



Quarterly Engagement Report

December 2021 – February 2022

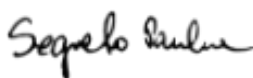
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This report summarizes the shareholder engagement activities that Sustainalytics performed on behalf of Erste Asset Management during December 2021 to February 2022. Use of and access to this information is limited to clients of Sustainalytics and is subject to Sustainalytics' legal terms and conditions.

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Executive Summary

Paulina Segreto

Senior Product Manager
ESG Products

In the days prior to the publication of this report, a Russian invasion of Ukraine was initiated, causing a humanitarian, political and security crisis in the area and extending beyond. There are no doubts that this situation will also have impacts on financial markets as sanctions on Russia and Russian entities have already been imposed by the international community and stricter sanctions are expected¹.

As the global economy continues to slowly recover from the Covid-pandemic, we still observe an increased focus on supply chain resilience, strengthening health and safety processes, and improving the overall employee experience to tackle staff shortages. Also, diversity, equity, and inclusion as well as workers' wellbeing remain in the spotlight. Around half of our engagements focus on social issues ranging from companies involved with entities violating human rights, to poor working conditions both in companies' own operations and in their supply chains.

In addition to the urgent environmental aspects of climate change, there are no doubts that it is also closely interlinked with human rights. As an example, the Just Transition Declaration, signed by more than 30 countries at COP 26, reflects International Labor Organization guidelines from 2015 'for a just transition towards environmentally sustainable economies and societies for all'. We often-times see this close link between environmental and social issues in our engagement too, for example deforestation interventions being effective when implemented together with farmers and with their livelihood needs at the forefront.

Furthermore, the climate change crisis also encompasses a range of other critical issues, such as deforestation, the destruction of biodiversity, pollution, just to name a few. As a response, companies have started making progress on previous commitments to protect biodiversity and nature in their direct operations. Several important new initiatives underline the importance of biodiversity, such as the upcoming UN Biodiversity Conference in April/May 2022 in Kunming, China, and the newly created climate reporting framework; Taskforce on Nature-related Financial Disclosures (TNFD) which is working on a disclosure framework for the preservation of wetlands, forests, and coastlines etc.

Our Engagement Team continues to engage with companies from the agriculture industry on biodiversity and land use topics, including incidents located in Brazil and Indonesia. We focus our engagements on companies' implementation of clear action plans and targets in relation to deforestation, including in their supply chains. Current asks include supply chain monitoring and verification systems, as well as thorough disclosure on actions against deforestation.

Regulation has increased notably in recent years, with a number of European countries adopting legislations prescribing mandatory corporate human rights and environmental due diligence (HREDD). France, Germany and Norway already adopted such legislations and other European countries, such as Austria, Belgium and Switzerland are working on similar pieces. Furthermore, in December 2021, the Netherlands announced that it would introduce its own national HREDD law.

This will be further enhanced by the European Commission's proposal, from the end of February, for a Directive on corporate sustainability due diligence. The Directive will oblige member states to adopt or adapt their own corporate due diligence laws, wherein companies will be required to identify, prevent, and mitigate human rights abuses and violations of environmental standards in their value chain.

Altogether, the legislations constitute a significant legal requirement for a large number of companies, not only those head-quartered in Europe, but also those with operations on the continent. We expect further legislation will help raise the bar of corporate respect for human rights and consequently, add to our engagement dialogues prompting companies to develop human rights due diligence processes.

In terms of engagement activities and progress, between December and February 2022, we initiated one new engage case and concluded three engagements. We also disengaged two cases and companies, due to lack of progress and poor or no response over a two-year period. In addition, as part of recent methodology changes, we disengaged with another 14 cases and companies as we

¹ For more information, please see page 4.

consider them *non-engageable* due to significant financial distress and/or the company not issuing publicly listed securities.

New engagement case

- **Huafu Fashion Co., LTD**, a Chinese company primarily engaged in the cotton and textile industries, accused of forced labour. The company operates extensively in China's Xinjiang province, where several NGO's have recorded alleged human rights violations targeting Uyghurs and other Turkic ethnic minorities.

Disengaged cases

- **Inner Mongolia Baotou Steel Union Co. Ltd.** and **China Northern Rare Earth (Group) High-Tech Co Ltd.**, both Chinese companies. The former is a producer of rare earth concentrates and the latter is its exclusive buyer. In 2012, the companies faced allegations of dumping tailings from its rare earth mining operations into a four-storey tailings dam located 12 km from the city of Baotou. Sustainalytics have made numerous attempts to establish dialogue with the companies since 2019, by email and telephone. We have also sent two investor letters to each of the companies, however, despite our efforts, the companies have remained unresponsive.

A list of other cases with new 'Disengage' status can be found on pages 46-47.

Resolved engagements

- **Commonwealth Bank of Australia**, Australian's bank, accused of anti-money laundering (AML) and counter-terrorism financing (CTF) breaches, as well as accusations of manipulation of the bank-bill swap rate. Sustainalytics has been engaging with the company since 2019, with a focus on the bank's detailed strategy to address AML/CTF breaches, including weaknesses in governance, culture and accountability. The bank has since substantially improved its actions and disclosures related to business ethics controls.
- **ING Groep N.V.**, a Dutch bank, accused of involvement in money laundering scandals in various countries, including the Netherlands, Russia and Italy. Our engagement focused on implementing strong risk management systems and internal controls to prevent financial crime and money laundering, as well as improving corporate culture and disclosure. The bank has not been associated with any new serious business ethics incidents lately, and it has significantly improved its compliance policies and procedures.
- **Olympus Corporation**, a Japanese company which manufactures and sells precision instruments for the healthcare industry, accused of involvement in quality and safety breaches in one of its products. From 2016 onward and throughout our engagement, the company has implemented significant measures to prevent a recurrence of quality and safety breaches by strengthening its training programs and other processes. As a result, in the last three years, no new serious quality and safety incidents have been linked to the company's products.

Update on Russian invasion of Ukraine

We will continue to monitor the evolving situation in Ukraine and sanctions imposed on Russia and Russian entities for any potential impact on our assessments. A company that is sanctioned or operates in either Ukraine or Russia does not automatically receive a Watchlist or Non-Compliant status.

Global Standards Screening (GSS) analyses companies if they engage in activities that fall under sanction regimes of multinational organizations, and if, according to credible sources, a company breaches those sanctions. Also in scope are companies engaging in arms trade to embargoed countries or allegations of circumvention of certain financial sanctions, even if they are exempted or legal according to national legislation. For state-owned entities, GSS applies a set of criteria to select those states and state-owned entities where complicity in human rights abuses is a concern and focus on companies that generate over 50% of a state's revenue in a given year.

Under our Global Standards Engagement we will engage with companies identified by GSS as Watchlist or Non-Compliant.

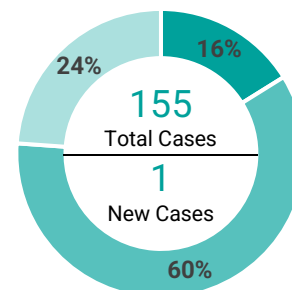
Quarterly Statistics December 2021 – February 2022

During December 2021 – February 2022, Sustainalytics has continued our dialogue to track specified engagement goals and to seek measurable results of business conduct changes in relation to 155 Engage and Resolved cases.

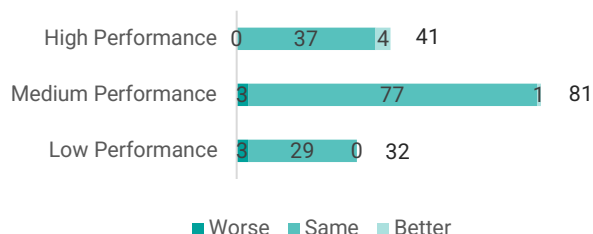


Cases by Theme

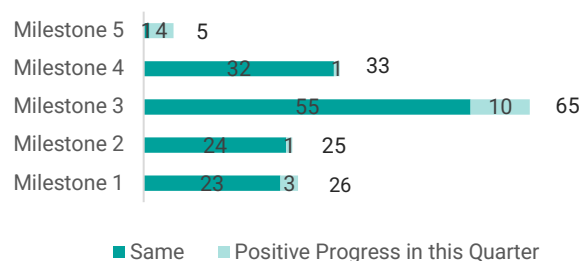
Environmental	25
Social	93
Governance	37



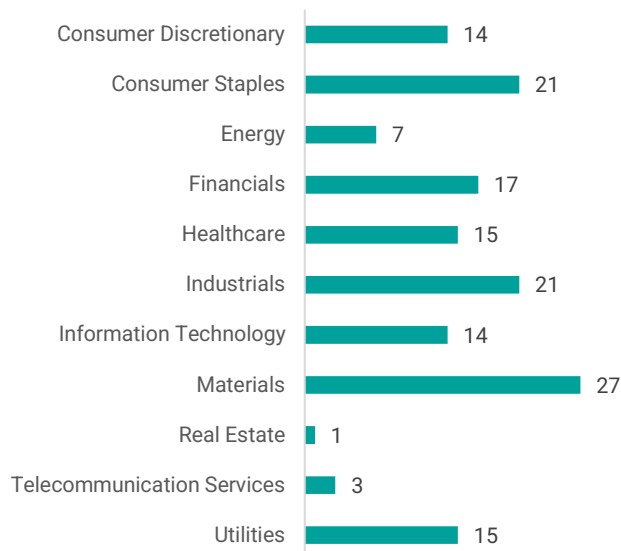
Engagement Performance Overview



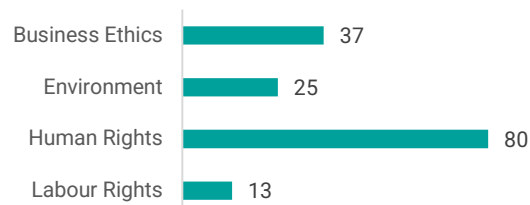
Milestone Overview*



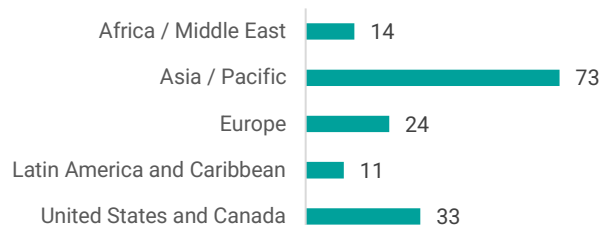
Cases by Sector



Cases by Norm



Cases by Headquarter

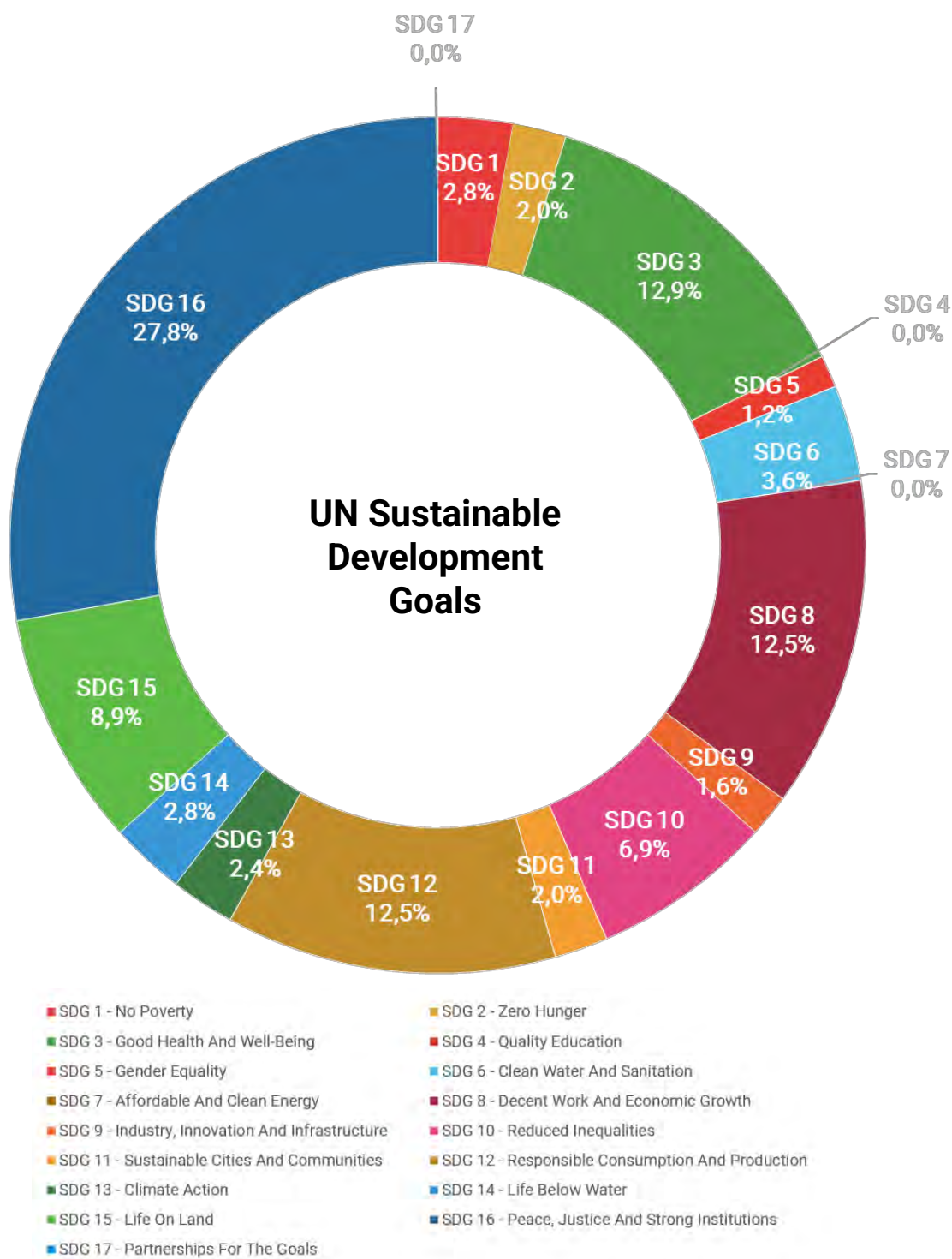


² One new case was opened at the end of Q1, 2022. Within the next quarter, their performance and milestone assessments will be available and included in the statistics.



UN Sustainable Development Goals Attribution

155 Engage and Resolved cases in this quarter can be attributed to the following SDGs. The count within the chart below might add up to more than these cases as a case can relate to more than one SDG. We map the Global Standards Engagement cases with relevant SDGs and our engagement dialogue aims to work toward achieving the sustainable outcomes.



Companies Mentioned in this Engagement Brief

● Engage ● Associated ● Disengage ● Resolved ● Archived

● CHINA NORTHERN RARE EARTH (GROUP) HIGH-TECH CO LTD	9
● COMMONWEALTH BANK OF AUSTRALIA	10
● HUAFU FASHION CO., LTD.	8
● ING GROEP N.V.	11
● INNER MONGOLIA BAOTOU STEEL UNION CO. LTD.....	9
● OLYMPUS CORPORATION	12

Engage Cases

Huafu Fashion Co., Ltd.

Background

HUAFU FASHION CO., LTD. (Huafu) is a China-based company principally engaged in the cotton textile industry, operating extensively in China's Xinjiang province, where Human Rights Watch and Amnesty International have reportedly recorded human rights violations targeting Uyghurs and other Turkic ethnic minorities. In recent years, the company has been repeatedly linked to those violations. In November 2021, Sheffield Hallam University released a report, which indicates that Huafu receives state-sponsored labour transfers in collaboration with the Xinjiang Production and Construction Corps (XPCC). Additionally, the report mentions two female detainees registered by an anonymous police officer in the Xinjiang Victims Database as being "subjected to a forced labour programme at the Huafu textile factory in Aksu" after being held in an internment camp. Similar accusations were reported in October 2020 by Radio Free Asia in a leaked video from a Uyghur dissident who gave detailed accounts of Uyghurs working at Huafu's Aksu facility, potentially as forced labour. Also, in August 2020, the company was found to have sold cotton produced by XPCC via commodities markets, despite the organization's links to forced labour in Xinjiang. In May 2020, the US Department of Commerce imposed supplementary licencing requirements on Huafu, to export its products (direct and via supply chains) to the US, due to its alleged involvement in human rights violations and abuses in the Xinjiang Uighur Autonomous Region (XUAR) region.

Engagement Objective and Activity

Huafu is expected to undertake steps to respect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. It should also ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. Furthermore, the company should provide transparency by publicly disclosing the steps and processes it will enact to ensure commitments to respect labour rights are implemented.

Next Step

Sustainalytics will take steps to establish communication with the company.

STATUS

Engage

ISSUE(S)

► Forced Labour

ENGAGEMENT MANAGER



Justine Autour
Manager
Amsterdam

CONTRIBUTION TO SDGs



Disengage Cases

China Northern Rare Earth (Group) High-Tech Co Ltd Inner Mongolia Baotou Steel Union Co. Ltd.

Background

INNER MONGOLIA BAOTOU STEEL UNION CO. LTD. (Baotou Steel) and CHINA NORTHERN RARE EARTH (GROUP) HIGH-TECH CO LTD (China Northern Rare Earth) are both subsidiaries of Baogang Group (Baogang). In 2012, China Northern Rare Earth faced allegations of dumping tailings from its rare earth mining operations into a four-storey tailings dam located 12 km from the city of Baotou. The Chinese government conducted an environmental impact assessment of the tailings site and discovered that it did not follow adequate environmental standards. In 2013, evidence showed that the tailings site had potentially severe environmental and health impacts on the surrounding environment and communities. As of 2015, Baotou Steel assumed responsibility for the tailings pond. However, in 2018, the company was issued a warning by the Shanghai Stock Exchange for failing to disclose its progress on the tailings pond project. Under the current arrangements, Baogang sets the strategy, Baotou Steel produces the rare earth concentrates and then exclusively supplies them to China Northern Rare Earth.

Engagement Objective

The companies were expected to publish a robust and comprehensive tailings management policy and a satisfactory strategy to minimize further environmental contamination. They were also expected to display a comprehensive programme to address the health, community and environmental impacts of the tailings site.

Engagement Activities

Sustainalytics and investors have made numerous attempts to establish dialogue with the companies since 2019 by email and telephone, including emails in Mandarin. We also coordinated with investors to send investor letters to each company in November 2020 and in September 2021, the latter signed by six companies and addressed to the chairman of the board. However, we have received no response to any of these communications. We have also contacted the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCME) to see if they could help establish dialogue, but the CCCME have also proved unresponsive.

Outcome

Baotou Steel and China Northern Rare Earth have displayed a persistent unwillingness over a period of more than two years to enter dialogue or indeed to respond to communications from Sustainalytics or investors. The companies have displayed some progress on aspects of addressing the issue. For example, their parent company has invested in projects around the tailings pond, including an anti-seepage project and water quality improvement. However, as environmental protection procedures were not considered at the time the tailing dam was built, no seepage control measures were used, meaning that it may be difficult and financially unviable at this stage to fully rehabilitate the area. Due to the companies' unresponsiveness and poor progress, we have decided to curtail our efforts to engage with the companies on this issue and to change the status of these cases to Disengage.

STATUS

Disengage

ISSUE(S)

► Activities Resulting in Adverse Environmental and Human Rights Impacts

ENGAGEMENT MANAGER







Jonathan Kellar
Manager
London






CONTRIBUTION TO SDGs



DIALOGUE STATISTICS (PER COMPANY)

	12	Number of Contacts
	0	Conference Calls
	2	Correspondence
	0	Meetings in Person

CASE TIMELINE (BOTH COMPANIES)

	Engagement Since	May 2019
	Milestone 1	Nov 2019
	Investor Letter	Nov 2020
	Investor Letter	Sep 2021
	Case Disengaged	Feb 2022

Resolved Cases

Commonwealth Bank of Australia

Background

The Australian Prudential Regulation Authority (APRA) announced in August 2017 that it would establish a Prudential Inquiry into COMMONWEALTH BANK OF AUSTRALIA (CBA) to examine its practices in governance, culture and accountability. This led to a series of incidents discovered, which included: anti-money laundering and counter-terrorism financing (AML/CTF) breaches and manipulation of the bank-bill swap rate. In June 2018, CBA agreed to pay a USD 530 million fine to settle civil proceedings by the Australian Transaction Reports and Analysis Centre, over serious breaches of AML/CTF laws. CBA's intelligent deposit machines were used to launder the proceeds of criminal activity, including proceeds from the sale of illicit drugs and firearm importation. In May 2018, CBA reached a USD 19 million settlement with the Australian Securities and Investments Commission over alleged manipulation of the bank-bill swap rate. Between 2011 and 2015, CBA made false or misleading representations to customers that their insurance policies had uses or benefits, but part or all the benefits were not available. In response to the Prudential Inquiry and investigations by regulators, CBA developed a Remedial Action Plan (RAP) to address deficiencies in governance, risk and accountability processes.

Engagement Objective

The engagement objective was to ensure that CBA was not complicit in any money laundering. The company had to strengthen its AML/CFT processes and implement all improvements in accordance with the RAP. The company had to ensure it had robust internal controls, risk management, and sufficient and effective board oversight. The company was expected to make changes to its board and executive management team and improve its accountability and culture.

Engagement Activities

Sustainalytics held four engagement meetings with CBA between 2020 and 2021. Sustainalytics also engaged in substantive email communication with the company. Annual reports, investor presentations, third-party audits, company disclosures and information shared during the engagement process were reviewed and analyzed to evaluate the company's progress. Engagement meetings were focused on discussing details of CBA's strategy to address AML/CTF breaches, including weaknesses in governance, culture and accountability. CBA was prompted to talk about and disclose information on its cultural transformation journey and its effects on staff and company performance, as well as how it was dealing with business ethics related issues. Discussions and information sharing with CBA included staff training on ethics and compliance, consequence management for breaching policies, encouraging a "speak-up" culture, whistleblower protection and due diligence processes.

Outcome

CBA has made significant amendments to its Group Risk Appetite Statement and code of conduct. The board and executive membership have completely changed, and a new group chief compliance officer position was created. The risk function was improved through the introduction of "chief controls officers" at the group, business unit and support unit levels and by increasing the resourcing capacity of the operational risk and compliance function. Annual risk culture assessments have also been introduced. There is clear evidence that CBS is encouraging a "speak-up" culture, with internal communication processes supporting this. CBA has committed to undertake further validation work and to continue to monitor and disclose information for the next two years to assess the success of the implementation of the RAP.

STATUS

Resolved

ISSUE(S)

► Money Laundering

ENGAGEMENT MANAGER



Nigel Rossouw
Associate Director
Amsterdam

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	40	Number of Contacts
	4	Conference Calls
	6	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	May 2020
	Milestone 2	May 2020
	Conference Call	May 2020
	Milestone 3	May 2020
	Milestone 4	Feb 2021
	Conference Call	Apr 2021
	Conference Call	Sep 2021
	Conference Call	Nov 2021
	Milestone 5	Feb 2022
	Case Resolved	Feb 2022

ING Groep N.V.

*Associated companies: *ING Bank Śląski SA, ING Bank (Australia) Ltd. and ING-DiBa AG*

Background

In March 2019, ING GROEP N.V. (ING) was implicated in the “Troika-Laundromat” controversy. Between 2006 and 2013, hundreds of millions of dollars allegedly passed through ING’s Moscow branch as part of a money laundering scheme. In late 2018, ING paid a record EUR 775 million to settle an investigation, by a Dutch prosecutor, into money laundering and corrupt practices between 2010 and 2016. In March 2019, Italian regulators banned ING from taking on new Italian clients, citing shortcomings in anti-money laundering (AML) processes. In September 2020, the ban was lifted. In December 2020, the Court of Appeal in The Hague issued its final ruling, upholding the prosecutors’ decision to enter into the settlement agreement with ING, meaning that the EUR 775 million fine that ING paid in 2018 was final and ended ING’s involvement in the court process.

Engagement Objective

ING was expected to ensure that it implemented strong risk management systems and internal controls to prevent financial crime and money laundering. ING was also expected to ensure that it took steps to improve its corporate culture and provide appropriate disclosure of its risk management framework related to AML.

Engagement Activities

Sustainalytics held eight conference calls with the company, as well as extensive email and telephone conversations, between the first outreach in late 2019 and 2022. We focused the engagement on the structure and implementation of the Global Know Your Customer (KYC) Enhancement Programme, corporate governance and ensuring enhanced reporting structures, such as a unified KYC reporting structure, and we also tracked regulatory compliance. Last, but not least, we focused heavily on corporate culture, particularly on concrete actions the company could take to improve its long-term performance related to business ethics. To that end, the company participated in Sustainalytics’ first ever Global Standards Engagement Corporate Culture Roundtable in mid-2021 with several global banks, where we discussed best-in-class examples of corporate culture and brainstormed ways to identify and measure culture-related KPIs.

Outcome

In 2017, ING launched a Global KYC Enhancement programme and this is now largely complete. The multi-year endeavour covered enhancing customer due diligence files, making structural improvements (related to policy, global KYC digital services, corporate governance, client monitoring and screening, KYC training, and the creation of a behavioural risk department), and transaction monitoring look-back activities. The company increased its compliance staff to 4,000 employees and invested heavily in AML/KYC. The company has been proactive in shaping corporate culture. In addition to more typical efforts, such as stating company values via the Orange Code, ING established a ground-breaking Behavioural Risk Management team, consisting of over 30 psychologists and other disciplines, that actively studies behaviours in teams, works to create KPIs to measure culture and other “soft” behaviours, and actively works to create interventions for teams deemed to be at risk of business ethics infractions.

