 Co Ltd

- Involvement in Cluster Munitions

South Korea

Metallurgical Corporation of China Ltd.

- Environmental Impacts from Waste Practices

Papua New Guinea

*Associated companies: **China Metallurgical Group Corp and China**

Minmetals Group Co. Ltd.

MindTree Limited

- Nuclear Weapons Development

India

National Development Complex

- Involvement in Cluster Munitions

Pakistan

Narendra & Co. (New)

- Involvement in Land Mines

India

Nityanand Udyog Pvt Ltd.	
‣ Involvement in Land Mines	India
Pakistan Ordnance Factories	
‣ Involvement in Cluster Munitions	Pakistan
Poongsan Corporation	
‣ Involvement in Cluster Munitions	South Korea
Poongsan Holdings Corporation	
‣ Involvement in Cluster Munitions	South Korea
S&T Dynamics Co. Ltd.	
‣ Involvement in Land Mines	South Korea
S&T Holdings Co., Ltd.	
‣ Involvement in Land Mines	South Korea
Saudi Arabian Oil Co. (New)	
‣ Operations in Territories with Elevated Human Rights Risks	Saudi Arabia
<i>*Associated company: Saudi Basic Industries Corp (New)</i>	
State Oil Company of Azerbaijan Republic	
‣ Recurring Workplace Accidents	Azerbaijan
Synthetic Moulders Ltd.	
‣ Involvement in Land Mines	India
TATA Advanced Systems Ltd. (New)	
‣ Nuclear Weapons Development	India
Tata Sons Private Limited. (New)	
‣ Nuclear Weapons Development	India
<i>*Associated companies: Tata Consultancy Services Ltd. (New) and Tata Investment Corp. Ltd. (New)</i>	
Walchandnagar Industries Ltd.	
‣ Nuclear Weapons Development	India

EUROPE

Aeroteh SA	
‣ Involvement in Cluster Munitions	Romania
Cia Nationala ROMARM SA	
‣ Involvement in Cluster Munitions	Romania
Rostec Corporation	
‣ Involvement in Cluster Munitions	Russia
San Leon Energy Plc	
‣ Operations in Occupied Territories	Western Sahara
Splav State Research & Production Association Fsue	
‣ Involvement in Cluster Munitions	Russia
Tactical Missiles Corp. JSC	
‣ Involvement in Cluster Munitions	Russia

LATIN AMERICA AND CARIBBEAN

Avibras Industria Aeroespacial S/A.	
‣ Involvement in Cluster Munitions	Brazil
Petróleos de Venezuela S.A.	
‣ Corrupt Practices	
‣ Oil Spill(s)	
‣ Recurring Workplace Accidents	Venezuela
‣ Operations in Territories with Elevated Human Rights Risks (New)	

UNITED STATES AND CANADA

Mil-spec Industries Corp	
‣ Involvement in Cluster Munitions	
‣ Involvement in Land Mines	United States
Motorola Solutions, Inc.	
‣ Operations in Occupied Territories	Palestinian Authorities
The Day & Zimmermann Group, Inc.	
‣ Involvement in Cluster Munitions	United States

Global Standards Engagement Overview

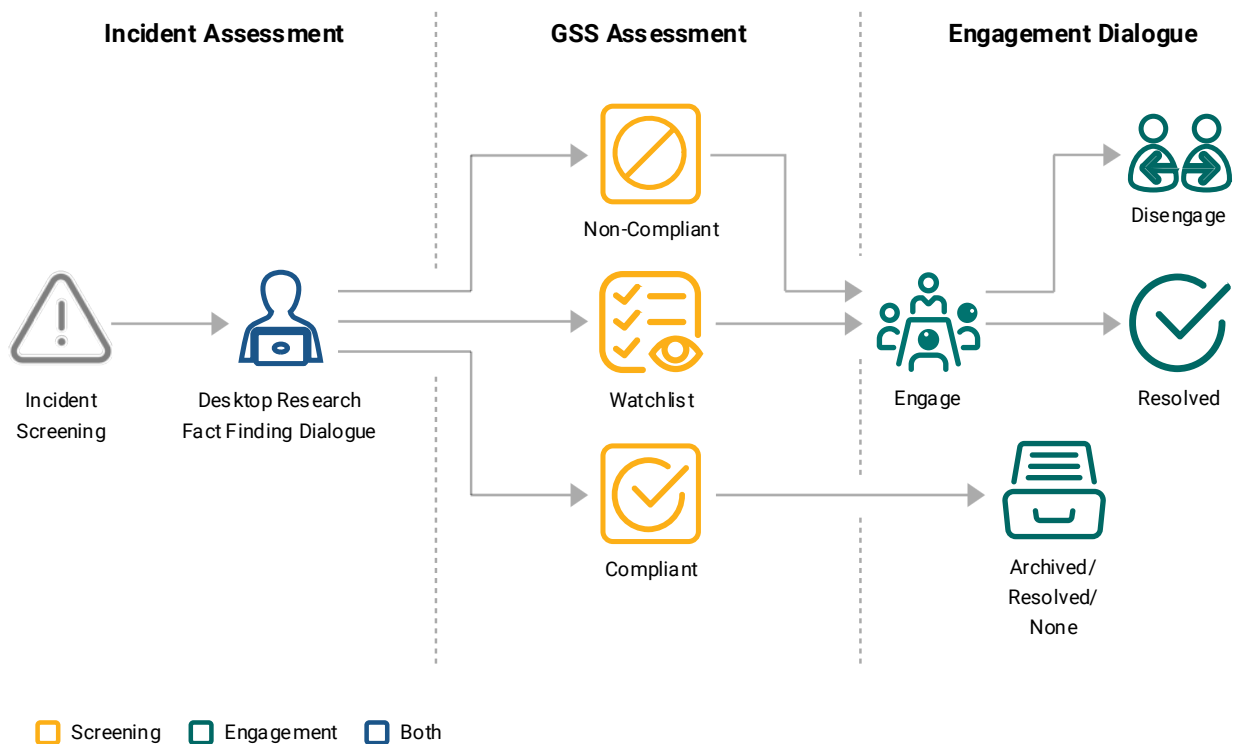
Global Standards Engagement (GSE) is an incident-driven engagement with focus on companies that severely and systematically violate international standards, such as the UN Global Compact Principles and the OECD Guidelines for Multinationals. The engagement is based on a thorough and continuous assessment of the incident as well as the company's role in mitigating the related repercussions and recurrence. The aim of Global Standards Engagement is not only to verify how a company addresses the incident, but also to effectuate change in the company's policies and/or processes, in order to ensure that it has proper policies and programmes in place to avoid future reoccurrences as well as improve its ESG disclosure.