STATUS

Resolved

ISSUE(S)

► Money Laundering

ENGAGEMENT MANAGER



Angela Flaemrich
Associate Director
Toronto

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	79	Number of Contacts
	8	Conference Calls
	27	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Nov 2019
	Milestone 2	Nov 2019
	Conference Call	Feb 2020
	Milestone 3	May 2020
	Conference Call	May 2020
	Conference Call	Jun 2020
	Conference Call	Jun 2020
	Conference Call	Nov 2020
	Conference Call	May 2021
	Milestone 4	May 2021
	Conference Call	Jun 2021
	Conference Call	Jun 2021
	Milestone 5	Jan 2022
	Case Resolved	Feb 2022

Olympus Corporation

Background

In July 2016, leaked emails from OLYMPUS CORPORATION (Olympus) revealed that in 2013, its senior executives chose not to release warnings in the US about its duodenoscopes, despite their link to antibiotic-resistant bacterium “superbug” outbreaks. The main cause of the bacterial infections appears to have been the design of five models of Olympus’ duodenoscopes, which are very difficult to sterilize against carbapenem-resistant bacteria. Between 2010 and 2015, at least 35 people in the US died after using Olympus’ scopes and at least 350 patients worldwide were affected. Olympus began enhancing training for healthcare professionals on the proper method of sterilization and in 2016 there was a reduction in the number of deaths and complications related to use of its duodenoscopes.

Engagement Objective

The engagement objective was for Olympus to improve the safety of its fixed endcap duodenoscopes by enabling healthcare professionals to clean them effectively, and to transition to disposable endcap duodenoscopes.

Engagement Activities

Sustainalytics held four conference calls with the company between 2020 and 2021, and also engaged in extensive email communication throughout that period. Sustainalytics focused on ensuring that the company was appropriately reducing the health and safety risks of its duodenoscope and ensuring that strong processes were in place to prevent future quality and safety occurrences across all its products. We engaged on complaints, whistleblowing and incidents processes. We worked on ensuring that training of healthcare workers on proper sterilization method was strong, that quality-related policies, standards and certifications were sufficient, and that there was continuous research to improve product safety. We also checked on the status of regulatory compliance, and that corporate governance (in the structure and membership of the board and high-ranking quality and safety roles) were effective. We closely followed the reduction in contamination rates and the rollout of the new duodenoscope model.

Outcome

From 2016 onward and throughout our engagement, the company steadily strengthened its training programmes by sending teams to many client sites to train healthcare workers in person and also by creating online training videos and other materials. The results of its training efforts were fruitful, with a dramatic reduction in deaths and illnesses associated with its duodenoscopes to almost nil. Olympus developed a new duodenoscope with a disposable part that effectively addresses the sterilization problems of previous models. The company also launched a buyback programme for the new duodenoscope to replace older models, and as of December 2021, it has replaced 10-20% of its older duodenoscopes worldwide. The company continues to work to improve its understanding of quality and safety (e.g. by conducting post-market surveillance studies and exploring collaborations with test strip manufacturers to test the feasibility of Adenosine triphosphate washing efficacy).

STATUS

Resolved

ISSUE(S)

► Quality and Safety - Human Rights

ENGAGEMENT MANAGER







Angela Flaemrich
Associate Director
Toronto












CONTRIBUTION TO SDGs



DIALOGUE STATISTICS





	55	Number of Contacts
	4	Conference Calls
	11	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Nov 2019
	Milestone 2	Nov 2019
	Conference Call	Mar 2020
	Milestone 3	Apr 2020
	Conference Call	Nov 2020
	Conference Call	May 2021
	Milestone 4	Jun 2021
	Conference Call	Dec 2021
	Milestone 5	Dec 2021
	Case Resolved	Feb 2022

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>  <p>3/5 Achieve</p>

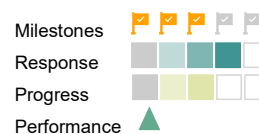
Engage

AFRICA / MIDDLE EAST

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

► Bribery and Corruption

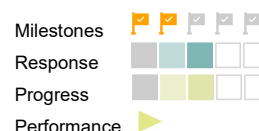
Change Objective: Bezeq should implement and demonstrate an appropriate anti-corruption programme and internal control mechanisms. It should further ensure that its media ethics guidelines are sufficient to guard against similar subjective influence and cooperate with the authorities on the ongoing investigations.



El Sewedy Electric Co (Tanzania, 2020)

► Controversial Project(s) - Environmental Impacts

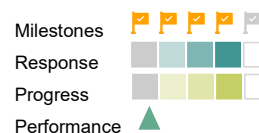
Change Objective: El Sewedy should identify the gaps in the existing strategic environmental assessment, demonstrate actions taken to address the gaps, and publicly disclose the results. The company should use its leverage to ensure that mitigation measures are in place wherever possible to address the 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 Pollutant Emissions

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 prioritize the plants which will remain operational for a longer time and be able to prove it takes all the possible actions to minimize the impacts of its operations.



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

► Occupational Health and Safety

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)

► Involvement with Entities Violating Human Rights

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.

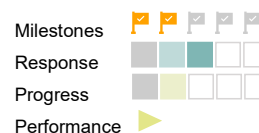


*Associated companies: **MTN Nigeria Communications Ltd.** and **Scancom Plc** (New)

OCP S.A. (Western Sahara, 2016)

► Involvement with Entities Violating Human Rights

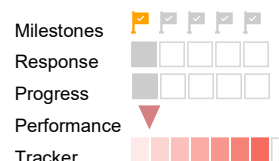
Change Objective: OCP should demonstrate how its activities in Western Sahara will continue in line with international law as well as the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International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



Orascom Investment Holding SAE (North Korea, 2020)

► Involvement with Entities Violating Human Rights

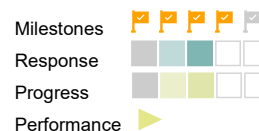
Change Objective: OIH should implement and disclose human rights policies and due diligence to improve its business policies and practices in line with internationally accepted standards. Regular human rights impact assessments of its operations in sensitive jurisdictions. The company should provide 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)

► Occupational Health and Safety

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.

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

► Accounting and Taxation

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.

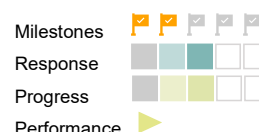


*Associated companies: **Pepkor Holdings Ltd.** and **Mattress Firm, Inc.**

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)

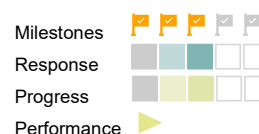
► Activities Resulting in Adverse Human Rights Impacts

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)

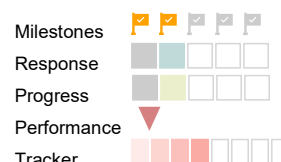
► Quality and Safety - Human Rights

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)

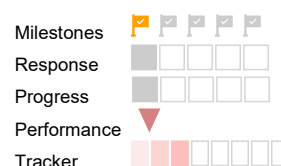
► Accounting and Taxation

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.

**Turkiye Halk Bankasi AS** (Turkey, 2021)

► Fraud

Change Objective: Halkbank should implement robust anti-financial-crime programs including companywide Anti-Money Laundering (AML), Know Your Customer (KYC) and business ethics training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML, KYC and business ethics related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.



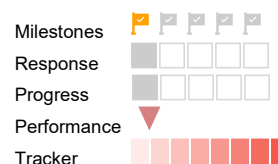
*Associated company: **Halk Gayrimenkul Yatırım Ortaklığı AS**

ASIA / PACIFIC

63 Moons Technologies Ltd (India, 2020)

► Fraud

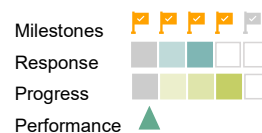
Change Objective: 63 Moons should cease ownership in any market infrastructure. The company should implement robust countermeasures to guard against financial crime and strengthen its internal controls. 63 moons should reimburse affected investors.



Adani Enterprises Limited (Australia, 2016)

► Controversial Project(s) - Environmental and Human Rights Impacts

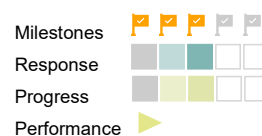
Change Objective: Adani should respect the rights of the indigenous people living in the project's area by obtaining their consent for the land use. The company should prevent the projected environmental impacts of the Carmichael mine and, in case this is proven to be impossible, withdraw from the project.



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

► Controversial Project(s) - Environmental and Human Rights Impacts

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.

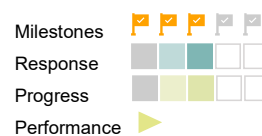


*Associated company: **North Queensland Export Terminal Pty Ltd.**

Adani Ports & Special Economic Zone Ltd (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

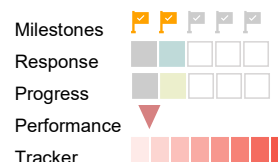
Change Objective: APSEZ should ensure it undertakes human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEC does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.



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

► Quality and Safety - Human Rights

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 Interests - Business Ethics

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.

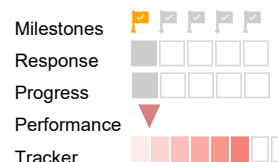


*Associated company: **AMP Capital Investors Ltd. (New)**

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

► Involvement with Entities Violating Human Rights

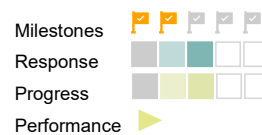
Change Objective: AVIC should establish clear criteria to identify high-risk destination countries and human rights due diligence procedures to be applied to military equipment sales deals.



Baidu, Inc. (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Baidu should show efforts to establish human rights due diligence practices, transparent policies relevant to digital rights, and transparently report on external data requests and content moderation requirements that indicate management of related risk exposure and facilitation of informed decision-making by users about platform usage.

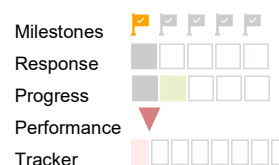


*Associated company: **iQiyi, Inc.**

China Energy Engineering Corporation Ltd (China, 2019)

► Occupational Health and Safety

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 Gas Holdings Ltd** (China, 2021)

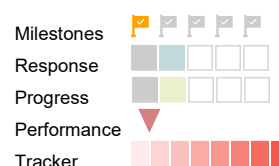
► Quality and Safety - Human Rights

Change Objective: China Gas should provide clarification of the remediation, and provide support in a timely manner for victims, besides the compensation promised. China Gas need to implement industry standard safety practices and quality controls across their infrastructure network, including regular inspections of the gas pipe system, and real-time monitoring of gas line pressure.

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

► Bribery and Corruption

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.

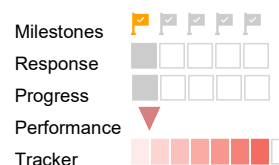


*Associated companies: **Huarong International Financial Holdings Ltd., Huarong Investment Stock Corp Ltd and Huarong Real Estate Co., Ltd.**

China National Petroleum Corp. (China, 2020)

► Involvement with Entities Violating Human Rights

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.



*Associated companies: **CNPC Global Capital Ltd. and PetroChina Co Ltd**

China Petroleum & Chemical Corp. (China, 2019)

► Involvement with Entities Violating Human Rights

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.

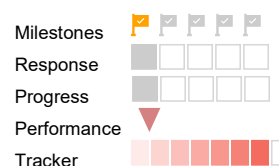


*Associated company: **Sinopec Kantons Holdings Ltd**

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

► Controversial Project(s) - Environmental and Human Rights Impacts

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.

**Crown Resorts Ltd** (Australia, 2021)

► Money Laundering

Change Objective: Crown Resorts should implement robust anti-money laundering (AML) programs including companywide AML training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.

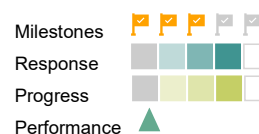


FGV Holdings Bhd. (Malaysia, 2017)

► Forced Labour

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.

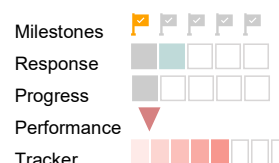
*Associated company: **MSM Malaysia Holdings Bhd**

**Formosa Taffeta Co., Ltd.** (Vietnam, 2020)

► Labour Rights - Operations

Change Objective: Formosa Taffeta 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.

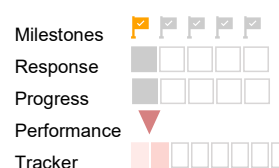
*Associated company: **Formosa Chemicals & Fibre Corp**

**GCL-Poly Energy Holdings Ltd.** (China, 2021)

► Forced Labour

Change Objective: GCL should put in place a robust labour 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. GCL should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

*Associated company: **GCL New Energy Holdings Ltd.**

**Golden Agri-Resources Ltd** (Indonesia, 2020)

► Land Use and Biodiversity

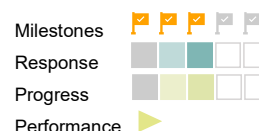
Change Objective: Golden Agri Resources should implement robust environmental protection policies, and enhanced policies to oversee executive conduct in order to prevent illegal deforestation and properly track environmental activities. GAR should disclose these changes to the aforementioned policies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

*Associated companies: **PT Sinar Mas Agro Resources & Technology Tbk** and **PT Sinar Mas Group**

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

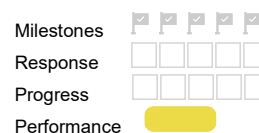
► Involvement with Entities Violating Human Rights

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.

**Huafu Fashion Co., Ltd.** (China, 2022)

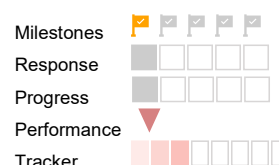
► Forced Labour

Change Objective: Huafu is expected to undertake steps to respect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. It should also ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. Furthermore, the company should provide transparency by publicly disclosing the steps and processes it will enact to ensure commitments to respect labour rights are implemented.

**Imperial Pacific International Holdings Ltd.** (United States, 2021)

► Labour Rights

Change Objective: IPI should ensure its contractors respect workers' labour rights, in line with international norms. It should also ensure all compensation, including wages owed to workers, are paid on time and that it fully pays all monies owed to the US Department of Labor. Lastly, IPI should ensure that going forward, it has policies and processes in place to ensure that its contractors uphold workers' rights (including use of legally employed labour, payment of on-time, full legal wages and that living and working conditions are safe).

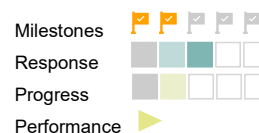


Indofood Agri Resources Ltd (Indonesia, 2018)

► Labour Rights - Operations

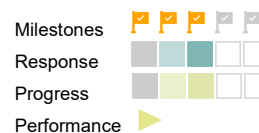
Change Objective: IndoAgri should adopt and implement a more rigorous social and human right due diligence programme to identify, prevent and mitigate any social and/or human rights impacts. The company should also strengthen its grievance mechanism.

*Associated companies: **PT Indofood Sukses Makmur Tbk, PT Perusahaan Perkebunan London Sumatra Indonesia Tbk, PT Salim Ivomas Pratama Tbk and First Pacific Company Limited**

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

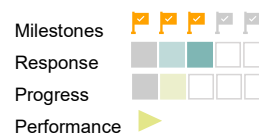
► Incident(s) Resulting in Negative Human Rights Impacts

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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

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

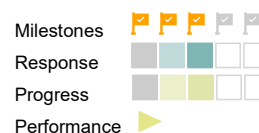
► Incident(s) Resulting in Negative Human Rights Impacts

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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

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

► Business Ethics

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.

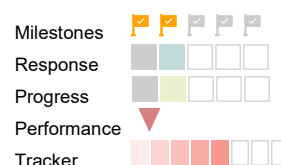


*Associated companies: **Lotte Chemical Corp, Lotte Chilsung Beverage Co Ltd, Lotte Confectionery (New), Lotte Data Communication Co., Lotte Fine Chemical Co., Ltd., Lotte Food Co., Ltd., LOTTE Himart Co. Ltd., Lotte Non-Life Insurance Co., Ltd., Lotte Shopping Co., Ltd., and Lotte Chemical Pakistan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

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

► Labour Rights

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 and Taxation

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)

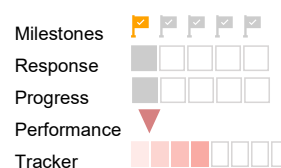
► Consumer Interests - Business Ethics

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.

**NLC India Ltd.** (India, 2021)

► Occupational Health and Safety

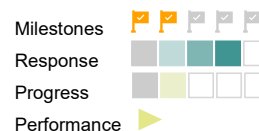
Change Objective: The company should investigate the accidents and should be transparent on the lessons learnt. NLC should identify and report progress on the actions to be undertaken to prevent recurrences. NLC India should ensure that compensation has been paid to the victims/victims' dependents. NLC should also ensure that all recommendations from the investigations are acted upon and improve disclosure of health and safety metrics and training programmes.



NTPC Limited (Bangladesh, 2017)

► Controversial Project(s) - Environmental and Human Rights Impacts

Change Objective: NTPC should work to mitigate its environmental and human rights impacts in alignment with international norms. It should commit to keeping its plants updated to current environmental standards with respect to efficient technologies and treatment of effluents and waste. It should also establish proper due diligence measures that fully take into consideration environmental and human rights concerns prior to developing new projects.

**NTPC Limited** (India, 2018)

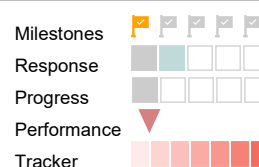
► Occupational Health and Safety

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)

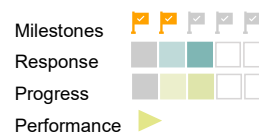
► Forced Labour

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)

► Involvement with Entities Violating Human Rights

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.

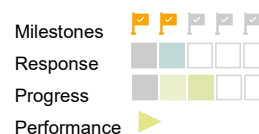


*Associated company: **ONGC Videsh Ltd.**

Page Industries Ltd. (India, 2020)

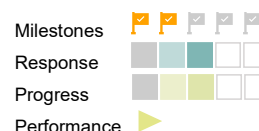
► Labour Rights

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.

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

► Involvement with Entities Violating Human Rights

Change Objective: Petroleum 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.

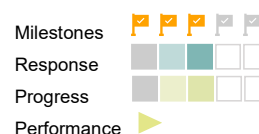


*Associated companies: **Petronas Global Sukuk Ltd.** and **PETRONAS Energy Canada Ltd.**

POSCO Coated & Color Steel Co., Ltd. (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: POSCO C&C should undertake the human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEHL does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.

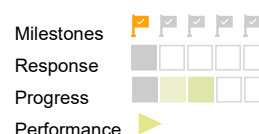


*Associated company: **POSCO**

PT FKS Food Sejahtera Tbk (Indonesia, 2019)

► Consumer Interests - Business Ethics

Change Objective: PT FKS Food Sejahtera Tbk 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.

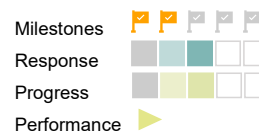


PT Indah Kiat Pulp & Paper Tbk (Indonesia, 2021)

► Land Use and Biodiversity

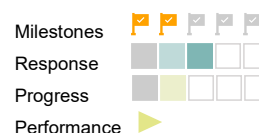
Change Objective: PT Indah Kiat Pulp & Paper Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

*Associated company: **PT Sinar Mas Group**

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

► Emissions, Effluents and Waste

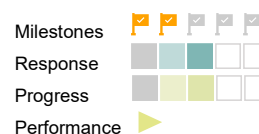
Change Objective: PT Indonesia Asahan Aluminium (Inalum) should introduce a policy prohibiting riverine tailings disposal in future projects, where there is a viable and more environmentally sustainable alternative. Inalum should ensure that the existing monitoring and reporting of the tailings management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

**PT Pabrik Kertas Tjiwi Kimia Tbk** (Indonesia, 2021)

► Land Use and Biodiversity

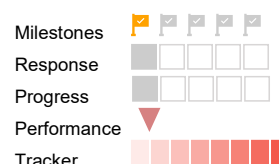
Change Objective: PT Pabrik Kertas Tjiwi Kimia Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

*Associated company: **PT Sinar Mas Group**

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

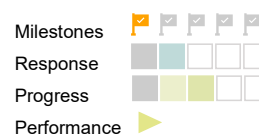
► Fraud

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. The company should commit to improving its preparedness to manage human rights-related risks in the future.



*Associated company: **RH International (Singapore) Corp. Pte Ltd.** (New)

Rio Tinto Ltd. (Australia, 2020)

► Community Relations - Indigenous Peoples

Change Objective: RioTinto should agree on a compensation package with the Puutu Kunti Kurrama and Pinikura (PKKP), the Traditional Owners of the destroyed rock-shelters. The company should ensure that it rebuilds community relations with the PKKP and has suitable community relations mechanisms across all its operations that inform communities of important findings in a timely manner. The company should ensure that its community relations teams are fully integrated into its operations to ensure that all operational decisions are made in conjunction with the community relations teams to prevent similar incidents in the future.

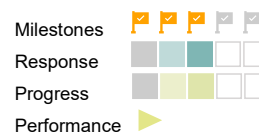


*Associated company: **Energy Resources of Australia Ltd.**

Samling Global Limited (Malaysia, 2019)

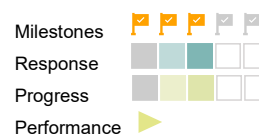
► Land Use and Biodiversity

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 Co., Ltd.** (South Korea, 2020)

► Accounting and Taxation

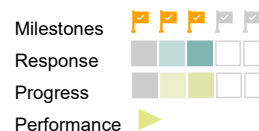
Change Objective: Samsung BioLogics should ensure that robust policies and internal controls addressing business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including subsidiaries. It should strengthen its corporate governance and culture of integrity.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



Samsung C&T Corp. (South Korea, 2020)

► Accounting and Taxation

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)

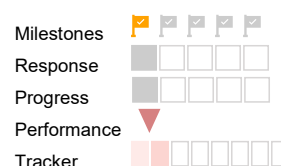
► Bribery and Corruption

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.

**Shezan International Ltd.** (Bangladesh, 2021)

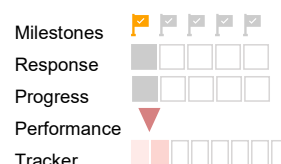
► Child Labour

Change Objective: Shezan should conduct risk assessments and audit its subsidiaries and supply chain to identify the use of child labour in manufacturing. Shezan should work with its suppliers to eradicate child labour from their supply chain.

**Shezan International Ltd.** (Bangladesh, 2021)

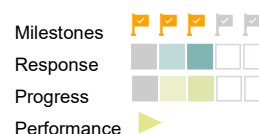
► Occupational Health and Safety

Change Objective: Shezan should ensure that it is transparent with the findings of the investigation and all recommendations should be acted upon. Shezan should identify and report progress on the actions to be undertaken to prevent recurrences. Shezan should improve disclosure of health and safety metrics and training programs. Shezan should ensure that compensation will be paid to the victims/victims' dependents.

**Sime Darby Plantation Sdn Bhd** (Malaysia, 2021)

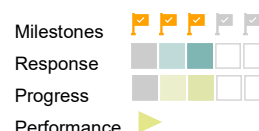
► Forced Labour

Change Objective: SDP is expected to undertake steps to protect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. The company should cooperate with investigations and take steps to ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. SDP should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

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

► Quality and Safety - Human Rights

Change Objective: SK Discovery Co. Ltd. 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 Inc. (Laos, 2019)

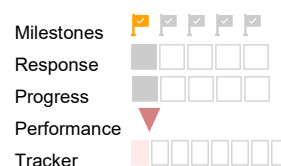
► Incident(s) Resulting in Negative Human Rights Impacts

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 commit to improving its preparedness to manage human rights-related risks in the future.

**Supermax Corp. Bhd.** (Malaysia, 2021)

► Forced Labour

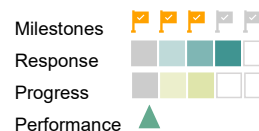
Change Objective: Supermax should ensure it is not complicit in any forced labour. The company should identify and properly compensate the workers who were the victims of forced labour practices. The company should align its recruitment policy and implementation with international standards and ensure zero-cost process. Supermax shall show it has accurate processes to manage grievances and improve transparency in reporting on how it ensures compliance in this area.



Suruga Bank Ltd. (Japan, 2019)

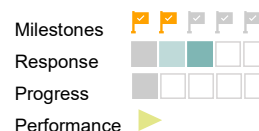
► Business Ethics

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.

**Tencent Holdings Ltd** (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Tencent should show efforts to establish human rights due diligence practices, transparent policies relevant to digital rights, and transparently report on external data requests and content moderation requirements that indicate management of related risk exposure and facilitation of informed decision-making by users about platform usage. Companies operating in China are in a challenging position with respect to managing human rights risk exposure to users. Nonetheless, practices focused on supporting internationally accepted human rights standards remain an expectation.



*Associated companies: **Tencent Music Entertainment Group** and **Sogou, Inc.**

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. In addition, TEPCO should report on the security measures taken at all of its facilities following reports of inadequate security at its Kashiwazaki-Kariwa nuclear plant.

**Top Glove Corp Bhd** (Malaysia, 2021)

► Labour Rights - Operations

Change Objective: Top Glove should take steps to end any forced labour practices and to ensure appropriate health and safety protocols to protect workers from COVID-19 and other risks are in place, both in factories and dormitories. The company is also expected to ensure practices to mitigate forced labour, such as its Zero Recruitment Fee Policy, are implemented for its entire workforce and to act to proactively protect worker health. Top Glove should further show its policies and practices align with internationally accepted labour rights standards.



*Associated company: **Top Glove Labuan Ltd.**

Toshiba Corp. (Japan, 2020)

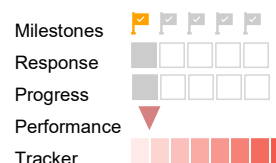
► Accounting and Taxation

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 Interests - Business Ethics

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.

**UPL Ltd** (South Africa, 2021)

► Emissions, Effluents and Waste

Change Objective: UPL Ltd should remediate contaminated land and water caused by its activities. It should review the adequacy of its existing hazardous chemical storage facilities across its operations to ensure an appropriate level of commitment to the safety of the workforce, local populations and the environment. The company should demonstrate that its policies and procedures for the management of hazardous chemicals are compliant with international best practice and national legislative requirements.

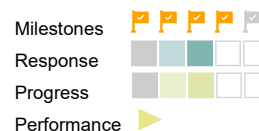


Vedanta Limited (India, 2019)

► Community Relations

Change Objective: Vedanta should analyze 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.

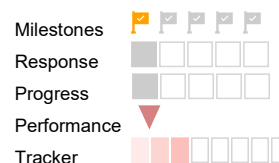
*Associated company: **Hindustan Zinc Limited**

**Weibo Corp** (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Weibo should show efforts to establish human rights due diligence practices, transparent policies relevant to digital rights, and transparently report on external data requests and content moderation requirements that indicate management of related risk exposure and facilitation of informed decision-making by users about platform usage. Companies operating in China are in a challenging position with respect to managing human rights risk exposure to users. Nonetheless, practices focused on supporting internationally accepted human rights standards remain an expectation.

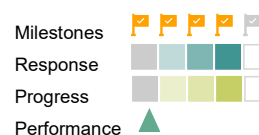
*Associated company: **SINA Corp.**

**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.

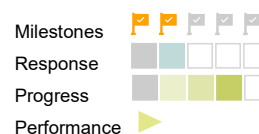
*Associated company: **Westpac New Zealand Ltd.** (New)

**Wilmar International Limited** (Indonesia, 30/0)

► Community Relations - Indigenous Peoples

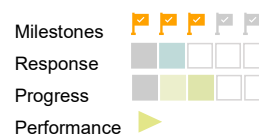
Change Objective: Wilmar should resolve active complaint cases in Indonesia, Liberia, Nigeria and Uganda and take appropriate measures against any identified gaps. The company should also strengthen implementation of its policies by reporting more regularly on progress and the outcomes of site audits.

*Associated companies: **Shree Renuka Sugars Ltd, Yihai Kerry Arawana Holdings Co., Ltd. and Benso Oil Palm Plantation Ltd**

**Wockhardt Limited** (India, 2019)

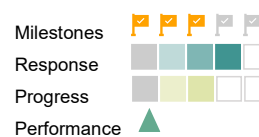
► Quality and Safety - Human Rights

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)

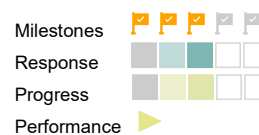
► Business Ethics

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)

► Quality and Safety - Human Rights

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.

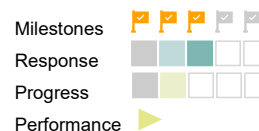


Zijin Mining Group Company Limited (Papua New Guinea, 2015)

► Activities Resulting in Adverse 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.

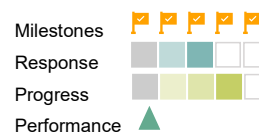
*Associated company: **Guyana Goldfields Inc**

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

► Activities Resulting in Adverse Human Rights Impacts

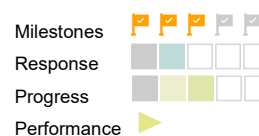
Change Objective: Zijin Mining Corp should demonstrate that it has initiated a process to align its practices to international human rights standards.

*Associated company: **Guyana Goldfields Inc**

**ZTE Corporation** (Iran, 2019)

► Involvement with Entities Violating Human Rights

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.



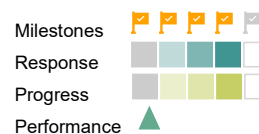
EUROPE

Barclays PLC (United Kingdom, 2019)

► Business Ethics

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.

*Associated Company: **Barclays Bank Plc (New)**



Bayer AG (United States, 2018)

► Quality and Safety

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 companies: **Bayer CropScience Limited** and **Monsanto Finance Canada Co**

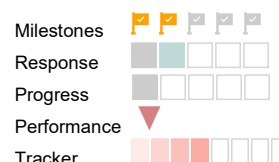


Bolloré SA (Cameroon, 2019)

► 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.

*Associated companies: **La Forestière Équatoriale SA**, **Compagnie de l'Odét SE** and **Compagnie du Cambodge**



boohoo group Plc (United Kingdom, 2020)

► Labour Rights - 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 unauthorized sub-contractors). In addition, the company should adopt an effective grievance mechanism accessible to supply chain workers.



Credit Suisse Group AG (Switzerland, 2019)

► Business Ethics

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.

*Associated companies: **Credit Suisse AG (Guernsey) (New)** and **Credit Suisse (Schweiz) AG (New)**



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 related to its AML program.

*Associated Company: **Danica Pension Livsforsikrings A/S (New)**



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.

*Associated Companies: **Deutsche Bank México SA**, **Institución de Banca Múltiple (New)** and **Deutsche Bank SAE (New)**

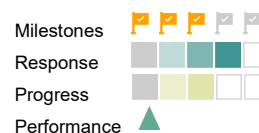


EDP - Energias de Portugal, S.A. (Portugal, 2020)

► Bribery and Corruption

Change Objective: EDP should commission an independent investigation into 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 - Energias do Brasil SA, EDP Renováveis, S.A. and Viesgo Infraestructuras Energéticas SL**

**G4S PLC** (Qatar, 2020)

► Forced Labour

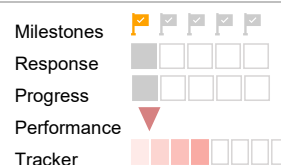
Change Objective: G4S should ensure it is not complicit in any forced labour. The company should assure its Supplier Code of Conduct and Migrant Worker Policy are implemented throughout its global operations, including subsidiaries. G4S shall show it has accurate processes to manage grievances and improve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

*Associated Companies: **Allied Universal Manager LLC and Allied Universal Holdco LLC (New)**

**GCM Resources Plc** (Bangladesh, 2021)

► Controversial Project(s) - Human Rights Impacts

Change Objective: GCM Resources should ensure independent oversight of the resettlement process in compliance with international norms on human rights. It should align its processes with Voluntary Principles on Security and Human Rights to ensure non-lethal force at future protests. GCM should indicate the measures taken to minimize environmental impacts, ensure suitable monitoring of its mitigation measures with independently verified monitoring reports.

**Glencore PLC** (Bolivia, 2021)

► Child Labour

Change Objective: Glencore and its subsidiaries should cease purchasing ore from cooperatives which practice child labor. It should work with the authorities to assist in fulfilling the government's pledge to eradicate child labor by 2025; and should have programs to improve health and safety in the mines that extend to co-operatives.



*Associated company: **Polymet Mining Corp**

Indivior PLC (United States, 2019)

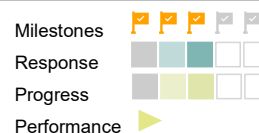
► Consumer Interests - Business Ethics

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.

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

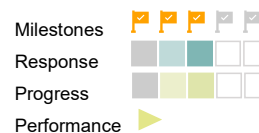
► Quality and Safety - Human Rights

Change Objective: Mallinckrodt should ensure that there are robust governance, compliance, and risk management systems in place. These should address marketing practices, 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, 2020)

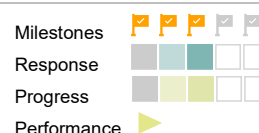
► Leaks, Spills and Pollution - Environmental and Human Rights Impacts

Change Objective: Norilsk Nickel 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.

**Sanofi** (Philippines, 2020)

► Quality and Safety - Human Rights

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.



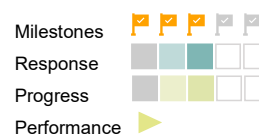
*Associated companies: **Sanofi India Ltd., Principia Biopharma, Inc., Kiadis Pharma N.V., Sanofi-Aventis Participations SAS, Translate Bio, Inc. (New) and Kadmon Holdings Inc (New)**

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

► Involvement with Entities Violating Human Rights

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.

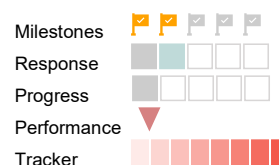
*Associated company: **Siemens Energy AG**

**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 companies: **Société de Caoutchoucs de Grand-Bereby, Socfin SA and Socfinasia S.A.**

**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.

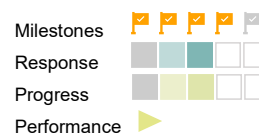
*Associated company: **Swedbank Hypotek AB (New)**

**Syngenta AG** (Thailand, 2019)

► Quality and Safety

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. and Sinochem Group Co., Ltd.**

**Telefonaktiebolaget LM Ericsson** (Sweden, 2020)

► Bribery and Corruption

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.

**Teleperformance SA** (France, 2021)

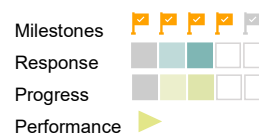
► Freedom of Association

Change Objective: Teleperformance should ensure no anti-union practices or rights violations are occurring. It should demonstrate that across its operations its labour practices align with international standards, enable freedom of association, and that due diligence practices are sufficient to manage concerns. Disclosure should show effective implementation of policies and practices as well as meaningful efforts by the company to ensure compliance in this area.

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

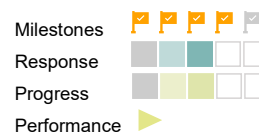
► Community Relations

Change Objective: Vedanta should analyze 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.

**Volvo AB** (Israel, 2019)

► Involvement with Entities Violating Human Rights

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.



LATIN AMERICA AND CARRIBEAN

BRF S.A. (Brazil, 2019)

► Consumer Interests - Human Rights

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.

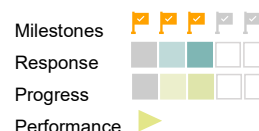
*Associated company: **BFF International Ltd.**



Centrais Elétricas Brasileiras SA (Brazil, 2020)

► Controversial Project(s) - 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.



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

► Controversial Project(s) - Environmental and Human Rights Impacts

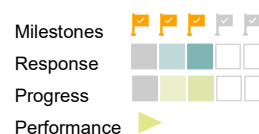
Change Objective: EPM should conduct a comprehensive assessment of the safety and stability of the dam, together with independent experts. The company should take appropriate mitigation measures as a result, both on legacy issues and identified impacts and risks. The company should make sure consultations 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)

► Freedom of Association

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 companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energia S de RI** (New)

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

► Leaks, Spills and Pollution - 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.

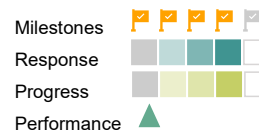


*Associated companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energia S de RI** (New)

JBS S.A. (Brazil, 2017)

► Bribery and Corruption

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.

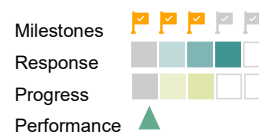


*Associated company: **Independencia International**

JBS S.A. (United States, 2020)

► Business Ethics

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.



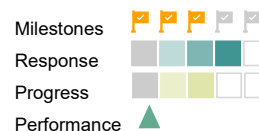
*Associated companies: **JBS USA Food Co**, **Pilgrim's Pride Corp.** and **Independencia International**

JBS S.A. (Brazil, 2021)

► Land Use and Biodiversity

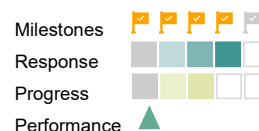
Change Objective: JBS should stop sourcing cattle, meat, and/or animal feed from suppliers that are either directly or indirectly involved in irresponsible deforestation practices. As such, JBS should develop and implement comprehensive measures to identify non-compliant suppliers. Furthermore, JBS should intensify collaboration with other relevant stakeholders to mitigate deforestation.

*Associated companies: **JBS USA Food Co** and **Independencia Internacional**

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

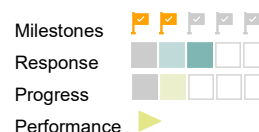
► Incident(s) Resulting in Negative Human Rights and Environmental Impacts

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 minimize likelihood of new spills. The company should also exert its influence on all stakeholders to counter oil theft activity and its related impacts.

**SLC Agricola SA** (Brazil, 2021)

► Land Use and Biodiversity

Change Objective: SLC Agricola should investigate allegations thoroughly and retain an independent third party to verify whether it has illegally deforested land. SLC Agricola should put in place policies and programmes related to the environment and emphasize a commitment to stop deforestation.

**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.



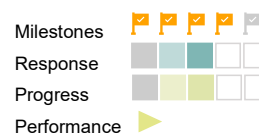
UNITED STATES AND CANADA

3M Co (United States, 2019)

► Activities Resulting in Adverse 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.**

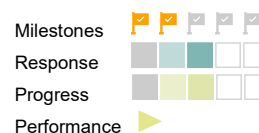


Activision Blizzard, Inc. (United States, 2021)

► Discrimination and Harassment

Change Objective: Activision Blizzard should cooperate with ongoing investigations and, if found guilty, compensate plaintiffs. Furthermore, the company should reinforce anti-discrimination policies by conducting related sensitization training, to move towards a culture of gender equality, diversity and inclusion. Moreover, the company should assure a robust grievance-mechanism is in place and appoint a senior level anti-discrimination expert to lead such activities with a strong mandate from the executive team and company board, and with sufficient resources. The company should disclose regularly on such efforts, along with external assurance.

*Associated Company: **King Digital Entertainment Plc**

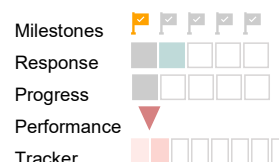


Amazon.com Inc (United States, 2021)

► Freedom of Association

Change Objective: Amazon should ensure no anti-union practices takes place within its operations. The company shall ensure union elections are performed in a fair and impartial manner. Amazon should demonstrate how its Global Human Rights Principles, addressing ILO standards and freedom of association, is implemented throughout its entire operations.

*Associated Company: **Whole Foods Market, Inc.**

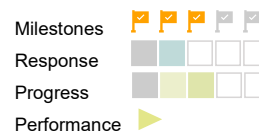


Amazon.com Inc (United States, 2020)

► Occupational Health and Safety

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.

*Associated Company: **Whole Foods Market, Inc.**



Bunge Ltd. (Brazil, 2021)

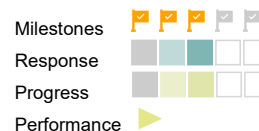
► Land Use and Biodiversity

Change Objective: Bunge should stop sourcing soy from suppliers that are directly or indirectly involved in deforestation practices. Bunge should fully implement comprehensive measures to identify non-compliant suppliers, use best practice to achieve its commitments in relation to deforestation, and provide related public disclosure.

Cargill, Inc. (Brazil, 2020)

► Land Use and Biodiversity

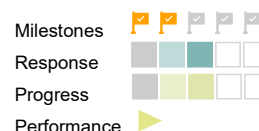
Change Objective: Cargill should demonstrate a clear action plan and targets in relation to deforestation, for both the company and its suppliers. It should establish a monitoring and verification system for supplier's compliance and disclose progress against its company and supplier targets. In Brazil,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



Caterpillar Inc (Myanmar, 2020)

► Involvement with Entities Violating Human Rights

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.



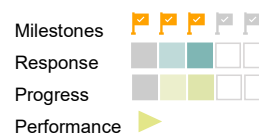
*Associated company: **Caterpillar Financial Services Corp. (New)**

Citigroup, Inc. (United States, 2019)

► Business Ethics

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 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 companies: **Associates First Capital Corporation, Citigroup Global Markets Holdings Inc. (New), Banco Nacional de México SA (New) and Citibank NA (New York) (New)**



CoreCivic Inc (United States, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

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.



Dow, Inc. (United States, 2019)

► Quality and Safety - Human Rights

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 Adverse 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.

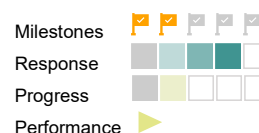


Energy Transfer LP (United States, 2016)

► Community Relations - 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.

*Associated companies: **Penntex Midstream Partners LP, ETC Sunoco Holdings LLC and Enable Midstream Partners LP (New)**



FirstEnergy Corp. (United States, 2021)

► Bribery and Corruption

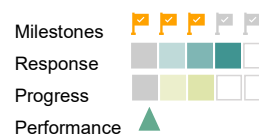
Change Objective: FirstEnergy should cooperate with all related investigations and implement the recommendations from them. The company should ensure anti-bribery and corruption management system including anti-bribery training for staff are robust. The company should adopt a suitable grievance and whistleblower mechanism. The company should demonstrate transparency and integrity in its lobbying activities.



GEO Group, Inc. (United States, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

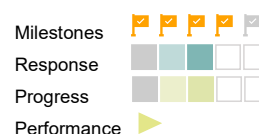
Change Objective: Geo Group should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.



Johnson & Johnson (United States, 2018)

► Quality and Safety - Human Rights

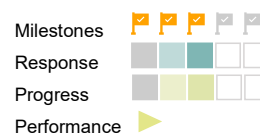
Change Objective: Johnson and Johnson should ensure that the lessons learned from the numerous product quality issues have been incorporated into its protocols and procedures, to minimize the risk of future litigation.



*Associated companies: **Actelion Ltd, Momena Pharmaceuticals, Inc. and Hansen Medical, Inc.**

Lockheed Martin Corp (Saudi Arabia, 2020)
 ► Involvement with Entities Violating Human Rights

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.



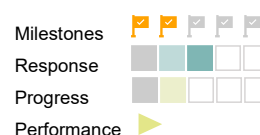
Mattel, Inc. (United States, 2021)
 ► Quality and Safety - Human Rights

Change Objective: Mattel should undertake a complete review (and commission an independent validation of the appropriateness of any review) of all infant sleep / soothing products it has on the market, in production and in design process against the relevant safety standards for potential recall and compensate the affected families. To prevent reoccurrence, Mattel should have in place robust safety standards and processes, in line with the potential risks identified with the products it puts on the market.



McDonald's Corp (United States, 2015)
 ► Labour Rights

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 Interests - Human Rights

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**

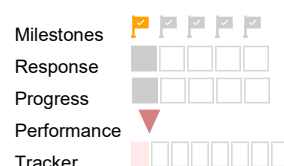
Meta Platforms, Inc. (United States, 2018)
 ► Data Privacy and Security

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.



Meta Platforms, Inc. (United States, 2021)
 ► Social Impact - Products

Change Objective: Facebook should undertake human rights due diligence of its policies and business impact on users. The company should increase transparency of enforcement of content moderation policies, ideally including detailed insight into implementation of content policies by country. Finally, Facebook is asked to demonstrate governance structures and competency to oversee implementation of human rights standards in the company's products and practices.



Pan American Silver Corp. (Guatemala, 2019)
 ► Community Relations - 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)
 ► Quality and Safety - Human Rights

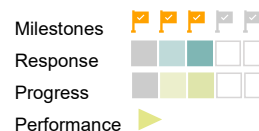
Change Objective: PG&E should address the impacts of the incident and ensure that suitable remedial measures have been put in place. The company should also develop a comprehensive, risk-based, safety strategy. The company-wide strategy should address the employee, contractor and public safety and consider 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. (Saudi Arabia, 2020)

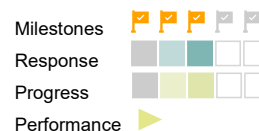
► Involvement with Entities Violating Human Rights

Change Objective: 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.

*Associated companies: **Raytheon Co** and **Raytheon Missiles & Defense****Southern Copper Corporation** (Mexico, 2020)

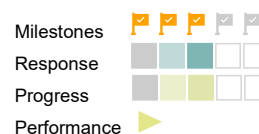
► Freedom of Association

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.

*Associated company: **Minera Mexico SA de CV****Southern Copper Corporation** (Mexico, 2020)

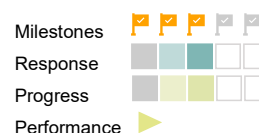
► Leaks, Spills and Pollution - Environmental and Human Rights Impacts

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 should 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.

*Associated company: **Minera Mexico SA de CV****Stryker Corporation** (United States, 2019)

► Quality and Safety - Human Rights

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.

*Associated companies: **Wright Medical Group N.V.** and **Invuity, Inc.****The Boeing Company** (United States, 2019)

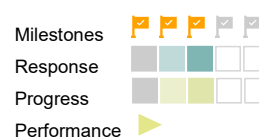
► Quality and Safety - Human Rights

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 Adverse 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, therefore, we 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 it is applicable to its sites.

**Thermo Fisher Scientific Inc.** (China, 2021)

► Involvement with Entities Violating Human Rights

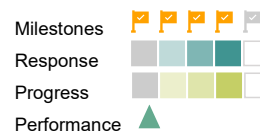
Change Objective: Thermo Fisher should improve its human rights due diligence and disclosure, especially in relation to its products/services and business relationships. The company should also demonstrate efforts to support internationally accepted human rights standards as well norms governing the collection, use and storage of human genetic data.

*Associated company: **PPD, Inc.** (New)

Uber Technologies, Inc. (United States, 2019)

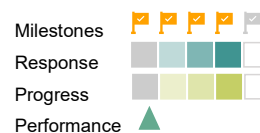
► Data Privacy and Security

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)

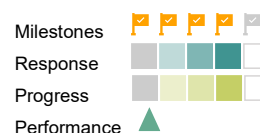
► Labour Rights

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)

► Business Ethics

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

Disengage due to low performance

AFRICA / MIDDLE EAST	Elbit Systems Ltd.	
	► Operations in Occupied Territories	Palestinian Authority
	<i>*Associated company: Ashot Ashkelon Industries Ltd.</i>	
ASIA / PACIFIC	AviChina Industry & Technology Company Limited	
	► Involvement With Entities Violating Human Rights	China
	China Northern Rare Earth (Group) High-Tech Co Ltd (New)	
	► Activities Resulting in Adverse Environmental and Human Rights Impacts	China
	CH. Karnchang Public Company Limited	
	► Project(s) with Environmental and Human Rights Risks	Laos
	Coal India Limited	
	► Recurring Workplace Accidents	India
	Export-Import Bank of India	
	► Project(s) With Environmental and Human Rights Risks	Bangladesh
	Inner Mongolia Baotou Steel Union Co. Ltd. (New)	
	► Emissions, Effluents and Waste	China
	Metallurgical Corporation of China Ltd.	
	► Environmental Impacts from Waste Practices	
	<i>*Associated companies: China Metallurgical Group Corp and China Minmetals Group Co. Ltd.</i>	
	Steel Authority of India Limited	
	► Fatal Workplace Accident(s)	India
	Petróleos de Venezuela S.A.	
	► Corrupt Practices	
	► Oil Spill(s)	
LATIN AMERICA AND CARIBBEAN	► Recurring Workplace Accidents	Venezuela
UNITED STATES AND CANADA	Motorola Solutions, Inc.	
	► Operations in Occupied Territories	Palestinian Authorities

Disengage due to no publicly traded securities or significant distress

AFRICA / MIDDLE EAST	Empresa Moçambicana de Atum S.A (New)	
	► Business Ethics	Mozambique
	Mumias Sugar Company Limited (New)	
	► Accounting and Taxation	Kenya
ASIA / PACIFIC	1MDB Global Investments Ltd. (New)	
	► Business Ethics	Malaysia
	China North Industries Corp. (New)	
	► Involvement With Entities Violating Human Rights	China
	Chongqing Energy Investment Group Co., Ltd. (New)	
	► Occupational Health and Safety	China
	Cox & Kings (India) Ltd. (New)	
	► Fraud	India
	Dewan Housing Finance Corp. Ltd.	
	► Fraud	India
	Hanergy Mobile Energy Holding Group Co., Ltd. (New)	
	► Accounting and Taxation	China
	Kangde Xin Composite Material Group Co., Ltd. (New)	
	► Accounting and Taxation	China
	Kangmei Pharmaceutical Co Ltd (New)	
	► Accounting and Taxation	China
	Irkut Corporation (New)	
	► Involvement With Entities Violating Human Rights	Russia
	NMC Health PLC (New)	
	► Accounting and Taxation	United Kingdom
EUROPE		

Rostec Corporation (New)

► Involvement With Entities Violating Human Rights

Russia

United Aircraft Corp. PJSC (New)

► Involvement With Entities Violating Human Rights

Russia

Wirecard AG (New)

► Fraud

Germany

Disengage due to involvement in controversial weapons

AFRICA / MIDDLE EAST

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

► Involvement in Cluster Munitions

Pakistan

Anhui GreatWall Military Industry Co., Ltd.

► Involvement in Cluster Munitions

China

Bharat Dynamics Limited

► Nuclear Weapons Development

India

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

Defense Research & Development Organization

► Inhumane Weapons

► Involvement in Cluster Munitions

India

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

MindTree Limited

► Nuclear Weapons Development

India

National Development Complex

► Involvement in Cluster Munitions

Pakistan

National Engineering & Scientific Commission

► Involvement in Cluster Munitions

► Nuclear Weapons Development

Pakistan

Nityanand Udyog Pvt Ltd.

► Involvement in Land Mines

India

Poongsan Corporation

► Involvement in Cluster Munitions

South Korea

Poongsan Holdings Corporation

► Involvement in Cluster Munitions

South Korea

SNT DYNAMICS Co., Ltd.

► Involvement in Land Mines

South Korea

SNT Holdings Co., Ltd.