The Global Standards Engagement is based on our Global Standards Screening (GSS) analysis of more than 20,000 companies. The engagement scope is global and spread across all sectors. Company size ranges from small to large cap.

GSS provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes to or is linked to violations of international norms and standards. The basis of the GSS' assessments are the United Nations (UN) Global Compact Principles. GSS company assessments reflect several dimensions, including:

- Severity of Impacts on Stakeholders and/or Environment – scale, scope and irremediability.
- Company Responsibility – accountability, exceptionality and systematic nature.
- Company Management – response, management systems and implementation.

We start engaging with the companies that are assessed as **Watchlist** or **Non-Compliant** in the Global Standards Screening.



About Erste Asset Management

Since 2008 Erste Asset Management GmbH coordinates and is responsible for all asset management activities within Erste Group Bank AG. As fully-owned subsidiary, we currently manage assets of about EUR 64.19 bn (12/31/2019). More than 300 employees develop and manage investment solutions for our institutional investors. As part of Erste Group Bank AG, Erste Asset Management is one of the leading asset managers in Central Europe and operates across seven countries.

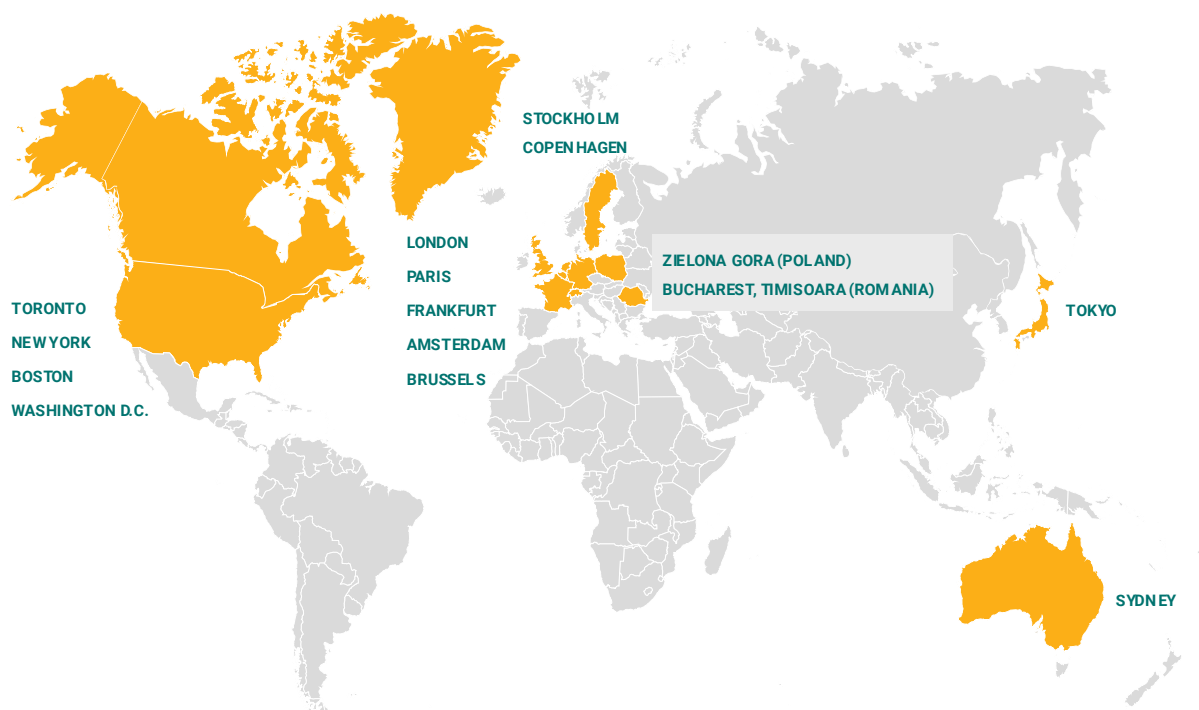
This way we combine the flexibility of a boutique manager with the size and clout of an international financial service provider.

About Sustainalytics

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 25 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. With 16 offices globally, Sustainalytics has more than 650 staff members, including more than 200 analysts with varied multidisciplinary expertise across more than 40 industry groups.

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