► Involvement in Land Mines

South Korea

Synthetic Moulders Ltd.

► Involvement in Land Mines

India

TATA Advanced Systems Ltd.

► Nuclear Weapons Development

India

EUROPE	Tata Sons Private Limited.	
	► Nuclear Weapons Development	
	<i>*Associated companies: Tata Consultancy Services Ltd. and Tata Investment Corp. Ltd.</i>	India
	Walchandnagar Industries Ltd.	
	► Nuclear Weapons Development	India
	Aeroteh SA	
	► Involvement in Cluster Munitions	Romania
	Compania Nationala ROMARM SA	
	► Involvement in Cluster Munitions	Romania
	Rostec Corporation	
LATIN AMERICA AND CARIBBEAN	► Involvement in Cluster Munitions	Russia
	Splav State Research & Production Association Fsue	
	► Involvement in Cluster Munitions	Russia
	Tactical Missiles Corp. JSC	
	► Involvement in Cluster Munitions	Russia
	Avibras Industria Aeroespacial S/A.	
	► Involvement in Cluster Munitions	Brazil
	Mil-spec Industries Corp	
	► Involvement in Cluster Munitions	
	► Involvement in Land Mines	United States
UNITED STATES AND CANADA	The Day & Zimmermann Group, Inc.	
	► Involvement in Cluster Munitions	United States

Disengage due to state-owned enterprises complicit in human rights abuses

AFRICA / MIDDLE EAST	Saudi Arabian Oil Co.	
	► Operations in Territories with Elevated Human Rights Risks	
	<i>*Associated companies: Saudi Basic Industries Corp and S-Oil Corp.</i>	Saudi Arabia
LATIN AMERICA AND CARIBBEAN	Petróleos de Venezuela S.A.	
	► Operations in Territories with Elevated Human Rights Risks	Venezuela

Resolved

ASIA / PACIFIC

Commonwealth Bank of Australia (Australia, 2019)

In the past three years, CBA has not been complicit in any money laundering incidents. The company has strengthened its AML/CFT processes and implemented improvements in accordance with the prudential regulatory requirements. The company has implemented robust internal controls and risk management and there is sufficient and effective board oversight. Changes have been made to the board and executive management. Significant improvements have been made to risk controls, accountability and culture.

ISSUE

► Money Laundering

MILESTONES

5/5 Achieved

Olympus Corporation (United States, 2019)

Olympus has significantly reduced deaths and complications associated with contamination of its duodenoscopes over the past few years. Deaths in the last twelve months have been nil with 14 reported potential complications. The company has demonstrated concrete steps to remedy the quality and safety concerns associated with its duodenoscopes, via comprehensive training to health care professionals on how to properly sterilize duodenoscopes, developing and launching a new duodenoscope with a fixed end cap that effectively addresses contamination concerns, and demonstrating appropriate QMS, incident tracking and other internal policies and processes.

ISSUE

► Quality and Safety - Human Rights

MILESTONES

5/5 Achieved

EUROPE

ING Groep N.V. (Russia, 2019)

ING Groep successfully executed most of its Global KYC Enhancement programme, implementing strong risk management systems and internal controls that prevent financial crime and money laundering. We also consider the company to be a leader in developing corporate culture to become more ethical – it took the innovative step of creating a Behavioral Risk Management team that does groundbreaking work measuring culture and creating interventions to shape desirable behaviours.

ISSUE

► Money Laundering

MILESTONES

5/5 Achieved

Global Standards Engagement Overview

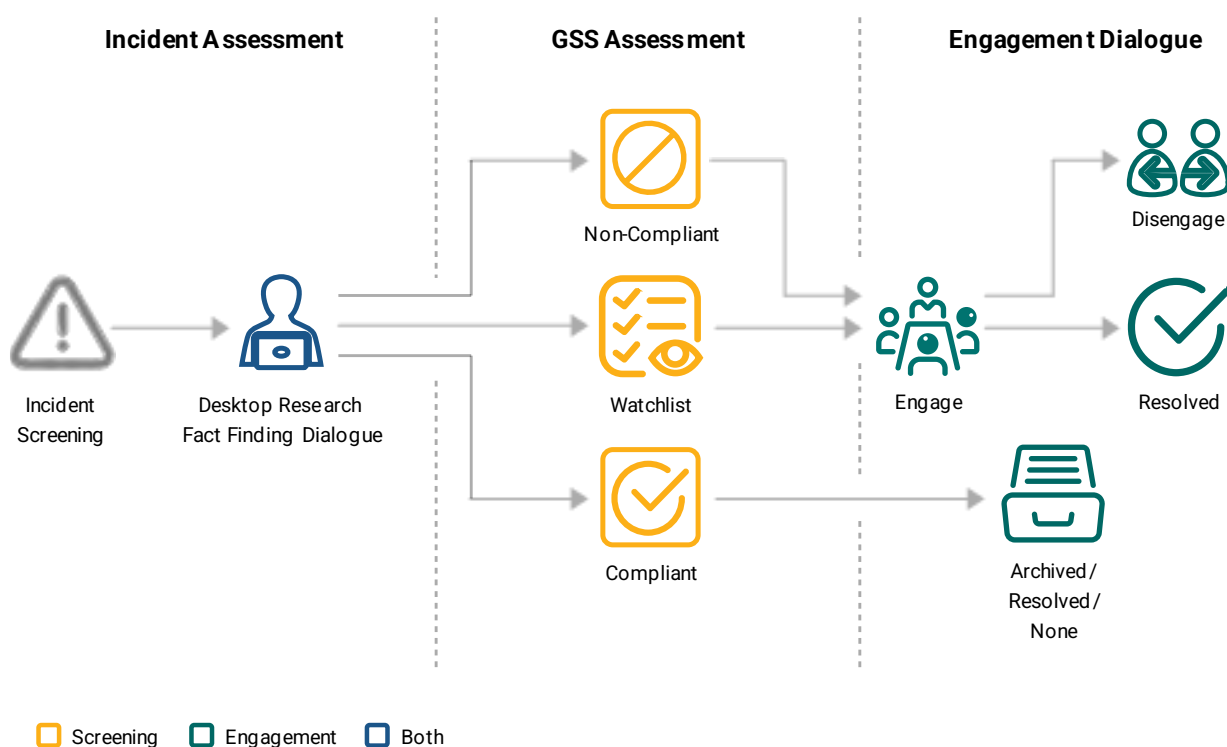
Global Standards Engagement (GSE) is an incident-driven engagement with focus on companies that severely and systematically violate international standards, such as the UN Global Compact Principles and the OECD Guidelines for Multinationals. The engagement is based on a thorough and continuous assessment 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 is 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.



Global Standards Engagement Status

Evaluate

- Cases with potential systematic incidents or an isolated incident that has severe consequences in relation to the environment or humans.
- Verification of the severity and company's responsibility takes between three-six months.
- The fact-finding dialogue and desktop research aims to assess companies' responses to the incident and preparedness to address the problem.

Engage

- Issue identified by Global Standards Screening (assessed as Watchlist or Non-Compliant) such as cases with systematic incidents or an isolated incident that has severe consequences in relation to the environment or society.
- Companies with clear gaps in their policies and management systems.
- Using a variety of engagement activities, the dialogue aims to effect change at the company, to be evidenced by it making a commitment and developing a strategy to address the identified shortcomings.

Associated

- This status flags to clients when the company or case is related to another company or case (for instance a non-autonomous subsidiary), where engagement will take place at the parent company and/or the company involved in the issue. We might engage with other companies in the corporate group if the engagement dialogue with the company closest to the incident is not willing to engage. This also means that some of the companies that are Watchlist/Non-Compliant will receive the engagement status "Associated".

Disengage

- Poor or no progress and/or poor or no response from the company within a period of two years after the start of engagement.
- Companies whose business models rely on activities where engagement would likely be not fruitful (such as involvement in controversial weapons or State-Owned Enterprises complicit in human rights abuses).
- Companies classified as non-engageable due to no or limited publicly traded securities or under significant distress

Resolved

- The change objective has successfully been met, and the engagement has been concluded.

Archived

- Engagement is currently not warranted, and the case will be continuously assessed for any future changes.

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 75.02 bn (01/31/2022). 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.

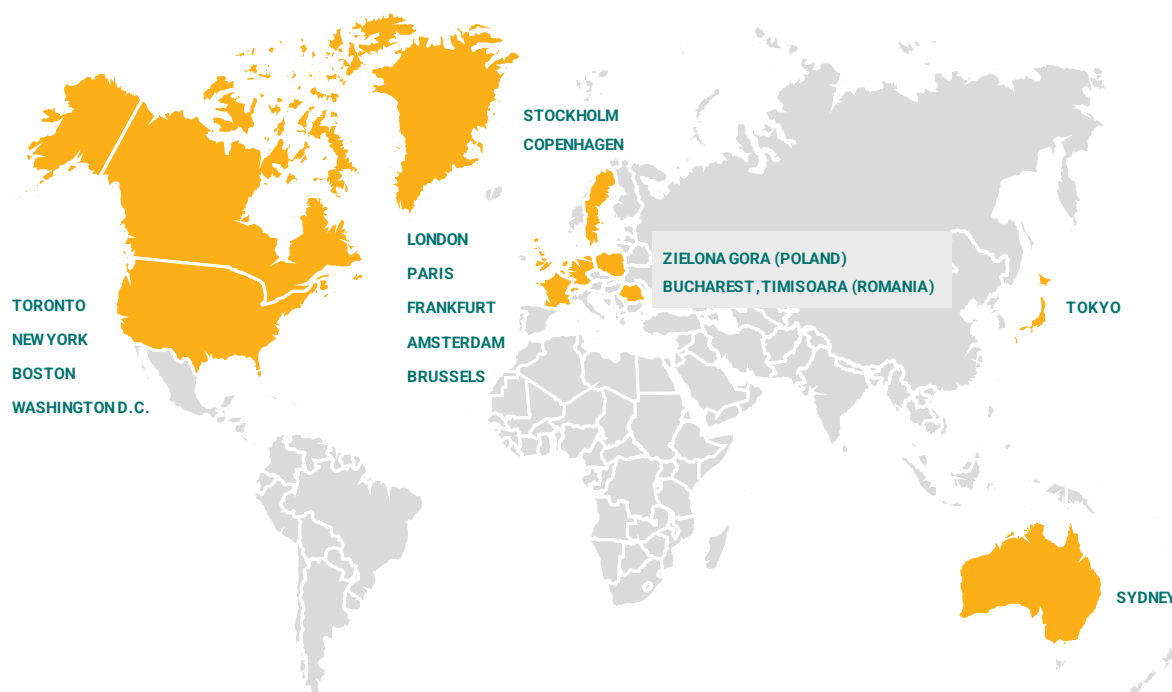
This way we combine the flexibility of a boutique manager with the size and clout of an international financial service provider.

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 nearly 30 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 17 offices globally, Sustainalytics has more than 1,200 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com.



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Quarterly Engagement Report

March – May 2022

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This report summarizes the shareholder engagement activities that Sustainalytics performed on behalf of Erste Asset Management during March to May 2022. 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
Senior Product Manager
ESG Products

On 24 February 2022, Russian troops invaded Ukraine from Russian and Belarusian territories. At the beginning of March, the United Nations General Assembly, in an Emergency Special Session under its 'Uniting for Peace' mechanism, adopted a resolution that severely condemned the Russian Federation's aggression against Ukraine as a violation of international law. Additionally, on 16 March, the UN's highest court, the International Court of Justice (ICJ), made an unprecedented verdict under the 1948 Convention on the Prevention and Punishment of the Crime of Genocide and ordered Russia to immediately suspend all of its military operations within Ukraine and its internationally recognized borders. The ICJ's verdict constitutes an exceptional ruling as it is the first judgement in the ongoing legal battle between Russia and Ukraine since Crimea's annexation.

Beyond the many casualties and other humanitarian tragedies, the conflict's direct impacts and the global response to it have resulted in severe repercussions for the global economy, as well as Russian and Belarusian issuers and investors. The magnitude of EU and US sanctions that have been imposed in the last few months is unprecedented in recent memory. There are no doubts that the war's economic, social, and environmental effects will be long lasting.

We have been monitoring the evolving situation for potential impacts on the assessments of companies in the Global Standards Screening and Global Standards Engagement coverage universe. This resulted in status changes for Russian and Belarusian controlled or state-owned enterprises (SOEs) in sectors identified as playing a central role in the conflict; we assigned Disengage status to a number of Russian and Belarusian entities.

In addition to this decision, during the last period, we initiated five new engage cases, concluded three engagements, as well as disengaged with three cases and companies due to lack of progress and poor or no response over a two-year period.

New engagement cases

- **Li Ning Co Ltd**, a Chinese sportswear and sports equipment company linked to forced labour of Uyghur people in the Xinjiang region of China through its supplier.
- **Medtronic PLC**, a medical device company, which develops and manufactures therapeutic medical devices for chronic diseases, involved in repeated quality and safety issues related to its medical devices.
- **Orpea SA**, one of Europe's largest long-term care home operators, accused of negligence related to the care of residents at its nursing homes in France.
- **Starbucks Corp.**, a US company operating as a roaster, marketer, and retailer of specialty coffee, allegedly interfered with its workers' right to organize or join unions at several of its stores in the US.
- **Tesla Inc**, a US company specialized in electric cars production, accused of repeated workplace racial discrimination and harassment at its Fremont plant in California (US).

Disengaged cases

- **63 Moons Technologies Ltd**, whose subsidiary, a spot commodity exchange based in India, has been accused of fraud which affected 13,000 investors (trading clients) and resulted in a loss of approximately USD 900 million. Sustainalytics has made numerous attempts to establish dialogue with the company since 2020, by email and telephone. We have also sent an investor letter to the company. However, despite our efforts, the company has remained unresponsive.
- **China Huarong Asset Management Co Ltd**, a Chinese asset manager also providing financial services, where the former chairman of, and executives from, five of its subsidiaries have been involved in bribery allegations. The company has displayed a persistent unwillingness over the last two years to enter into dialogue with Sustainalytics or investors.
- **CK Power Public Co. Ltd.**, the main shareholder and operator of the Xayaburi Hydropower Dam on the Mekong River in Laos. The dam is considered controversial due to its potentially severe negative environmental and social impacts. Sustainalytics and investors have made numerous attempts to establish dialogue with the company since

May 2020 by email and telephone but have not received substantive response to any of these communications.

A list of other cases with new 'Disengage' status can be found on pages 39-42.

Resolved engagements

- **Dow, Inc.**, formed in April 2019 after spinning off from DowDuPont (itself formed by the merger of Dow Chemical and DuPont in August 2017). The company was involved in several controversies related to the health impacts of its crop protection and other products, including the pesticide chlorpyrifos. The engagement dialogue was meaningful, and the company has significantly enhanced its product safety policies and procedures and has not experienced any new serious incidents related to the adverse health impacts of its products.
- **DuPont de Nemours, Inc.**, and its former parent company, involved in the systematic under-reporting of several long-term pollution incidents arising from their operational practices. The engagement was ongoing since 2018 and the company has considerably improved its internal 'responsible care management system'. The company also confirmed that all of its contamination liabilities fall under another company - The Chemours.
- **Volvo AB**, a Swedish commercial vehicle manufacturer, whose products have allegedly been involved in significant incidents relating to alleged human rights violations in Egypt, Myanmar and the Occupied Palestinian Territories. Since 2019, the company was open to our feedback and recommendations to align with the United Nations Guiding Principles on Business and Human Rights (UNGPs). As a result, it has demonstrated leadership in the industry by adopting a responsible sales policy framed by the UNGPs and embedded across the company.

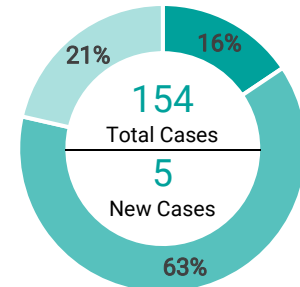
Quarterly Statistics March – May 2022

During March – May 2022, Sustainalytics has continued our dialogue to track specified engagement goals and to seek measurable results of business conduct changes in relation to 154 Engage and Resolved cases.

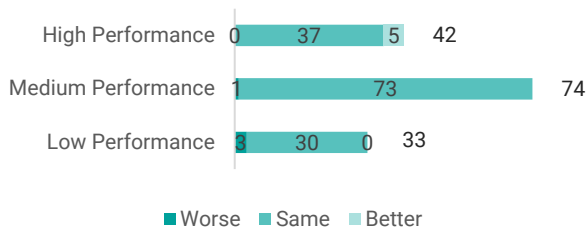


Cases by Theme

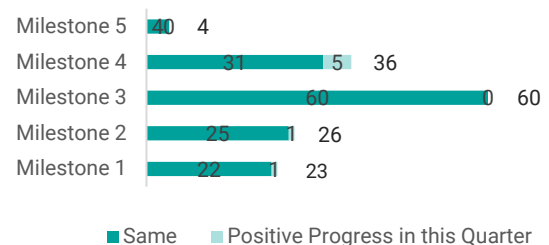
Environmental	24
Social	97
Governance	33



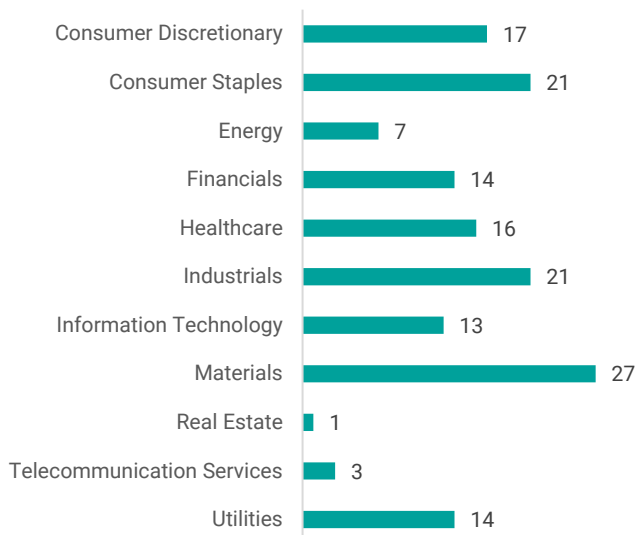
Engagement Performance Overview*



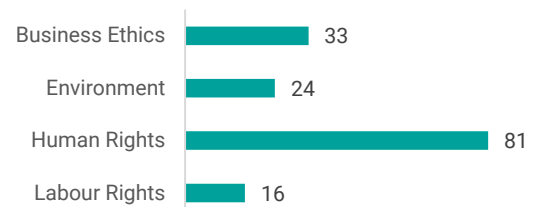
Milestone Overview*



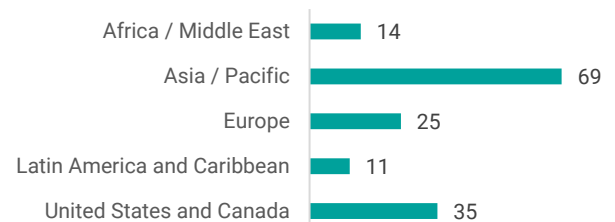
Cases by Sector



Cases by Norm



Cases by Headquarter

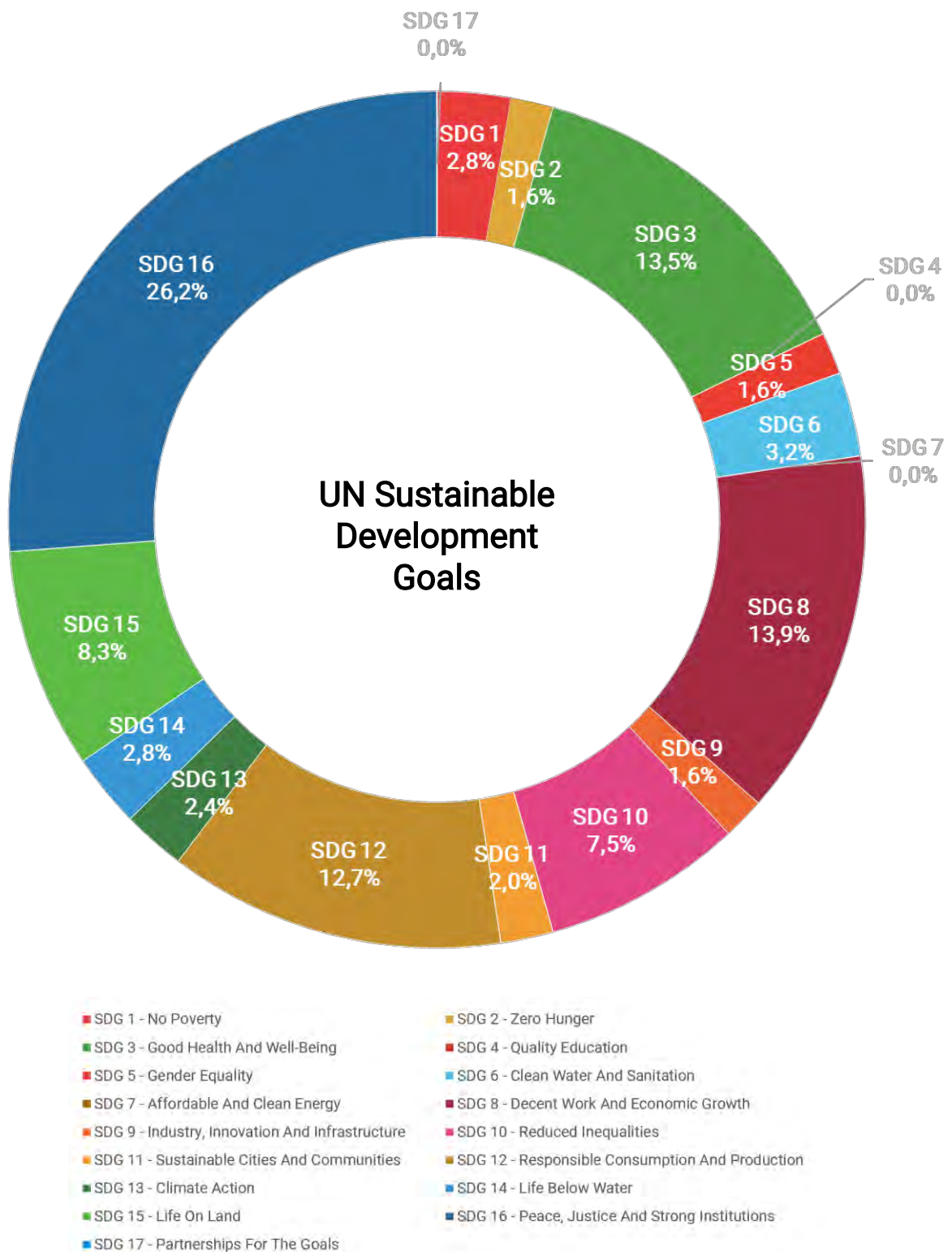


¹ Five new cases were opened at the end of Q2, 2022. Within the next quarter, their performance and milestone assessments will be available and included in the statistics.



UN Sustainable Development Goals Attribution

154 Engage and Resolved cases in this quarter can be attributed to the following SDGs. The count within the chart below might add up to more than these cases as a case can relate to more than one SDG. We map the Global Standards Engagement cases with relevant SDGs and our engagement dialogue aims to work toward achieving the sustainable outcomes.



Companies Mentioned in this Engagement Brief

● Engage
 ● Associated
 ● Disengage
 ● Resolved
 ● Archived

● 63 MOONS TECHNOLOGIES LTD	11
● CH. KARNCHANG PUBLIC COMPANY LIMITED	13
● CHINA HUARONG ASSET MANAGEMENT CO LTD	12
● CK POWER PUBLIC CO. LTD.	13
● DOW INC.	14
● DUPONT DE NEMOURS INC.	15
● LI NING CO LTD	8
● MEDTRONIC PLC	8
● ORPEA SA	9
● STARBUCKS CORP.	9
● TESLA INC	10
● THE CHEMOURS CO	15
● VOLVO AB	16

Engage Cases

Li Ning Co Ltd

Background

Chinese sportswear and sports equipment company LI NING CO LTD (Li Ning) has been linked to forced labour of Uyghur people in the Xinjiang region of China through its supplier, Xinjiang Jinfujie Clothing (Jinfujie). According to various news reports, from 2016 to 2018 the company recruited and trained around 6,000 'minority peoples' from different areas of Xinjiang. In 2018, 54% of its workforce consisted of ethnic minorities. The company has reportedly conducted ideological, language and military-style work training with these workers. Images online show Uyghur workers marching and singing under 'military-style' management, apparently separated from other workers. Jinfujie also reportedly stated in 2018 that it manufactured its products inside the Kashgar Education and Training Center, which the Australian Strategic Policy Institute and other sources have reported to be a re-education camp.

Engagement Objective and Activity

Li Ning should undertake due diligence activities and provide disclosure on relevant policies on labour rights. It should also improve its overall transparency and provide disclosure on its supply chain to ensure its suppliers commit to respecting labour rights. The company should also adopt a grievance mechanism that is accessible to all workers.

Next Step

Sustainalytics will request a conference call with Li Ning to discuss the working conditions of the Uyghur people and the changes we would like to see the company make.

STATUS

Engage

ISSUE(S)

► Forced Labour – Supply Chain

ENGAGEMENT MANAGER



Eliot Bianco
Manager
London

CONTRIBUTION TO SDGs



Medtronic PLC

*Associated companies: **Medtronic Inc.** and **Medicrea International SA**

Background

Between 2018 and 2021, MEDTRONIC PLC (Medtronic) issued 25 Class I recalls. According to the United States Food and Drug Administration's (FDA) communications, Medtronic's faulty devices across different product categories resulted in 21 deaths and over 2,000 injuries. The company has disclosed that one of its subsidiaries (Covidien), which supplies pelvic mesh products, is currently undergoing litigation involving an estimated 16,200 claimants. Since 2008, about 10,000 patient lawsuits have claimed that Medtronic marketed its Infuse product for off-label uses that contributed to patient injuries and, in some cases, death. In December 2017, Medtronic paid USD 12.5 million to settle a lawsuit. As of spring 2022, several law firms are investigating cases of faulty HeartWare pumps, indicating that litigation is pending in relation to these products. The product recalls and FDA involvement contradict what appears to be a strong product quality and safety programme, highlighting potential gaps in the company's management of its product quality and safety.

Engagement Objective and Activity

Engagement will focus on two main aspects: ensuring that the company takes appropriate actions to address the negative impacts of its products and developing a strong culture of adherence to quality and safety. Furthermore, the company will need to be more comprehensive with its disclosures of product-related data.

Next Step

To commence engagement with the company in order to seek greater clarity in regard to the existing culture of quality and safety. This engagement will seek to understand where the gaps are that led to the FDA recalls, and then map out responses to those gaps.

STATUS

Engage

ISSUE(S)

► Quality and Safety

ENGAGEMENT MANAGER



Joe Attwood
Associate Director
London

CONTRIBUTION TO SDGs



ORPEA SA

*Associated company: *Orpea Belgium SA*

Background

ORPEA SA (Orpea) is one of Europe's biggest long-term care home operators. In January 2022, an investigative journalist published a book that was based on his three-year investigation of the company. The book claims poor hygiene, rationing of food and misappropriation of public funds that should have been spent on resident care at Orpea's facilities across France. It also alleges understaffing and a high turnover rate among Orpea's staff. In February 2022, the Inspection Générale Interministérielle du Secteur Social and the Inspection Générale des Finances, state bodies responsible for investigations on social affairs and finances in France, respectively, opened a probe into the company's practices. Their report found 'significant dysfunctions in the organization of the group, to the detriment of the care of residents'. In April 2022, Orpea released the preliminary results of its own independent review, which also highlighted regular understaffing at the facilities and the mishandling of public funds. In the same month, the prosecutor's office in Nanterre (the Île-de-France region) announced that the investigation into Orpea had been opened.

Engagement Objective and Activity

Orpea should take steps to align its policies, governance, risk management framework and grievance mechanisms to international quality and safety standards. Additionally, Orpea should measure the effectiveness of its efforts via robust monitoring, reporting and communicating, and take steps to transform its corporate culture to avoid similar issues in the future.

Next Step

To start engaging with the company in order to understand its action plan to address potential and/or existing gaps related to quality and safety, business ethics and labour rights.

STATUS

Engage

ISSUE(S)

► Quality and Safety

ENGAGEMENT MANAGER



Justine Autour
Manager
Amsterdam

CONTRIBUTION TO SDGs



Starbucks Corp.

Background

Between March and May 2022, the National Labor Relations Board's offices in Buffalo, Phoenix and Memphis, US, issued complaints against STARBUCKS CORP. (Starbucks) for unfair labour practices and violations of the National Labor Relations Act. Since 2021, individual Starbucks stores in the US have seen increased union activity, leading to more than 50 US Starbucks cafes having elected to join a union. Workers and the union reported that Starbucks has used anti-union tactics at several US stores. According to the allegations, Starbucks has threatened to close unionized stores, laid off seven pro-union workers, tried to drive out pro-union workers by reducing their hours and surveilled workers. Moreover, the company has allegedly regularly sent anti-union text messages to workers, launched an anti-union website, forced workers to attend mandatory 'captive audience' meetings, and tried to pack bargaining units with newly hired employees, training them separately from pro-union workers.

Engagement Objective and Activity

Starbucks should ensure no anti-union practices take place within its operations. Alongside co-operating with investigations by authorities, the company should take appropriate steps to identify barriers to unionization and to introduce corrective actions. The company should ensure its policies and practices addressing freedom of association and labour rights are aligned with international standards and implemented throughout its operations. Relevant policies and reporting should be transparent.

Next Step

Sustainalytics will take steps to establish a dialogue with Starbucks. Through the engagement, Sustainalytics will work with the company to understand the steps it is taking to uphold expectations of free association, specifically, and labour rights, broadly.

STATUS

Engage

ISSUE(S)

► Freedom of Association

ENGAGEMENT MANAGER



Matthew Barg
Associate Director
Toronto

CONTRIBUTION TO SDGs



Tesla Inc

Background

Over the past few years, employees from TESLA INC (Tesla)'s Fremont, California plant in the US have accused the company of repeated workplace racial discrimination and harassment. Workers have reported discrimination in job assignments, discipline, pay and promotion. There are also individual lawsuits alleging female workers experienced sexual harassment. In August 2021, a former employee at the plant won a court ruling and received more than USD 1 million, after claiming that his supervisors had regularly referred to him using a racial slur. In October 2021, a jury ruled that Tesla must pay USD 137 million to a contractor who said he had suffered racist abuse while working at the plant in 2015 and 2016. In February 2022, following an investigation, the California Department of Fair Employment and Housing (DFEH) said it had received complaints from hundreds of workers and found evidence that Tesla's Fremont plant is a 'racially segregated workplace.' As a result, the agency filed a lawsuit against Tesla alleging systematic racial discrimination and harassment.

Engagement Objective and Activity

Tesla is expected to have the incidents investigated by an independent third party with which it should fully participate. Tesla should reinforce anti-discrimination policies by conducting related sensitization training to move towards a culture of gender equality, diversity and inclusion. The company should also enact a grievance mechanism and appoint senior-level anti-discrimination and human resource experts.

Next Step

Sustainalytics will request a conference call with Tesla to discuss the discrimination issues and the changes we would like to see the company make.

STATUS

Engage

ISSUE(S)

► Discrimination and Harassment

ENGAGEMENT MANAGER



Eliot Bianco
Manager
London

CONTRIBUTION TO SDGs



Disengage Cases

63 Moons Technologies Ltd

Background

National Spot Exchange Limited (NSEL), a subsidiary of 63 MOONS TECHNOLOGIES LTD (63 Moons), was a spot commodity exchange based in India. In July 2013, after some members of the exchange defaulted, it was revealed that most of the underlying commodities traded on the NSEL exchange did not exist. Approximately 13,000 investors (trading clients) operating in the spot commodity exchange were affected, and their losses were estimated at INR 56 billion (approximately USD 900 million). Several NSEL executives were arrested for alleged systematic and premeditated fraud. The Securities Exchange Board of India (SEBI) declared that 63 Moons was ineligible to hold any stake in market infrastructure institutions and, in December 2020, stated that it did not consider 63 Moons 'fit and proper' to provide 'straight through processing' software services to market intermediaries such as brokers, fund houses and custodians.

NSEL attempted to recover losses for investors by demanding that the companies that had defaulted pay back the funds. Media reporting in March 2022 indicated that approximately 14% of the total stolen funds were reimbursed after eight years.

Engagement Objective

63 Moons was expected to cease ownership of any market infrastructure. It was also expected to implement robust countermeasures to guard against financial crime and strengthen its internal controls and, furthermore, to reimburse or otherwise remediate impacts to affected investors.

Engagement Activities

Sustainalytics and investors have made numerous attempts to establish a dialogue with the company since 2019, by email and telephone. A collaborative investor letter, which was signed by one institution and addressed to the Managing Director and Chief Executive Officer, was co-ordinated in December 2021. However, we have received no response to any of these communications. The company adopted a code of conduct, in compliance with the SEBI principles of corporate governance. However, there is no clear evidence that the company has improved its compliance framework, such as adopting an anti-corruption or anti-money laundering policy, or that it provides relevant training in those areas. In its 2021 annual report, 63 Moons noted that civil claims had been filed against it in relation to defaults that occurred on the NSEL platform. 63 Moons stated that it 'has denied all the claims and contentions' related to the civil suits.

Outcome

63 Moons has displayed a persistent unwillingness over the past two years to enter into a dialogue or indeed respond to communications from Sustainalytics or investors. We have therefore decided to curtail our efforts to engage with the company on this issue and assign the 'Disengage' status to the case.

STATUS

Disengage

ISSUE(S)

► Fraud

ENGAGEMENT MANAGER



Matthew Barg
Associate Director
Toronto

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	18	Number of Contacts
	0	Conference Calls
	4	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Nov 2020
	Investor Letter	Dec 2021
	Case Disengaged	May 2022

China Huarong Asset Management Co Ltd

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

Background

The former chairman of CHINA HUARONG ASSET MANAGEMENT CO LTD (Huarong) and executives from five of its subsidiaries have been involved in bribery allegations. In April 2018, China's Central Commission for Discipline Inspection (CCDI) started investigating Lai Xiaomin, then-chairman of Huarong, for alleged disciplinary and legal violations. In February 2019, the Supreme People's Procuratorate charged him with bribery and other forms of corruption. He reportedly engaged in bribery, which amounted to CNY 1.79 billion (around USD 279 million) between 2008 and 2018. In August 2020, the media reported that the ex-chairman had pleaded guilty to the charges and in January 2021, he received a death sentence for corruption. Separately, according to media reports in January 2021, a CCDI report said that almost 100 Huarong officials had been investigated in relation to the case and more than 50 officials had been removed. The allegations resulted in reputational damage to the company and likely caused financial damage, as the company's shares roughly halved between April 2018 and May 2019. Also, according to the court, Lai endangered China's financial security and stability.

Engagement Objective

Huarong was expected to ensure that it had anti-corruption policies and procedures in place and that those management practices were fully integrated into its businesses and its subsidiaries. The company was also expected to disclose the respective policies publicly and provide details on their implementation.

Engagement Activities

Sustainalytics and investors have made numerous attempts to establish a dialogue with the company since 2019, by email and telephone, including in Mandarin. A collaborative investor letter, which was signed by five institutions and addressed to the Chairman and Executive Director of the Board of Directors, was co-ordinated in December 2021. However, we have received no substantive response to any of these communications.

Outcome

Huarong has displayed a persistent unwillingness over the last two years to enter into a dialogue or indeed respond to communications from Sustainalytics or investors. We have therefore decided to curtail our efforts to engage with the company on this issue and change the status of the case to 'Disengage'.

STATUS

Disengage

ISSUE(S)

► Bribery and Corruption

ENGAGEMENT MANAGER



Matthew Barg
Associate Director
Toronto

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	30	Number of Contacts
	0	Conference Calls
	17	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	Nov 2018
	Milestone 1	Nov 2018
	Investor Letter	Dec 2021
	Case Disengaged	May 2022

CK Power Public Co. Ltd.

Background

CK POWER PUBLIC CO. LTD. (CK Power) is the main shareholder and the operator of the Xayaburi Hydropower Dam on the Mekong river in Laos. The company is 27% owned by CH. KARNCHANG PUBLIC COMPANY LIMITED (CH Karnchang), the dam's construction contractor, from which Sustainalytics disengaged in April 2015. The project has faced strong opposition from local communities and neighbouring governments due to its potentially negative environmental and social impacts, including the destruction of fish habitats and the blocking of sediment flows necessary for downstream agriculture. The project required the resettlement of around 3,000 people and is expected to have a direct effect on the lives of over 200,000 people who live in nearby areas. Construction activities began in 2012 and the dam has been operational since October 2019, even though experts had criticized the impact assessments for not considering transboundary concerns. In fact, a study even recommended deferring all Mekong hydropower projects for 10 years. The Cambodian and Vietnamese governments did not reach an agreement on the project, as per the 1995 Mekong Agreement (an agreement on co-operation for the sustainable development of the Mekong river between Cambodia, Laos, Thailand and Vietnam), and continued to voice concerns at the time of the official ground-breaking in November 2012. In 2015, over 4,000 residents signed a statement protesting the construction; however, in December of that year, a Thai court rejected a lawsuit from villagers who argued that the project would cause significant environmental damage. In 2015, the dam's engineering design was altered in order to incorporate sediment discharge and fish ladder features that could potentially mitigate some of the negative impacts on the functioning of the river's ecosystem.

Engagement Objective

CK Power had to demonstrate it had processes in place to adequately assess and monitor the impacts that the Xayaburi dam has on Mekong communities and biodiversity. The company needed to co-operate with relevant international stakeholders and independent experts on appropriate mitigation plans to address the adverse impacts of the project where possible and remediate the human rights impacts that were identified.

Engagement Activities

Sustainalytics and investors have made numerous attempts to establish a dialogue with the company since May 2020, by email and telephone. A collaborative investor letter, which was signed by two institutions and addressed to the Chairman and Executive Director of the Board of Directors, was co-ordinated in December 2021. Despite following up on this letter, we have received no substantive response to any of these communications. The last engagement activity by Sustainalytics was a voting recommendation at the company.

Outcome

CK Power has displayed a persistent unwillingness over two years to enter into dialogue or indeed respond to communications from Sustainalytics or investors. Therefore, we have decided to curtail our efforts to engage with the company on this issue and change the status of the case to 'Disengage'.

STATUS

Disengage

ISSUE(S)

► Controversial Project(s) - Environmental and Human Rights Impacts

ENGAGEMENT MANAGER



Nigel Rossouw
Associate Director
Amsterdam

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	12	Number of Contacts
	0	Conference Calls
	2	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Nov 2019
	Investor Letter	Nov 2020
	Investor Letter	Sep 2021
	Case Disengaged	Feb 2022

Resolved Cases

Dow, Inc.

*Associated company: *Union Carbide Corp.*

Background

DOW INC. (Dow) was formed in April 2019 after spinning off from the then-DowDuPont (itself formed by the merger of Dow Chemical and DuPont in August 2017). The company was involved in several controversies related to the health impacts of its crop protection and other products, including the pesticide chlorpyrifos. The chemical is classed as a potential carcinogen and has been subject to a number of class actions as a result of its presence (at significant levels) in drinking water at a number of locations in the US.

Engagement Objective

The overall objective of the engagement was to understand from the company how it addressed the environmental and health legacies associated with the long-term production, marketing and associated use of its chlorpyrifos chemical. Furthermore, the engagement was to focus on an understanding of what changes it had introduced to its research and development protocols to mitigate the potential impacts of future products.

Engagement Activities

Sustainalytics has been in dialogue with Dow since it was formed in 2019, as a consequence of the de-merger of the DowDuPont chemical company. The engagement was led by the investor relations team with input from a number of senior-level technical staff members. The company was responsive to providing a level of detail in the meetings that was constructive and meaningful.

Outcome

Chlorpyrifos is no longer produced nor purchased by Dow, resulting in a complete removal of the risks associated with its production and usage, as well as potential impacts arising from the disposal of waste products associated with its production. Waste effluents are monitored and the concentration at which chemicals are discharged from their production processes are lower than those approved by the regulator. Dow has also committed to producing chemicals that are 'sustainable for people and our planet', meaning that it is focusing on the production of benign chemicals, which although still posing a risk, indicates a move towards a greater degree of awareness and responsibility for managing hazardous chemicals.

The company employs strong product stewardship. Decision making for the release of new chemicals involves a number of company 'gatekeepers', with sustainability being one of the key measures. The company monitors exposure of its products to end users and trains suppliers in safe usage. Restrictions are imposed on the use of more hazardous chemicals to members of the public through prevention of sale.

STATUS

Resolved

ISSUE(S)

► Quality and Safety - Human Rights

ENGAGEMENT MANAGER



Joe Attwood
Associate Director
London

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	78	Number of Contacts
	5	Conference Calls
	16	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	Aug 2018
	Milestone 1	Aug 2018
	Milestone 2	Nov 2018
	Conference Call	Mar 2019
	Conference Call	May 2019
	Milestone 3	May 2019
	Conference Call	Dec 2019
	Conference Call	Nov 2020
	Milestone 4	May 2021
	Conference Call	Dec 2021
	Milestone 5	Mar 2022
	Case Resolved	May 2022

DuPont de Nemours, Inc.

Background

According to US authorities and media reports, THE CHEMOURS CO (Chemours) and its former parent company, E.I. du Pont de Nemours, now known as DU PONT DU NEMOURS INC. (DuPont), have been involved in the systematic under-reporting of several long-term pollution incidents arising from their operational practices, which might have adversely affected the health of local residents. In April 2018, a legal complaint against Chemours and DuPont was filed, stating that the companies were responsible for unlawful releases of chemical products, intermediaries and by-products from their manufacturing processes into the environment, resulting in the contamination of groundwater and surface waters. DuPont and Chemours agreed to pay about USD 330 million each to settle over 3,500 personal injury claims arising from a leak of perfluorooctanoic acid (PFOA a.k.a. C-8) from a plant in West Virginia, US. Similar pollution issues were reported at the Chamber Works factory in southern New Jersey, US and overseas in the Netherlands, where three local authorities are seeking compensation from Chemours and DowDuPont over pollution of soil and water sources with PFOA.

Engagement Objective

The overall objective of the engagement was to understand from the company how it addressed the legacy environmental and health issues arising from contamination at a number of its sites. Additionally, the objective aimed to learn what measures the company was taking to ensure responsible stewardship of the chemicals in production.

Engagement Activities

Sustainalytics has been in dialogue with DuPont since 2018, the original engagement being with DowDuPont, which became DuPont De Nemours (DuPont) following the de-merger. A number of conference calls were attended by representatives of the company and whilst being facilitated by investor relations, the meetings were chaired by its legal counsel, with a number of technical managers in support.

Outcome

The company confirmed that Chemours is responsible for all legacy contamination liabilities. Furthermore, the company does not produce PFAS, the main family of chemicals of concern. The company disclosed a strong internal 'responsible care management system' that is externally audited. It has also adopted an internal risk screening process to evaluate and screen out products that are considered to have an unacceptable impact on the environment and human health.

STATUS

Resolved

ISSUE(S)

► Activities Resulting in Adverse Environmental and Human Rights Impacts

ENGAGEMENT MANAGER



Joe Attwood
Associate Director
London

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	83	Number of Contacts
	5	Conference Calls
	7	Correspondence
	1	Meetings in Person

CASE TIMELINE

	Engagement Since	Dec 2017
	Milestone 1	Dec 2017
	Milestone 2	Aug 2018
	Conference Call	Mar 2019
	Milestone 3	Mar 2019
	Conference Call	May 2019
	Conference Call	Dec 2019
	Meeting in Person	Aug 2020
	Conference Call	Apr 2021
	Milestone 4	May 2021
	Conference Call	Dec 2021
	Milestone 5	Feb 2022
	Case Resolved	May 2022

Volvo AB

Background

VOLVO AB (Volvo)'s products have allegedly been involved in significant incidents related to alleged human rights violations in Egypt, Myanmar and the Occupied Palestinian Territories (OPT). In Egypt, an Amnesty International report in September 2018 revealed that armoured vehicles, made by Arquus, a wholly owned subsidiary of Volvo, were used by Egyptian security forces to suppress political opposition between 2012 and 2015, leading to civilian deaths and injuries. In Myanmar, reports by Swedwatch between 2018 and 2020 revealed that Volvo's products have been used on a large scale in jade mines. As for the OPT, in January 2017, the NGO Danwatch revealed that Volvo delivered products and services to the Israeli military, including products for use in the demolition of houses and the construction of checkpoints and settlements.

Engagement Objective

The engagement objective was to ensure that Volvo used its leverage with importers and distributors in high-risk locations to reduce the risk of its products being implicated in human rights violations. It was expected to establish clear criteria to identify high-risk countries and collaborate with local business partners to conduct human rights due diligence.

Engagement Activities

Sustainalytics has been in dialogue with Volvo since 2019. Conference calls were chaired by the sustainability team and attended by other representatives of the company, including a number of technical managers. The company has been open to feedback and recommendations to align, as closely as it currently has the capacity to, with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

Outcome

Volvo has shown continuous improvement and has demonstrated leadership in the industry by adopting a responsible sales policy framed by the UNGPs and embedded across the company. This has prompted the escalation of over 170 deals for human rights assessment and risk mitigation activities in the last 12 months and increased collaboration and engagement with business partners, particularly in areas identified as higher risk.

In Myanmar, Volvo engaged a reputable external organization to assess human rights risks in the country. Since 2020, Volvo's dealer in Myanmar no longer sells to the jade mine sector and, following the country's military coup, and together with the local dealer, the company has intensified due diligence of sales deals, focusing on the end-user and intended end-use.

In all jurisdictions, Volvo performs human rights due diligence that considers country risk levels (assessed by a third party), inherent risks in sales and customer segments, end-users, intended end-use of Volvo products and concerns brought to its attention by internal and external stakeholders. Findings are assessed, described and escalated to relevant internal teams for action, which typically would include engagement with customers to assist them in mitigating identified risks, and with other third parties as relevant. Volvo is also drafting a company-level Business Partners Code of Conduct and some of the internal business areas are already putting in place policies and contract clauses to frame their engagement and relations with business partners within the UNGPs.

STATUS

Resolved

ISSUE(S)

► Involvement With Entities Violating Human Rights

ENGAGEMENT MANAGER



Justine Autour
Manager
Amsterdam

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS



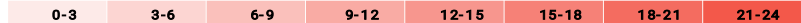

	91	Number of Contacts
	4	Conference Calls
	18	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Jul 2019
	Conference Call	Sep 2019
	Milestone 2	Sep 2019
	Milestone 3	Apr 2020
	Conference Call	Sep 2020
	Conference Call	May 2021
	Milestone 4	Jul 2021
	Conference Call	Mar 2022
	Milestone 5	Apr 2022
	Case Resolved	May 2022

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> 

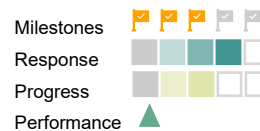
Engage

AFRICA / MIDDLE EAST

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

► Bribery and Corruption

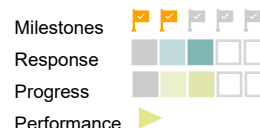
Change Objective: Bezeq should implement and demonstrate an appropriate anti-corruption programme and internal control mechanisms. It should further ensure that its media ethics guidelines are sufficient to guard against similar subjective influence and cooperate with the authorities on the ongoing investigations.



El Sewedy Electric Co (Tanzania, 2020)

► Controversial Project(s) - 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 Pollutant Emissions

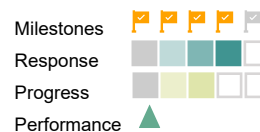
Change Objective: Eskom should make sure that more extensive maintenance programme is introduced to its plants and the implementation of environmental offset programmes in the communities is confirmed. It should prioritize the plants which will remain operational for a longer time and be able to prove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



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

► Occupational Health and Safety

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)

► Involvement with Entities Violating Human Rights

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.

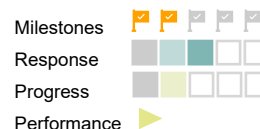


*Associated companies: **MTN Nigeria Communications Ltd. and Scancom Plc**

OCP S.A. (Western Sahara, 2016)

► Involvement with Entities Violating Human Rights

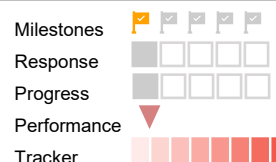
Change Objective: OCP should demonstrate how its activities in Western Sahara will continue in line with international law as well as the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International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



Orascom Investment Holding SAE (North Korea, 2020)

► Involvement with Entities Violating Human Rights

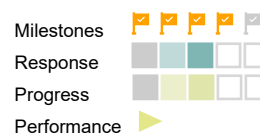
Change Objective: OIH should implement and disclose human rights policies and due diligence to improve its business policies and practices in line with internationally accepted standards. Regular human rights impact assessments of its operations in sensitive jurisdictions. The company should provide 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)

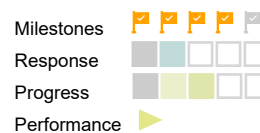
► Occupational Health and Safety

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.

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

► Accounting and Taxation

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 companies: **Pepkor Holdings Ltd.** and **Mattress Firm, Inc.**

Teva Pharmaceutical Industries Limited (United States, 2019)

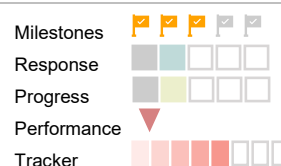
► Price-Fixing Violations

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)

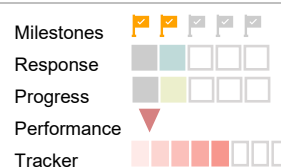
► Quality and Safety - Human Rights

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)

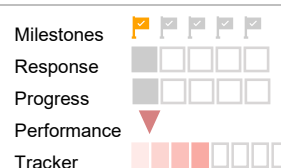
► Accounting and Taxation

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.

**Turkiye Halk Bankasi AS** (Turkey, 2021)

► Fraud

Change Objective: Halkbank should implement robust anti-financial-crime programs including companywide Anti-Money Laundering (AML), Know Your Customer (KYC) and business ethics training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML, KYC and business ethics related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.



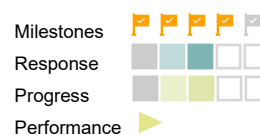
*Associated company: **Halk Gayrimenkul Yatırım Ortaklığı AS**

ASIA / PACIFIC

Adani Enterprises Limited (Australia, 2016)

► Controversial Project(s) - Environmental and Human Rights Impacts

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)

► Controversial Project(s) - Environmental and Human Rights Impacts

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.

*Associated company: **North Queensland Export Terminal Pty Ltd.****Adani Ports & Special Economic Zone Ltd** (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: APSEZ should ensure it undertakes human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEC does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.

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

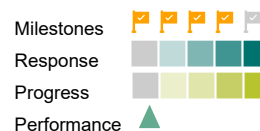
► Quality and Safety - Human Rights

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)

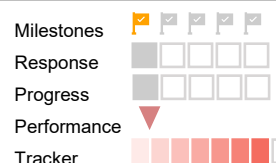
► Consumer Interests - Business Ethics

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.

*Associated company: **AMP Capital Investors Ltd.****Aviation Industry Corporation of China, Ltd.** (China, 2020)

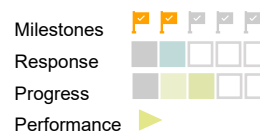
► Involvement with Entities Violating Human Rights

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.

**Baidu, Inc.** (China, 2021)

► Involvement with Entities Violating Human Rights

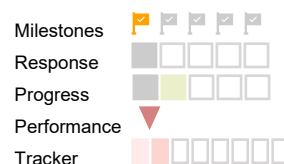
Change Objective: Baidu should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should show efforts to establish human rights due diligence practices, define policies relevant to digital rights, and report on external data requests and/or content moderation requirements.

*Associated company: **iQiyi, Inc.**

China Energy Engineering Corporation Ltd (China, 2019)

► Occupational Health and Safety

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 Gas Holdings Ltd** (China, 2021)

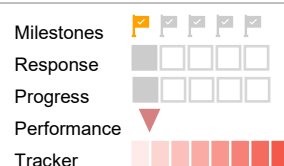
► Quality and Safety - Human Rights

Change Objective: China Gas should provide clarification of the remediation, and provide support in a timely manner for victims, besides the compensation promised. China Gas need to implement industry standard safety practices and quality controls across their infrastructure network, including regular inspections of the gas pipe system, and real-time monitoring of gas line pressure.

**China National Petroleum Corp.** (China, 2020)

► Involvement with Entities Violating Human Rights

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.



*Associated companies: **CNPC Global Capital Ltd.** and **PetroChina Co Ltd**

China Petroleum & Chemical Corp. (China, 2019)

► Involvement with Entities Violating Human Rights

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.

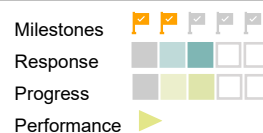


*Associated company: **Sinopec Kantons Holdings Ltd**

Crown Resorts Ltd (Australia, 2021)

► Money Laundering

Change Objective: Crown Resorts should implement robust anti-money laundering (AML) programs including companywide AML training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.

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

► Forced Labour

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.

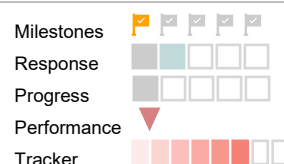


*Associated company: **MSM Malaysia Holdings Bhd**

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

► Labour Rights - Operations

Change Objective: Formosa Taffeta 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.



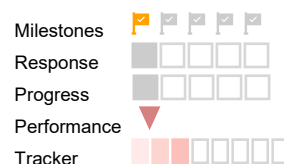
*Associated company: **Formosa Chemicals & Fibre Corp**

GCL-Poly Energy Holdings Ltd. (China, 2021)

► Forced Labour

Change Objective: GCL should put in place a robust labour 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. GCL should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

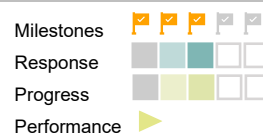
*Associated company: **GCL New Energy Holdings Ltd.**

**Golden Agri-Resources Ltd** (Indonesia, 2020)

► Land Use and Biodiversity

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 companies: **PT Sinar Mas Agro Resources & Technology Tbk** and **PT Sinar Mas Group**

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

► Involvement with Entities Violating Human Rights

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.

**Huafu Fashion Co., Ltd.** (China, 2022)

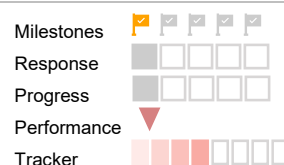
► Forced Labour

Change Objective: Huafu Fashion should undertake steps to respect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. Moreover, it should take steps to ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. The company should also disclose steps and processes it will enact to ensure commitments to respect labour rights are implemented.

**Imperial Pacific International Holdings Ltd.** (United States, 2021)

► Labour Rights

Change Objective: IPI should ensure its contractors respect workers' labour rights, in line with international norms. It should also ensure all compensation, including wages owed to workers, are paid on time and that it fully pays all monies owed to the US Department of Labor. Lastly, IPI should ensure that going forward, it has policies and processes in place to ensure that its contractors uphold workers' rights (including use of legally employed labour, payment of on-time, full legal wages and that living and working conditions are safe).

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

► Labour Rights - Operations

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.

*Associated companies: **PT Indofood Sukses Makmur Tbk**, **PT Perusahaan Perkebunan London Sumatra Indonesia Tbk**, **PT Salim Ivomas Pratama Tbk** and **First Pacific Company Limited**

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

► Incident(s) Resulting in Negative Human Rights Impacts

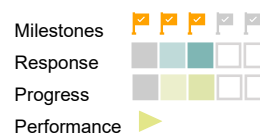
Change Objective: KEPCO's subsidiary should use its leverage to ensure that project-affected communities are adequately compensated and consulted, and make sure that a transparent process for grievance and compensation is established for the project. Once the project is running, it should ensure the continuance of the mitigation measures established for the communities. The company should commit to improving its preparedness to manage human rights-related risks in the future.



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

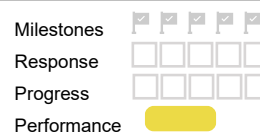
► Incident(s) Resulting in Negative Human Rights Impacts

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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

**Li Ning Co Ltd** (China, 2022)

► Forced Labour – Supply Chain

Change Objective: Li Ning should implement a robust due diligence programme to provide disclosure on relevant policies on labour rights. The company should implement transparency, audit and disclosure of supply chain to ensure suppliers commit to respect labour rights. It should also adopt a grievance mechanism accessible to all workers.

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

► Business Ethics

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.

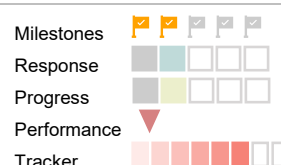


**Associated companies: Lotte Chemical Corp, Lotte Chilsung Beverage Co Ltd, Lotte Confectionery (New), Lotte Data Communication Co., Lotte Fine Chemical Co., Ltd., Lotte Food Co., Ltd., LOTTE Himart Co. Ltd., Lotte Non-Life Insurance Co., Ltd., Lotte Shopping Co., Ltd., and Lotte Chemical Pakistan Ltd.*

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

► Labour Rights

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)

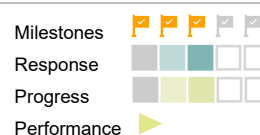
► Accounting and Taxation

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)

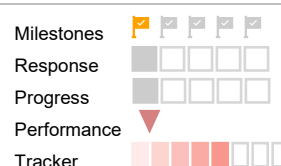
► Consumer Interests - Business Ethics

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.

**NLC India Ltd.** (India, 2021)

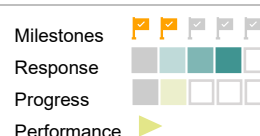
► Occupational Health and Safety

Change Objective: The company should investigate the accidents and should be transparent on the lessons learnt. NLC should identify and report progress on the actions to be undertaken to prevent recurrences. NLC India should ensure that compensation has been paid to the victims/victims' dependents. NLC should also ensure that all recommendations from the investigations are acted upon and improve disclosure of health and safety metrics and training programmes.

**NTPC Limited** (Bangladesh, 2017)

► Controversial Project(s) - Environmental and Human Rights Impacts

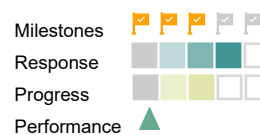
Change Objective: NTPC should work to mitigate its environmental and human rights impacts in alignment with international norms. It should commit to keeping its plants updated to current environmental standards with respect to efficient technologies and treatment of effluents and waste. It should also establish proper due diligence measures that fully take into consideration environmental and human rights concerns prior to developing new projects.



NTPC Limited (India, 2018)

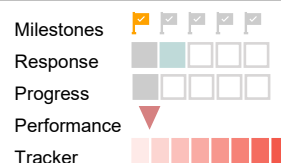
► Occupational Health and Safety

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)

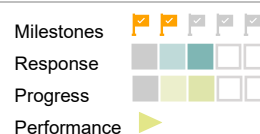
► Forced Labour

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)

► Involvement with Entities Violating Human Rights

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.

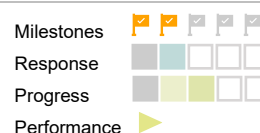


**Associated company: ONGC Videsh Ltd.*

Page Industries Ltd. (India, 2020)

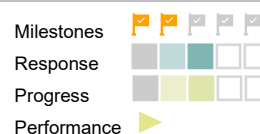
► Labour Rights

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.

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

► Involvement with Entities Violating Human Rights

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 companies: Petronas Global Sukuk Ltd. and PETRONAS Energy Canada Ltd.*

POSCO Coated & Color Steel Co., Ltd. (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: POSCO C&C should undertake the human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEHL does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.

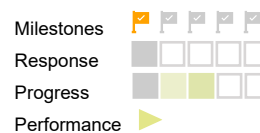


**Associated company: POSCO*

PT FKS Food Sejahtera Tbk (Indonesia, 2019)

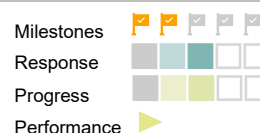
► Consumer Interests - Business Ethics

Change Objective: PT FKS Food Sejahtera Tbk 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.

**PT Indah Kiat Pulp & Paper Tbk** (Indonesia, 2021)

► Land Use and Biodiversity

Change Objective: PT Indah Kiat Pulp & Paper Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

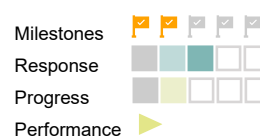


**Associated company: PT Sinar Mas Group*

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

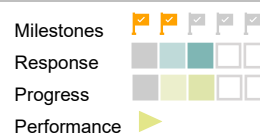
► Emissions, Effluents and Waste

Change Objective: PT Indonesia Asahan Aluminium (Inalum) should introduce a policy prohibiting riverine tailings disposal in future projects, where there is a viable and more environmentally sustainable alternative. Inalum 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 Pabrik Kertas Tjiwi Kimia Tbk (Indonesia, 2021)**

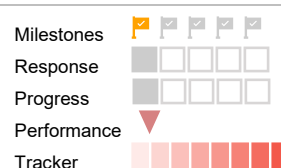
► Land Use and Biodiversity

Change Objective: PT Pabrik Kertas Tjiwi Kimia Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

*Associated company: **PT Sinar Mas Group****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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

*Associated company: **RH International (Singapore) Corp. Pte Ltd.****Rio Tinto Ltd. (Australia, 2020)**

► Community Relations - Indigenous Peoples

Change Objective: RioTinto should agree on a compensation package with the Puutu Kunt Kurrama and Pinikura (PKKP), the Traditional Owners of the destroyed rock-shelters. The company should ensure that it rebuilds community relations with the PKKP and has suitable community relations mechanisms across all its operations that inform communities of important findings in a timely manner. The company should ensure that its community relations teams are fully integrated into its operations to ensure that all operational decisions are made in conjunction with the community relations teams to prevent similar incidents in the future.

*Associated company: **Energy Resources of Australia Ltd.****Samling Global Limited (Malaysia, 2019)**

► Land Use and Biodiversity

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 Co., Ltd. (South Korea, 2020)**

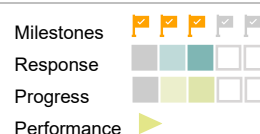
► Accounting and Taxation

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 Corp. (South Korea, 2020)**

► Accounting and Taxation

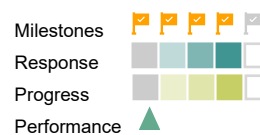
Change Objective: Samsung C&T should ensure that robust policies and internal controls addressing business ethics – and accounting fraud especially – are implemented effectively throughout the organization, including subsidiaries. It should strengthen its corporate governance and culture of integrity.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



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

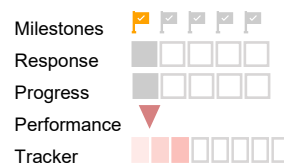
► Bribery and Corruption

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.

**Shezan International Ltd.** (Bangladesh, 2021)

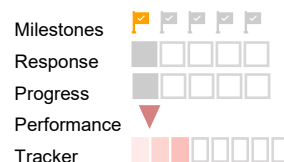
► Child Labour

Change Objective: Shezan should conduct risk assessments and audit its subsidiaries and supply chain to identify the use of child labour in manufacturing. Shezan should work with its suppliers to eradicate child labour from their supply chain.

**Shezan International Ltd.** (Bangladesh, 2021)

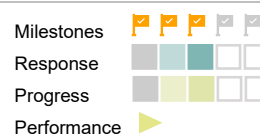
► Occupational Health and Safety

Change Objective: Shezan should ensure that it is transparent with the findings of the investigation and all recommendations should be acted upon. Shezan should identify and report progress on the actions to be undertaken to prevent recurrences. Shezan should improve disclosure of health and safety metrics and training programs. Shezan should ensure that compensation will be paid to the victims/victims' dependents.

**Sime Darby Plantation Sdn Bhd** (Malaysia, 2021)

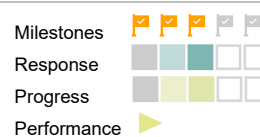
► Forced Labour

Change Objective: SDP is expected to undertake steps to protect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. The company should cooperate with investigations and take steps to ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. SDP should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

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

► Quality and Safety - Human Rights

Change Objective: SK Discovery Co. Ltd. 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 Inc. (Laos, 2019)

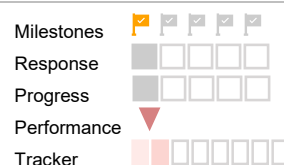
► Incident(s) Resulting in Negative Human Rights Impacts

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 commit to improving its preparedness to manage human rights-related risks in the future.

**Supermax Corp. Bhd.** (Malaysia, 2021)

► Forced Labour

Change Objective: Supermax should ensure it is not complicit in any forced labour. The company should identify and properly compensate the workers who were the victims of forced labour practices. The company should align its recruitment policy and implementation with international standards and ensure zero-cost process. Supermax shall show it has accurate processes to manage grievances and improve transparency in reporting on how it ensures compliance in this area.

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

► Business Ethics

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.

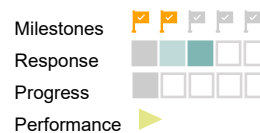


Tencent Holdings Ltd (China, 2021)

► Involvement with Entities Violating Human Rights

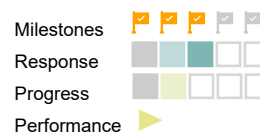
Change Objective: Tencent should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should demonstrate efforts to establish human rights due diligence practices, define policies relevant to digital rights, and to report on external data requests and content moderation requirements.

*Associated companies: **Tencent Music Entertainment Group** and **Sogou, Inc.**

**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. In addition, TEPCO should report on the security measures taken at all of its facilities following reports of inadequate security at its Kashiwazaki-Kariwa nuclear plant.

**Top Glove Corp Bhd** (Malaysia, 2021)

► Labour Rights - Operations

Change Objective: Top Glove should take steps to end any forced labour practices and to ensure appropriate health and safety protocols to protect workers from COVID-19 and other risks are in place, both in factories and dormitories. The company is also expected to ensure practices to mitigate forced labour, such as its Zero Recruitment Fee Policy, are implemented for its entire workforce and to act to proactively protect worker health. Top Glove should further show its policies and practices align with internationally accepted labour rights standards.



*Associated company: **Top Glove Labuan Ltd.**

Toshiba Corp. (Japan, 2020)

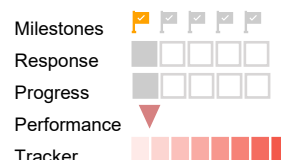
► Accounting and Taxation

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 Interests - Business Ethics

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.

**UPL Ltd** (South Africa, 2021)

► Emissions, Effluents and Waste

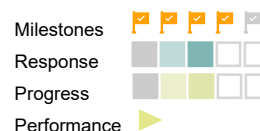
Change Objective: UPL Ltd should remediate contaminated land and water caused by its activities. It should review the adequacy of its existing hazardous chemical storage facilities across its operations to ensure an appropriate level of commitment to the safety of the workforce, local populations and the environment. The company should demonstrate that its policies and procedures for the management of hazardous chemicals are compliant with international best practice and national legislative requirements.

**Vedanta Limited** (India, 2019)

► Community Relations

Change Objective: Vedanta should analyze 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.

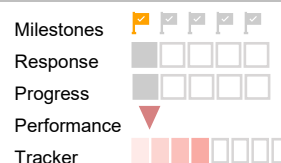
*Associated company: **Hindustan Zinc Limited**

**Weibo Corp** (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Weibo should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should demonstrate efforts to establish human rights due diligence practices, define policies relevant to digital rights, and to report on external data requests and content moderation requirements.

*Associated company: **SINA Corp.**

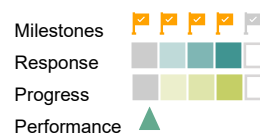


Westpac Banking Corporation (Australia, 2020)

► 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.

*Associated company: **Westpac New Zealand Ltd.**

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

► Community Relations - 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 companies: **Shree Renuka Sugars Ltd, Yihai Kerry Arawana Holdings Co., Ltd. and Benso Oil Palm Plantation Ltd**

**Wockhardt Limited** (India, 2019)

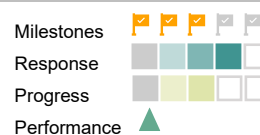
► Quality and Safety - Human Rights

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)

► Business Ethics

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)

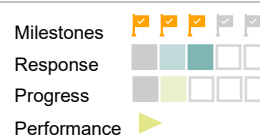
► Quality and Safety - Human Rights

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 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.

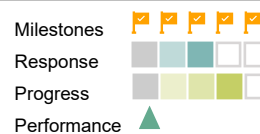


*Associated company: **Guyana Goldfields Inc**

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.



*Associated company: **Guyana Goldfields Inc**

ZTE Corporation (Iran, 2019)

► Involvement with Entities Violating Human Rights

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.



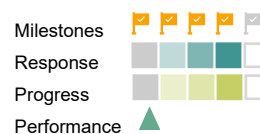
EUROPE

Barclays PLC (United Kingdom, 2019)

► Business Ethics

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.

*Associated Company: **Barclays Bank Plc**

**Bayer AG** (United States, 2018)

► Quality and Safety

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.

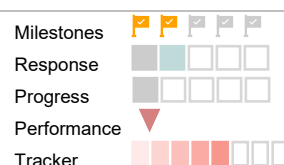
*Associated company: **Bayer CropScience Limited**

**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.

*Associated companies: **La Forestière Équatoriale SA, Compagnie de l'Odét SE and Compagnie du Cambodge**

**boohoo group Plc** (United Kingdom, 2020)

► Labour Rights - 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 unauthorized sub-contractors). In addition, the company should adopt an effective grievance mechanism accessible to supply chain workers.

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

► Business Ethics

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.

*Associated companies: **Credit Suisse AG (Guernsey) and Credit Suisse (Schweiz) AG**

**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 related to its AML program.

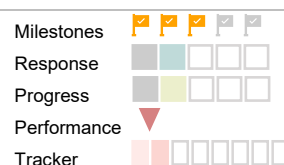
*Associated Company: **Danica Pension Livsforsikrings A/S**

**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.

*Associated Companies: **Deutsche Bank México SA, Institución de Banca Múltiple and Deutsche Bank SAE**

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

► Bribery and Corruption

Change Objective: EDP should commission an independent investigation into 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 - Energias do Brasil SA, EDP Renováveis, S.A. and Viesgo Infraestructuras Energéticas SL**

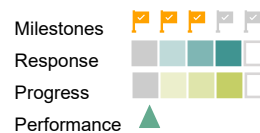


G4S PLC (Qatar, 2020)

► Forced Labour

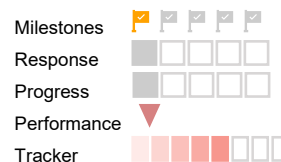
Change Objective: G4S should ensure it is not complicit in any forced labour. The company should assure its Supplier Code of Conduct and Migrant Worker Policy are implemented throughout its global operations, including subsidiaries. G4S shall show it has accurate processes to manage grievances and improve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

*Associated Companies: **Allied Universal Manager LLC** and **Allied Universal Holdco LLC**

**GCM Resources Plc** (Bangladesh, 2021)

► Controversial Project(s) - Human Rights Impacts

Change Objective: GCM Resources should ensure independent oversight of the resettlement process in compliance with international norms on human rights. It should align its processes with Voluntary Principles on Security and Human Rights to ensure non-lethal force at future protests. GCM should indicate the measures taken to minimize environmental impacts, ensure suitable monitoring of its mitigation measures with independently verified monitoring reports.

**Glencore PLC** (Bolivia, 2021)

► Child Labour

Change Objective: Glencore and its subsidiaries should cease purchasing ore from cooperatives which practice child labor. It should work with the authorities to assist in fulfilling the government's pledge to eradicate child labor by 2025; and should have programs to improve health and safety in the mines that extend to co-operatives.

*Associated company: **Polymet Mining Corp**

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

► Consumer Interests - Business Ethics

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.

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

► Quality and Safety - Human Rights

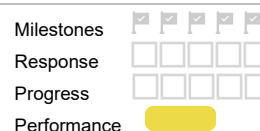
Change Objective: Mallinckrodt should ensure that there are robust governance, compliance, and risk management systems in place. These should address marketing practices, the disclosure of risks from its products, and ethical business practices such as, demonstrated enhancements to anti-diversion systems,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

**Medtronic PLC** (United States, 2022)

► Quality and Safety

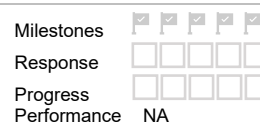
Change Objective: Medtronic should take appropriate actions to responsibly address the negative impacts of its products to compensate those affected and ensure no repeat of quality failures. The company should continue to improve quality and safety of its devices to achieve industry recognized good practice and improve the disclosure of all product-related data to ensure that relevant information is communicated to the public.

*Associated companies: **Medtronic Inc. (new)** and **Medicrea International SA (new)**

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

► Leaks, Spills and Pollution - Environmental and Human Rights Impacts

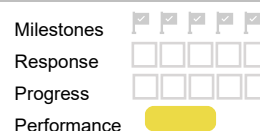
Change Objective: Not applicable. As a result of the situation in Ukraine, we have decided to pause our engagement with MMC Norilsk Nickel PJSC.

**Orpea SA** (France, 2022)

► Quality and Safety

Change Objective: Orpea should cooperate with authorities to aid investigations, resolve outstanding proceedings if necessary, and make meaningful public disclosures. The company should take steps to align its policies, governance, risk management framework and grievance mechanisms to international quality and safety standards. It should also measure effectiveness of its efforts via robust monitoring, reporting and communicating, and take steps to transform its corporate culture to avoid similar issues in the future.

*Associated company: **Orpea Belgium SA (new)**

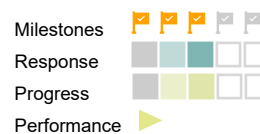


Sanofi (Philippines, 2020)

► Quality and Safety - Human Rights

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 companies: Sanofi India Ltd., Principia Biopharma, Inc., Kiadis Pharma N.V., Sanofi-Aventis Participations SAS, Translate Bio, Inc. and Kadmon Holdings Inc*

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

► Involvement with Entities Violating Human Rights

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.

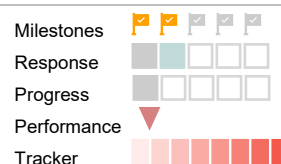
**Associated company: Siemens Energy AG*

**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 companies: Société de Caoutchoucs de Grand-Bereby, Socfinaf SA and Socfinasia S.A.*

**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.

**Associated company: Swedbank Hypotek AB*

**Syngenta AG** (Thailand, 2019)

► Quality and Safety

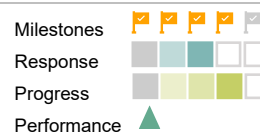
Change Objective: Syngenta should address the environmental and/or health impacts of its products. We are seeking Syngenta to fully disclose all research material on these chemicals and their impacts and to have a process of seeking independent product reviews before the market release of any new products.

**Associated companies: China National Chemical Corp. and Sinochem Group Co., Ltd.*

**Telefonaktiebolaget LM Ericsson** (Sweden, 2020)

► Bribery and Corruption

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.

**Teleperformance SA** (France, 2021)

► Freedom of Association

Change Objective: Teleperformance should ensure no anti-union practices or other labour rights violations are occurring and should provide any remediation of issues, as appropriate. It should demonstrate that across its operations its labour practices align with international standards, enable freedom of association, and that due diligence practices are sufficient to manage concerns.

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

► Community Relations

Change Objective: Vedanta should analyze 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.



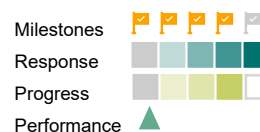
LATIN AMERICA AND CARRIBEAN

BRF S.A. (Brazil, 2019)

► Consumer Interests - Human Rights

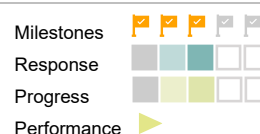
Change Objective: BRF should ensure that the failure to meet food safety standards due to a bribery scheme has been investigated thoroughly and that its food quality and safety policies and management systems are properly implemented, monitored and reported.

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

**Centrais Elétricas Brasileiras SA** (Brazil, 2020)

► Controversial Project(s) - 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.

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

► Controversial Project(s) - Environmental and 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)

► Freedom of Association

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.

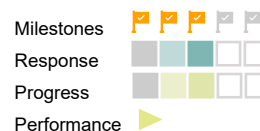


*Associated companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energia S de RI**

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

► Leaks, Spills and Pollution - 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.

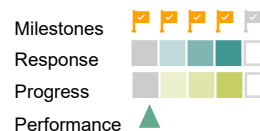


*Associated companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energia S de RI**

JBS S.A. (Brazil, 2017)

► Bribery and Corruption

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.

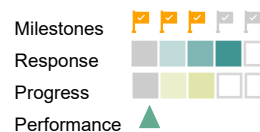


*Associated company: **Independencia International**

JBS S.A. (United States, 2020)

► Business Ethics

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.



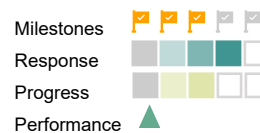
*Associated companies: **JBS USA Food Co**, **Pilgrim's Pride Corp.** and **Independencia International**

JBS S.A. (Brazil, 2021)

► Land Use and Biodiversity

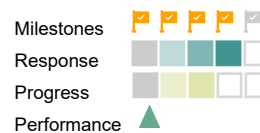
Change Objective: JBS should stop sourcing cattle, meat, and/or animal feed from suppliers that are either directly or indirectly involved in irresponsible deforestation practices. As such, JBS should develop and implement comprehensive measures to identify non-compliant suppliers. Furthermore, JBS should intensify collaboration with other relevant stakeholders to mitigate deforestation.

* Associated companies: *JBS USA Food Co and Independencia Internacional*

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

► Incident(s) Resulting in Negative Human Rights and Environmental 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 minimize likelihood of new spills. The company should also exert its influence on all stakeholders to counter oil theft activity and its related impacts.

**SLC Agricola SA** (Brazil, 2021)

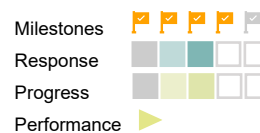
► Land Use and Biodiversity

Change Objective: SLC Agricola should investigate allegations thoroughly and retain an independent third party to verify whether it has illegally deforested land. SLC Agricola should put in place policies and programmes related to the environment and emphasize a commitment to stop deforestation.

**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.



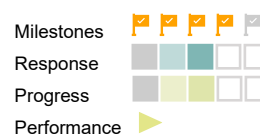
UNITED STATES AND CANADA

3M Co (United States, 2019)

► Activities Resulting in Adverse 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.

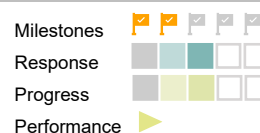
**Associated Company: 3M India Ltd.*

**Activision Blizzard, Inc.** (United States, 2021)

► Discrimination and Harassment

Change Objective: Activision Blizzard should cooperate with ongoing investigations and, if found guilty, compensate plaintiffs. Furthermore, the company should reinforce anti-discrimination policies by conducting related sensitization training, to move towards a culture of gender equality, diversity and inclusion. Moreover, the company should assure a robust grievance-mechanism is in place and appoint a senior level anti-discrimination expert to lead such activities with a strong mandate from the executive team and company board, and with sufficient resources. The company should disclose regularly on such efforts, along with external assurance.

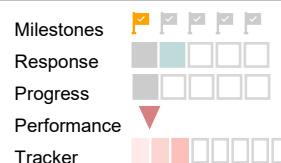
**Associated Company: King Digital Entertainment Plc*

**Amazon.com Inc** (United States, 2021)

► Freedom of Association

Change Objective: Amazon should ensure no anti-union practices take place within its operations. The company shall ensure union elections are performed in a fair and impartial manner. Amazon should demonstrate how its Global Human Rights Principles, addressing ILO standards and freedom of association, is implemented throughout its entire operations.

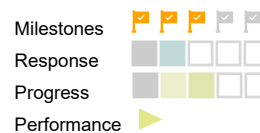
**Associated Company: Whole Foods Market, Inc.*

**Amazon.com Inc** (United States, 2020)

► Occupational Health and Safety

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.

**Associated Company: Whole Foods Market, Inc.*

**Bunge Ltd.** (Brazil, 2021)

► Land Use and Biodiversity

Change Objective: Bunge should stop sourcing soy from suppliers that are directly or indirectly involved in deforestation practices. Bunge should fully implement comprehensive measures to identify non-compliant suppliers, use best practice to achieve its commitments in relation to deforestation, and provide related public disclosure.

**Cargill, Inc.** (Brazil, 2020)

► Land Use and Biodiversity

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)

► Involvement with Entities Violating Human Rights

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 Financial Services Corp.*

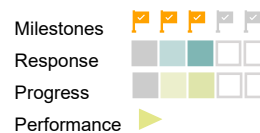


Citigroup, Inc. (United States, 2019)

► Business Ethics

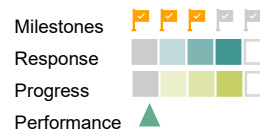
Change Objective: Citigroup should implement on-going systematic controls related to money laundering, financial crime risk management; implement strong oversight mechanisms to govern those systems and disclose these systems and changes whenever appropriate. The company should adopt a robust strategy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

*Associated companies: *Associates First Capital Corporation, Citigroup Global Markets Holdings Inc., Banco Nacional de México SA, and Citibank NA (New York)*

**CoreCivic Inc** (United States, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

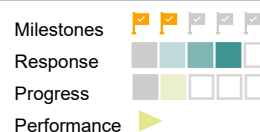
Change Objective: CoreCivic should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.

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

► Community Relations - Indigenous Peoples

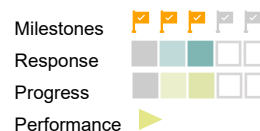
Change Objective: Energy Transfer LP should enter into a reconciliation dialogue with Standing Rock on the Dakota Access Pipeline. It should adopt a human rights policy and establish a due diligence process to align with international norms on indigenous peoples' rights across its operations, as well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

*Associated companies: *Penntex Midstream Partners LP, ETC Sunoco Holdings LLC and Enable Midstream Partners LP*

**FirstEnergy Corp.** (United States, 2021)

► Bribery and Corruption

Change Objective: FirstEnergy should cooperate with all related investigations and implement the recommendations from them. The company should ensure anti-bribery and corruption management system including anti-bribery training for staff are robust. The company should adopt a suitable grievance and whistleblower mechanism. The company should demonstrate transparency and integrity in its lobbying activities.

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

► Incident(s) Resulting in Negative Human Rights Impacts

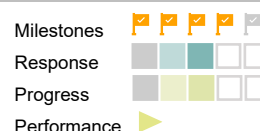
Change Objective: Geo Group should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.

**Johnson & Johnson** (United States, 2018)

► Quality and Safety - Human Rights

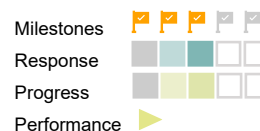
Change Objective: Johnson and Johnson should ensure that the lessons learned from the numerous product quality issues have been incorporated into its protocols and procedures, to minimize the risk of future litigation.

*Associated companies: *Actelion Ltd, Momenta Pharmaceuticals, Inc. and Hansen Medical, Inc.*

**Lockheed Martin Corp** (Saudi Arabia, 2020)

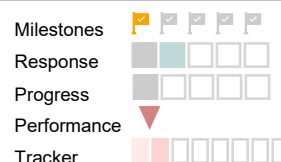
► Involvement with Entities Violating Human Rights

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.

**Mattel, Inc.** (United States, 2021)

► Quality and Safety - Human Rights

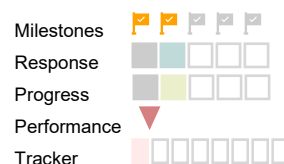
Change Objective: Mattel should undertake a complete review (and commission an independent validation of the appropriateness of any review) of all infant sleep / soothing products it has on the market, in production and in design process against the relevant safety standards for potential recall and compensate the affected families. To prevent reoccurrence, Mattel should have in place robust safety standards and processes, in line with the potential risks identified with the products it puts on the market.



McDonald's Corp (United States, 2015)

► Labour Rights

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 Interests - Human Rights

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**

Meta Platforms, Inc. (United States, 2018)

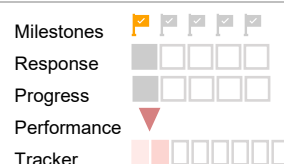
► Data Privacy and Security

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.

**Meta Platforms, Inc.** (United States, 2021)

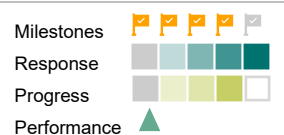
► Social Impact - Products

Change Objective: Meta should undertake human rights due diligence of its policies and business impact on users. The company should increase transparency of enforcement of content moderation policies and provide insight into their implementation by country. The company should demonstrate governance structures and competency to oversee implementation of human rights standards in the company's products and practices.

**Pan American Silver Corp.** (Guatemala, 2019)

► Community Relations - 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)

► Quality and Safety - Human Rights

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.** (Saudi Arabia, 2020)

► Involvement with Entities Violating Human Rights

Change Objective: 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.



*Associated companies: **Raytheon Co** and **Raytheon Missiles & Defense**

Southern Copper Corporation (Mexico, 2020)

► Freedom of Association

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.



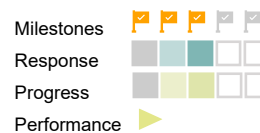
*Associated company: **Minera Mexico SA de CV**

Southern Copper Corporation (Mexico, 2020)

► Leaks, Spills and Pollution - Environmental and Human Rights Impacts

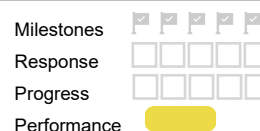
Change Objective: Southern Copper Corporation should consult with affected communities and authorities to address concerns over shortcomings in the remediation and compensation measures taken. The company should mitigate any remaining negative impacts of the spill and address shortcomings in compensation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

*Associated company: **Minera Mexico SA de CV**

**Starbucks Corp.** (United States, 2022)

► Freedom of Association

Change Objective: Starbucks should promote good labour relations and ensure no anti-union practices take place within its operations. The company should cooperate with investigations and take appropriate steps to identify any barriers to dialogue with its workforce and introduce corrective actions. Starbucks should ensure it respects its commitments to international standards are implemented throughout its operations. Relevant actions should be transparent.

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

► Quality and Safety - Human Rights

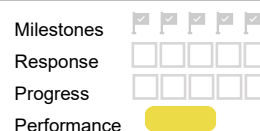
Change Objective: Stryker should take appropriate actions to responsibly address the negative impacts of its products. The company should continue to improve quality and safety of its devices and improve the disclosure of all product-related data to ensure that relevant information is communicated to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

*Associated companies: **Wright Medical Group N.V. and InVuity, Inc.**

**Tesla Inc** (United States, 2022)

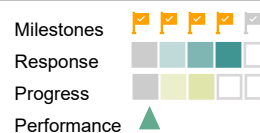
► Discrimination and Harassment

Change Objective: Tesla should have the reported incidents investigated by an independent third party and fully participate with the investigation. The company should reinforce anti-discrimination policies by conducting related sensitization training, to move towards a culture of gender equality, diversity and inclusion. The company should ensure a robust grievance-mechanism is in place and appoint senior level anti-discrimination and human resource experts to lead such activities with a strong mandate from the executive team and company board, and with sufficient resources. The company should disclose regularly on such efforts, along with external audit.

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

► Quality and Safety - Human Rights

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 Adverse Environmental and Human Rights Impacts

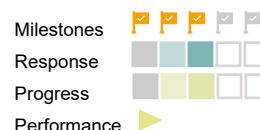
Change Objective: Chemours should ensure that it has a strategy in place for each legacy issue and to show that its current waste practices comply with international best practice, in order to prevent future liabilities arising from potential detrimental human health or environmental impacts. The company should also show that it is addressing PFAS contamination where it is applicable to its sites.

**Thermo Fisher Scientific Inc.** (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Thermo Fisher should improve its human rights due diligence and disclosure, especially in relation to its products/services and business relationships. The company should also demonstrate efforts to support internationally accepted human rights standards as well norms governing the collection, use and storage of human genetic data.

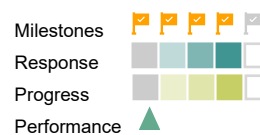
*Associated company: **PPD, Inc.**



Uber Technologies, Inc. (United States, 2019)

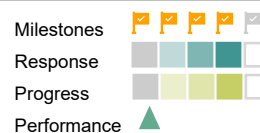
► Data Privacy and Security

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)

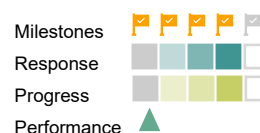
► Labour Rights

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)

► Business Ethics

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

Disengage due to low performance

AFRICA / MIDDLE EAST	Elbit Systems Ltd.	
	► Operations in Occupied Territories	
	<i>*Associated company: Ashot Ashkelon Industries Ltd.</i>	Palestinian Authority
ASIA / PACIFIC	63 Moons Technologies Ltd (New)	
	► Fraud	China
	AviChina Industry & Technology Company Limited	
	► Involvement With Entities Violating Human Rights	China
	China Huarong Asset Management Co Ltd (New)	
	► Bribery and Corruption	
	<i>*Associated companies: Huarong International Financial Holdings Ltd., Huarong Investment Stock Corp Ltd and Huarong Real Estate Co., Ltd.</i>	China
	China Northern Rare Earth (Group) High-Tech Co Ltd	
	► Activities Resulting in Adverse Environmental and Human Rights Impacts	China
	CH. Karnchang Public Company Limited	
	► Project(s) with Environmental and Human Rights Risks	Laos
	CK Power Public Co. Ltd. (New)	
	► Controversial Project(s) - Environmental and Human Rights Impacts	Laos
	Coal India Limited	
	► Recurring Workplace Accidents	India
	Export-Import Bank of India	
	► Project(s) With Environmental and Human Rights Risks	Bangladesh
	Inner Mongolia Baotou Steel Union Co. Ltd.	
	► Emissions, Effluents and Waste	China
LATIN AMERICA AND CARIBBEAN	Metallurgical Corporation of China Ltd.	
	► Environmental Impacts from Waste Practices	
	<i>*Associated companies: China Metallurgical Group Corp and China Minmetals Group Co. Ltd.</i>	Papua New Guinea
	Steel Authority of India Limited	
	► Fatal Workplace Accident(s)	India
	Petróleos de Venezuela S.A.	
	► Corrupt Practices	
	► Oil Spill(s)	
	► Recurring Workplace Accidents	Venezuela
UNITED STATES AND CANADA	Motorola Solutions, Inc.	
	► Operations in Occupied Territories	Palestinian Authorities

Disengage due to no publicly traded securities or significant distress

AFRICA / MIDDLE EAST	Mumias Sugar Company Limited	
	► Accounting and Taxation	Kenya
ASIA / PACIFIC	Uchumi Supermarkets Limited (New)	
	► Fraud	Kenya
	1MDB Global Investments Ltd.	
	► Business Ethics	Malaysia
	China North Industries Corp.	
	► Involvement With Entities Violating Human Rights	China
	Chongqing Energy Investment Group Co., Ltd.	
	► Occupational Health and Safety	China
	Cox & Kings (India) Ltd.	
	► Fraud	India
	Hanergy Mobile Energy Holding Group Co., Ltd.	
	► Accounting and Taxation	China
	Kangde Xin Composite Material Group Co., Ltd.	
	► Accounting and Taxation	China

EUROPE	Kangmei Pharmaceutical Co Ltd	
	► Accounting and Taxation	China
	NMC Health PLC	
	► Accounting and Taxation *Associated company: <i>NMC Health (Jersey) Ltd.</i>	United Kingdom
	Wirecard AG	
	► Fraud	Germany

Disengage due to involvement in controversial weapons

AFRICA / MIDDLE EAST	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	
	► Involvement in Cluster Munitions	Pakistan
	Anhui GreatWall Military Industry Co., Ltd.	
	► Involvement in Cluster Munitions	China
	Bharat Dynamics Limited	
	► Nuclear Weapons Development	India
	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
	Defense Research & Development Organization	
	► Inhumane Weapons ► Involvement in Cluster Munitions	India
	Larsen & Toubro Limited	
	► Nuclear Weapons Development	
	*Associated companies: <i>L&T Finance Holdings Ltd, L&T Technology Services Ltd.</i> and <i>Larsen & Toubro Infotech Limited</i>	India
	LIG Corp.	
	► Involvement in Cluster Munitions	South Korea
	LIG Nex1 Co Ltd	
	► Involvement in Cluster Munitions	South Korea
	MindTree Limited	
	► Nuclear Weapons Development	India
	National Development Complex	
	► Involvement in Cluster Munitions	Pakistan
	Nityanand Udyog Pvt Ltd.	
	► Involvement in Land Mines	India
	Poongsan Corporation	
	► Involvement in Cluster Munitions	South Korea
	Poongsan Holdings Corporation	
	► Involvement in Cluster Munitions	South Korea
	SNT DYNAMICS Co., Ltd.	
	► Involvement in Land Mines	South Korea
	SNT Holdings Co., Ltd.	
	► Involvement in Land Mines	South Korea
	Synthetic Moulders Ltd.	
	► Involvement in Land Mines	India
	TATA Advanced Systems Ltd.	
	► Nuclear Weapons Development	India
	Tata Sons Private Limited.	
	► Nuclear Weapons Development	India

**Associated companies: Tata Consultancy Services Ltd. and Tata Investment Corp. Ltd.*

EUROPE	Walchandnagar Industries Ltd.	India
	► Nuclear Weapons Development	
	Aeroteh SA	Romania
	► Involvement in Cluster Munitions	
	Compania Nationala ROMARM SA	Romania
LATIN AMERICA AND CARIBBEAN	► Involvement in Cluster Munitions	
	Rostec Corporation	Russia
	► Involvement in Cluster Munitions	
	Splav State Research & Production Association Fsue	Russia
	► Involvement in Cluster Munitions	
UNITED STATES AND CANADA	Tactical Missiles Corp. JSC	Russia
	► Involvement in Cluster Munitions	
	Avibras Industria Aeroespacial S/A.	Brazil
	► Involvement in Cluster Munitions	
	Mil-spec Industries Corp	
	► Involvement in Cluster Munitions	United States
	► Involvement in Land Mines	
	The Day & Zimmermann Group, Inc.	United States
	► Involvement in Cluster Munitions	

Disengage due to state-owned enterprises complicit in human rights abuses

AFRICA / MIDDLE EAST	Saudi Arabian Oil Co.	
	► Operations in Territories with Elevated Human Rights Risks	
	<i>*Associated companies: Saudi Basic Industries Corp and S-Oil Corp.</i>	Saudi Arabia
LATIN AMERICA AND CARIBBEAN	Petróleos de Venezuela S.A.	
	► Operations in Territories with Elevated Human Rights Risks	Venezuela
EUROPE	Academician V.P. Makeyev State Rocket OJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	ALROSA PJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	<i>*Associated company: ALROSA-Nyurba PJSC (New)</i>	
	Bank for Development & Foreign Economic Affairs (New)	
	► Involvement with Entities Violating Human Rights	Russia
	Development Bank of The Republic of Belarus (New)	
	► Involvement with Entities Violating Human Rights	Russia
	Gazprombank OJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	Gazprom PJSC (New)	
	► Involvement with Entities Violating Human Rights	
	<i>*Associated companies: Gazprom Neft PJSC (New), NIS AD (New), Mosenergo OAO (New) and Territorial Generating Co No 1 PJSC (New)</i>	Russia
	Irkut Corporation	
	► Involvement with Entities Violating Human Rights	Russia
	Promsvyazbank PJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	Rosneft Oil Co. (New)	
	► Involvement with Entities Violating Human Rights	Russia
	<i>*Associated company: Bashneft PJSC (New)</i>	
	Rostec Corporation	
	► Involvement with Entities Violating Human Rights	Russia
	Rostelecom PJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	<i>*Associated company: Central Telegraph PJSC (New)</i>	
	Russian Agricultural Bank OJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia
	Russian Railways OJSC (New)	
	► Involvement with Entities Violating Human Rights	Russia

Sberbank Russia PJSC (New)

- Involvement with Entities Violating Human Rights

Russia

Splav State Research & Production Association Fsue (New)

- Involvement with Entities Violating Human Rights

Russia

State Space Corp. Roscosmos (New)

- Involvement with Entities Violating Human Rights

Russia

Tactical Missiles Corp. JSC (New)

- Involvement with Entities Violating Human Rights

Russia

Tatneft PJSC (New)

- Involvement with Entities Violating Human Rights

Russia

Transneft PJSC (New)

- Involvement with Entities Violating Human Rights

Russia

*Associated company: **Novorossiysk Commercial Sea Port PJSC (New)****United Aircraft Corp. PJSC**

- Involvement with Entities Violating Human Rights

Russia

VTB Bank PJSC (New)

- Involvement with Entities Violating Human Rights

Russia

*Associated company: **Vozrozhdenie Bank PJSC (New)**

Resolved

EUROPE

Volvo AB (Israel, 2019)

Volvo has demonstrated leadership in the industry by adopting a responsible sales policy framed by the UNGPs and has embedded it across the company. With its UNGP aligned policy framework and comprehensive risk assessment processes, including for high risk and conflict affected regions, Volvo has demonstrated substantial progress. The company has also taken specific actions in conflict-affected areas. Although such measures do not exclude all possible human rights- related risks and impacts, we assess such risks as having been reduced and deem measures sufficient to resolve the case.

ISSUE

► Involvement with Entities Violating Human Rights

MILESTONES

5/5 Achieved

UNITED STATES AND CANADA

Dow, Inc. (United States, 2019)

Chlorpyrifos is no longer produced nor purchased by Dow, resulting in a complete removal of associated health and safety and waste management risks. In general Dow adopts a lower acceptable level of contaminants in effluent discharge than required by the regulator. Dow also has committed to producing chemicals that are 'sustainable for people and planet', meaning that it is focusing on the production of benign chemicals, which although still posing a risk, indicate a move towards a greater degree of awareness and responsibility for managing hazardous chemicals. In terms of risk management, the company adopts a hands-on approach to ensure products are managed appropriately cognizant of the health and safety risks. This includes banning certain products, training of suppliers and subsequent auditing to ensure compliance with the required practices. Internally, the company employs strong product stewardship with decision making for the release of new chemicals involving a number of company 'gatekeepers', sustainability being one of the key measures. Therefore, Sustainalytics considers the case is resolved.

*Associated company: *Union Carbide Corp.*

ISSUE

► Quality and Safety - Human Rights

MILESTONES

5/5 Achieved

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

DuPont has provided a significant level of disclosure. The company has committed to green chemistry principles for delivery by 2030 and is compliant not only with the American Chemical Council but also the European REACH organization, providing oversight of the use of chemicals of concern in the products DuPont produces. The company has disclosed a robust approach to product stewardship and risk assessment, activities that are third party audited. The company confirmed that all its contamination liabilities sit with another entity arising from the de-merger, Corteva (Chemours). Furthermore, it does not produce PFAS (the main family of chemicals of concern). The company has also disclosed a strong internal 'responsible care management system', which is externally audited. It has also adopted an internal risk screening process to evaluate and screen out products that are considered to have an unacceptable impact on the environment and human health. Therefore, Sustainalytics considers the case is resolved.

ISSUE

► Activities Resulting in Adverse Environmental and Human Rights Impacts

MILESTONES

5/5 Achieved

Archived

AFRICA / MIDDLE EAST

Empresa Moçambicana de Atum S.A (Mozambique, 2019)

ISSUE

► Business Ethics

Due to corporate action changes, Empresa Moçambicana de Atum S.A is deemed as a private entity without active securities and therefore ineligible in Sustainalytics' research coverage. Hence Sustainalytics has decided to archive the Disengage case regarding business ethics issue.

ASIA / PACIFIC

Dewan Housing Finance Corp. Ltd. (India, 2021)

ISSUE

► Fraud

Dewan's acquisition by Piramal Capital and Housing Finance Limited (Piramal Capital), a subsidiary of Piramal Enterprises Ltd (Piramal) was finalized in September 2021 and triggered a complete management change at DHFL, while its regular employees have been retained. In September 2021, Piramal announced that an agreed amount of outstanding debt (around 46% of the total amount) was paid to DHFL's creditors, which has decreased the stakeholder impact of the misconduct. Moreover, as part of the acquisition process, Piramal Capital undertook efforts to strengthen its business-ethics related procedures, including internal audit, risk and fraud risk management, and internal financial controls. Piramal Capital has an anti-money laundering policy, Know Your Customer procedures, a whistleblower policy and a code of business ethics, and it provides training on business ethics to its employees. Due to the acquisition and the fact that the management of the company was changed and outstanding debt was paid, Sustainalytics decided to archive the case.

National Engineering & Scientific Commission (Pakistan, 2019)

ISSUE

► Involvement in Cluster Munitions
► Nuclear Weapons Development

Due to corporate action changes, National Engineering & Scientific Commission is deemed as a governmental entity and not eligible in Sustainalytics' research coverage. Hence, Sustainalytics has decided to archive the two Disengage cases with regard to its involvement in controversial weapons.

Global Standards Engagement Overview

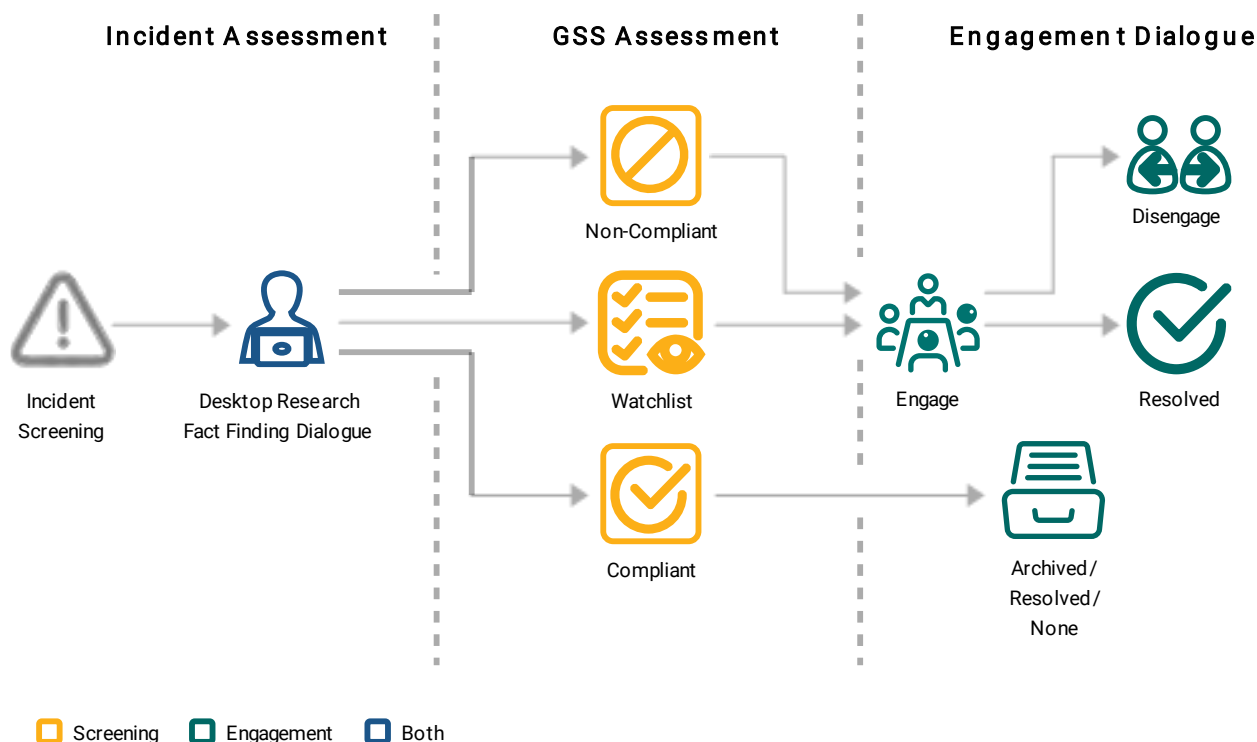
Global Standards Engagement (GSE) is an incident-driven engagement with focus on companies that severely and systematically violate international standards, such as the UN Global Compact Principles and the OECD Guidelines for Multinationals. The engagement is based on a thorough and continuous assessment 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 is 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.



Global Standards Engagement Status

Evaluate

- Cases with potential systematic incidents or an isolated incident that has severe consequences in relation to the environment or humans.
- Verification of the severity and company's responsibility takes between three-six months.
- The fact-finding dialogue and desktop research aims to assess companies' responses to the incident and preparedness to address the problem.

Engage

- Issue identified by Global Standards Screening (assessed as Watchlist or Non-Compliant) such as cases with systematic incidents or an isolated incident that has severe consequences in relation to the environment or society.
- Companies with clear gaps in their policies and management systems.
- Using a variety of engagement activities, the dialogue aims to effect change at the company, to be evidenced by it making a commitment and developing a strategy to address the identified shortcomings.

Associated

- This status flags to clients when the company or case is related to another company or case (for instance a non-autonomous subsidiary), where engagement will take place at the parent company and/or the company involved in the issue. We might engage with other companies in the corporate group if the engagement dialogue with the company closest to the incident is not willing to engage. This also means that some of the companies that are Watchlist/Non-Compliant will receive the engagement status 'Associated'.

Disengage

- Poor or no progress and/or poor or no response from the company within a period of two years after the start of engagement.
- Companies whose business models rely on activities where engagement would likely be not fruitful (such as involvement in controversial weapons or State-Owned Enterprises complicit in human rights abuses).
- Companies classified as non-engageable due to no or limited publicly traded securities or under significant distress

Resolved

- The change objective has successfully been met, and the engagement has been concluded.

Archived

- Engagement is currently not warranted, and the case will be continuously assessed for any future changes.

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.

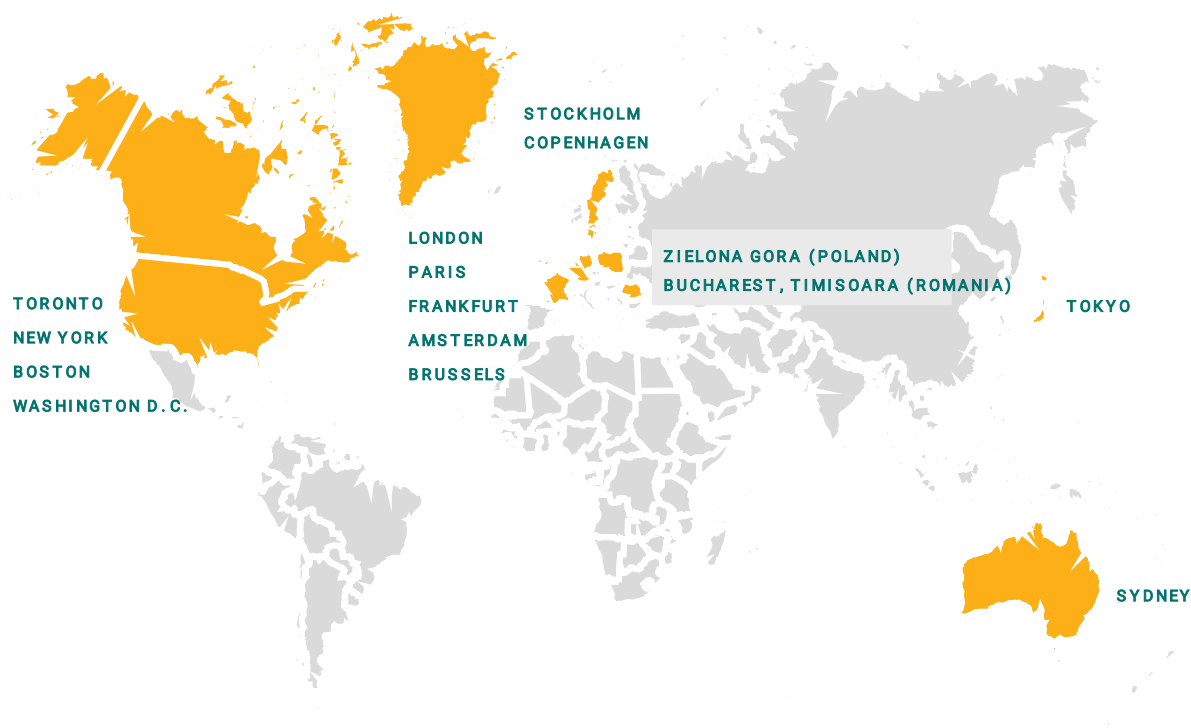
This way we combine the flexibility of a boutique manager with the size and clout of an international financial service provider.

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 nearly 30 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 17 offices globally, Sustainalytics has more than 1,200 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

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ERSTE 
Asset Management

Quarterly Engagement Report

June – August 2022

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This report summarizes the shareholder engagement activities that Sustainalytics performed on behalf of Erste Asset Management during June to August 2022. 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



Paulina Segreto

Paulina Segreto
Senior Product Manager
ESG Products

The negative trends emerging at the end of 2021 such as raising energy and commodity prices, high inflation as well as rising interest rates continued in the first half of 2022. These trends have been amplified by the war in Ukraine. In response to Western sanctions against Russia, high energy prices and threats of natural gas supply reduction to Europe have materialized through the summer months. In such an environment, companies are facing acute challenges, still recovering from pandemic impacts, and at the same time managing inflated prices, market volatility, and more.

With regard to Global Standards Engagement case developments, between June and August 2022, we initiated six new engage cases and concluded one long-standing engagement. We also disengaged from three cases due to a lack of progress and poor or no response over a two-year period. In addition, as a result of the situation in Ukraine, we have decided to issue 'Disengage' statuses for an already paused engagement case with a Russian company linked to environmental pollution, as well as a newly opened case regarding consumer interest breaches.

New engage cases

- **Bank of Baroda**, an Indian bank, which in the last few years was fined several times for deficiencies in its anti-money laundering systems in South Africa, India and United Arab Emirates. According to a research centre specialized in organized crime, the bank's South African operations were used, between 2007 and 2017, to facilitate fraudulent transactions in order to benefit politicians and members of an influential business family.
- **Glencore PLC**, a Swiss-based company, whose subsidiaries pleaded guilty in May 2022 in a settlement with the US, UK and Brazilian authorities to corrupt practices between 2007 and 2018, in multiple countries. The company is still under investigation by the authorities in Switzerland and the Netherlands.
- **Hino Motors, Ltd.**, a Japanese automobile manufacturer and subsidiary of **Toyota Motor Corp.**, admitted in March 2022 that it had falsified emissions and fuel performance data for some of its vehicles manufactured in Japan. The company reported that it had been using fraudulent data since at least 2016.
- **PTT Oil & Retail Business Public Co. Ltd.**, a Thai company, operating in the oil and gas refining and marketing sector. The company, by entering into two joint ventures in Myanmar, is linked to Myanmar's military, which was responsible for violations of international human rights law and international humanitarian law against ethnic minorities in Myanmar between 2011 and 2018, as well as a coup d'état in 2021.
- **Xinjiang Zhongtai Chemical Co., Ltd.**, a Chinese state-owned enterprise based in the Xinjiang region, and the largest producer of polyvinyl chloride plastic (PVC) in the country. The company is involved in China's state-sponsored labour transfer programme, which, according to various human rights organizations, contains multiple elements of coercion and exposes minority populations in Xinjiang to forced labour.

Disengaged cases

- **China National Petroleum Corporation**, a Chinese company that operates in a number of high-risk, conflict-affected countries including Sudan, South Sudan, Syria and Myanmar. The company is considered complicit in human rights violations through its generation of substantial revenue for the governments of these countries, which use it to fund the purchase of weapons that undermine peace and security. Sustainalytics has made numerous attempts to establish a dialogue with the company since 2020, by email and telephone. We also sent an investor letter to the company. Despite our efforts, the company has remained unresponsive.
- **Punjab National Bank's** Mumbai Brady House branch was accused of colluding with the managing director of Gitanjali Gems and his relative in a fraud scheme that involved USD 2.1 billion in suspicious transactions between 2011 and 2017. Sustainalytics has made numerous attempts to establish a dialogue with the company since 2020, by email and telephone. The bank has displayed a persistent unwillingness over the last two years to enter into a dialogue with Sustainalytics or investors.
- **Unitech Ltd.**, an Indian construction and development company that engages in sales of residential and commercial real estate properties is involved business ethics and human

rights issues. Its managing directors were arrested over allegations of non-delivery of housing projects and an illegal fixed deposit scheme. Sustainalytics has made numerous attempts to establish dialogue with the company since 2020 by email and telephone but has not received a response to any of these communications.

Resolved engagements

- **Walmart Inc.**, for more than two decades, has been at the centre of controversies over low wages, overtime pay abuses and discrimination. Engagement with Walmart has been longstanding and included conference calls at regular intervals in recent years, as well as email communication. Though the engagement process was challenging at first, Walmart has become more open to engaging in dialogue with stakeholders. Most importantly, it has improved its preparedness to mitigate impacts and manage risks with regard to labour and working conditions.

We trust you will find the summaries shared in this Quarterly Engagement report insightful and look forward to continuing our work together in autumn.

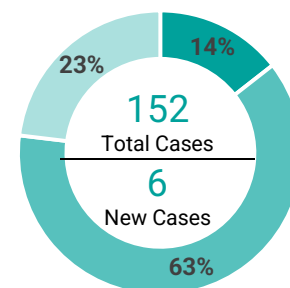
Quarterly Statistics June – August 2022

During June – August 2022, Sustainalytics has continued our dialogue to track specified engagement goals and to seek measurable results of business conduct changes in relation to 152 Engage and Resolved cases.

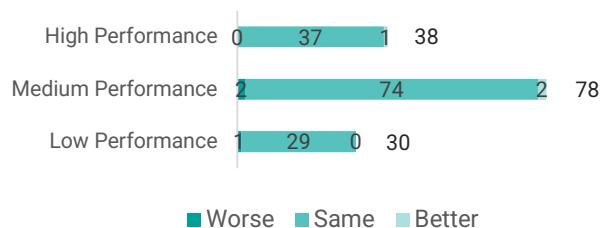


Cases by Theme

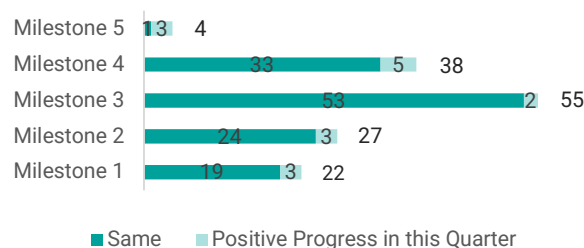
Environmental	22
Social	95
Governance	35



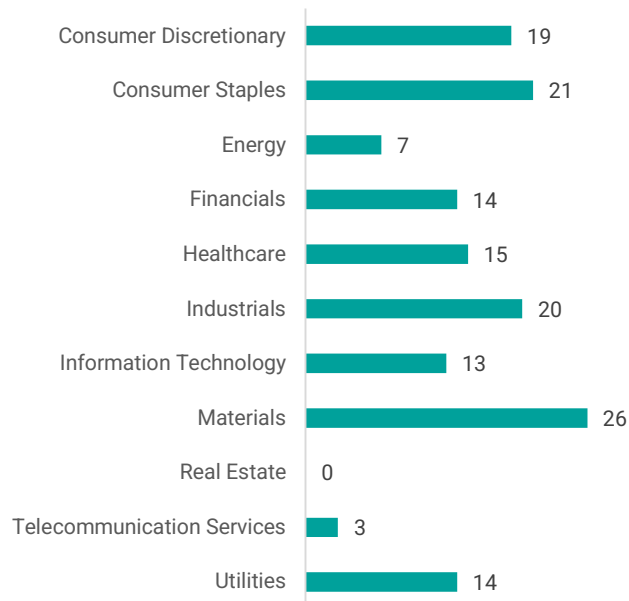
Engagement Performance Overview



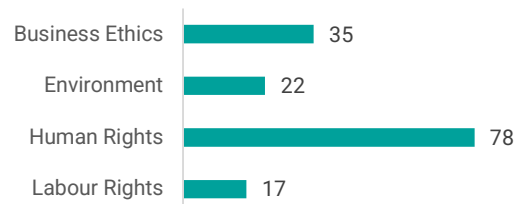
Milestone Overview



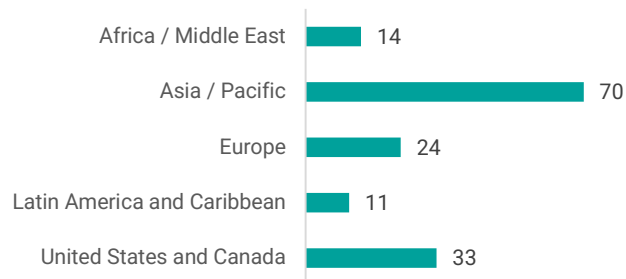
Cases by Sector



Cases by Norm



Cases by Headquarter

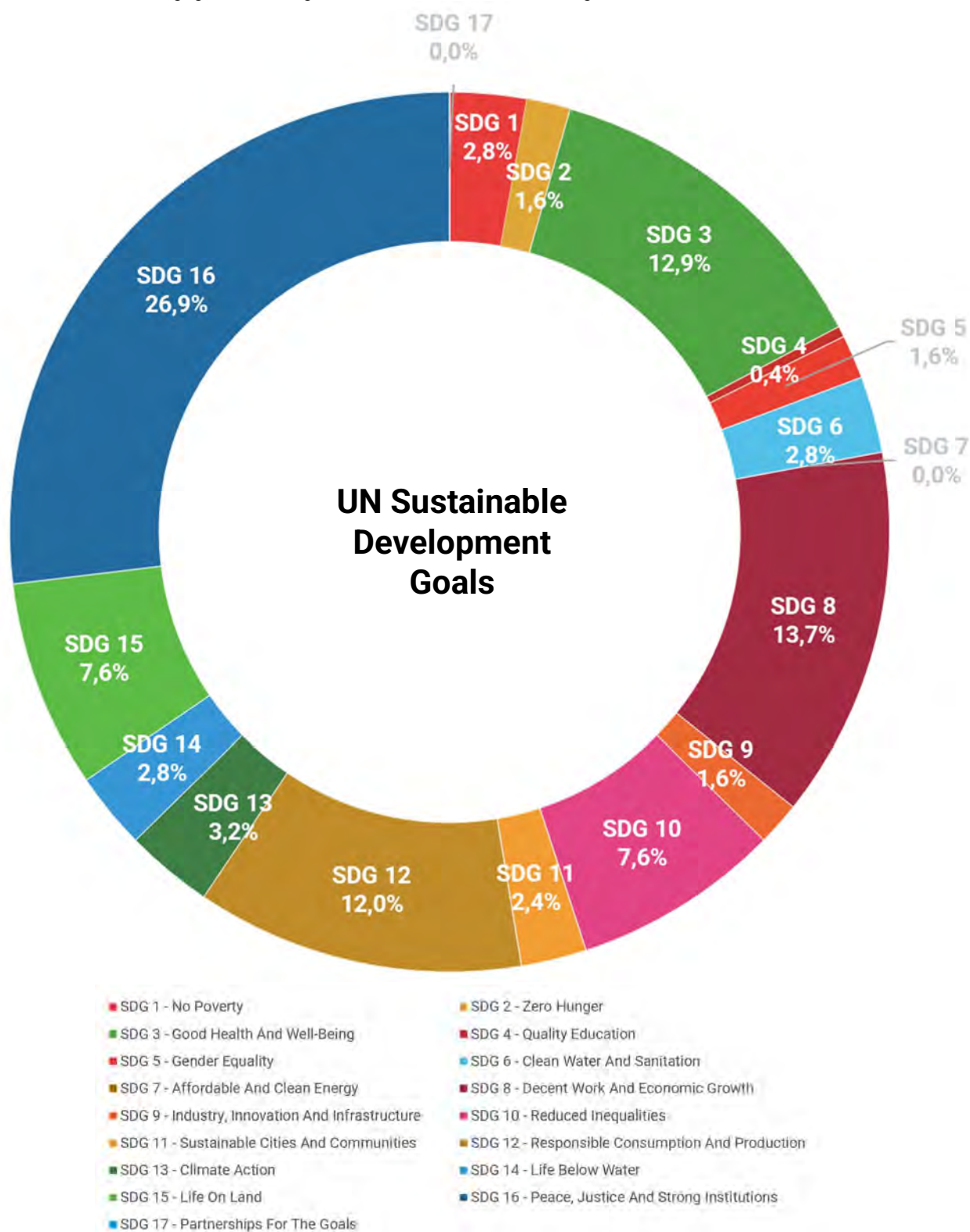


¹ Six new cases were opened at the end of Q3, 2022. Within the next quarter, their performance and milestone assessments will be available and included in the statistics.



UN Sustainable Development Goals Attribution

152 Engage and Resolved cases in this quarter can be attributed to the following SDGs. The count within the chart below might add up to more than these cases as a case can relate to more than one SDG. We map the Global Standards Engagement cases with relevant SDGs and our engagement dialogue aims to work toward achieving the sustainable outcomes.



Companies Mentioned in this Engagement Brief

● Engage
 ● Associated
 ● Disengage
 ● Resolved
 ● Archived

● BANK OF BARODA	8
● CHINA NATIONAL PETROLEUM CORPORATION	11
● GLENCORE PLC	8
● HINO MOTORS, LTD.	9
● PETROCHINA CO., LTD.	11
● PTT OIL & RETAIL BUSINESS PUBLIC CO. LTD.	9
● PUNJAB NATIONAL BANK	12
● TOYOTA MOTOR CORP.	9
● UNITECH LTD.	13
● WALMART INC.	14
● XINJIANG ZHONGTAI CHEMICAL CO., LTD.	10

Engage Cases

Bank of Baroda

Background

Between 2019 and 2021, BANK OF BARODA (BoB) was fined several times for deficiencies in its anti-money laundering (AML) systems in South Africa, India and United Arab Emirates. According to research by the Organized Crime and Corruption Reporting Project (OCCRP), the bank facilitated suspicious transactions between members of the influential Gupta family and politicians in South Africa from 2007 to 2017. A 2017 audit of the transactions by South Africa's Prudential Authority led to the authority imposing a fine of USD 761,000 on BoB for failing to comply with AML rules. The situation led BoB to close its South African branch in March 2018. In 2019, BoB was fined by South Africa's Prudential Authority for failing to comply with regulations regarding internal controls on money laundering and terrorist financing between 2014 and 2016, and by the Reserve Bank of India (RBI) for failing to properly monitor the end use of funds. In September 2020, BoB was named by the International Consortium of Investigative Journalists (ICIJ) in the Financial Crimes Enforcement Network (FinCEN) Files, which revealed that Indian banks had allegedly been processing transactions involving funds that originated from drug cartels, corrupt regimes and arms trafficking between 2000 and 2017. In July 2021, the RBI imposed monetary penalties on Bank of Baroda and 12 other banks for non-compliance with various directives issued by the central bank and contraventions of certain provisions of the Indian Banking Regulation Act.

Engagement Objective and Activity

The engagement objective is to ensure that Bank of Baroda implements effective AML governance, including establishing policies, procedures and controls. The company should improve its compliance management system to positively influence the corporate culture into one that results in fewer regulatory challenges and accusations.

Next Step

The initial focus of this case will be to identify gaps in the company's compliance management system by checking its current AML programmes, procedures and governance.

Glencore PLC

Background

According to the US Department of Justice (DOJ), GLENCORE PLC (Glencore) and its subsidiaries made and concealed corrupt payments and bribes through intermediaries for the benefit of foreign officials across multiple countries, including the US, Nigeria, Cameroon, Ivory Coast, Equatorial Guinea, Brazil, Venezuela and the Democratic Republic of the Congo. In May 2022, the company pleaded guilty and agreed to pay more than USD 1.1 billion to resolve the US government's investigations into violations of the US Foreign Corrupt Practices Act and a commodity price manipulation scheme. The guilty plea is part of co-ordinated resolutions with criminal and civil authorities in the US, the UK and Brazil. Glencore Ltd, a wholly owned subsidiary of Glencore, admitted that between 2011 and 2019, employees engaged in price manipulation of fuel commodities at the Port of Los Angeles and the Port of Houston. The company, acting through its employees and agents, engaged in a scheme for over a decade to pay more than USD 100 million to third-party intermediaries, with the intention that a significant portion of these payments would be used to pay bribes. Between 2007 and 2018, Glencore and its subsidiaries paid approximately USD 79.6 million to intermediary companies in order to secure improper advantages to obtain and retain business with state-owned and state-controlled entities in Africa. Glencore also admitted to bribing officials in Brazil and Venezuela. Sentencing in the US for the bribery and corruption case has been set for the beginning of October 2022. As part of the plea agreement, Glencore has agreed to retain an independent compliance monitor for three years.

Engagement Objective and Activity

The engagement objective is to ensure that Glencore implements ongoing systematic controls related to business ethics, corruption and bribery, and that it discloses these controls whenever appropriate.

Next Step

The initial focus of this case will be to develop a detailed understanding of Glencore's approach to delivering an effective anti-corruption and bribery compliance system. We will also send emails to request engagement dialogues on this issue.

STATUS

Engage

ISSUE(S)

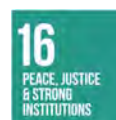
► Money Laundering

ENGAGEMENT MANAGER



Nigel Rossouw
Associate Director
Amsterdam

CONTRIBUTION TO SDGs



STATUS

Engage

ISSUE(S)

► Consumer Interests - Business Ethics

ENGAGEMENT MANAGER



Nigel Rossouw
Associate Director
Amsterdam

CONTRIBUTION TO SDGs



Hino Motors, Ltd. Toyota Motor Corp.

Background

In March 2022, HINO MOTORS, LTD. (Hino), a truck-making subsidiary of TOYOTA MOTOR CORP. (Toyota Motor), admitted that it had falsified emissions and fuel performance data for some of its vehicles manufactured in Japan. Hino initially reported that the use of fraudulent data had been ongoing since at least 2016, with the company having sold at least 115,526 vehicles (trucks and buses) with engines certified by the government based on rigged data. At the end of March, the Japanese transport ministry revoked Hino's "type" certification for eight vehicle models equipped with deficient engines manufactured by Hino. As a result, Hino can no longer manufacture any vehicles with those engines. Investigations have been launched in Japan and the US. In August 2022, Hino published a report from its Special Investigation Committee investigating the issue, which concluded that the company had falsified emissions data on some engines going back to at least 2003, more than a decade earlier than previously indicated. News media reported that the list of affected models may total nearly 300,000 vehicles. The report additionally recommended that the parent company, Toyota Motor, undertake a review of its subsidiary corporate governance framework.

Engagement Objective and Activity

The engagement objective is to ensure that Hino and its parent company Toyota Motor, improve their compliance management and operations integrity management systems. The companies should have adequate internal controls, training and communication focused on compliance, ethics, integrity and culture. The boards and executive teams should define expectations and set the tone for compliance, integrity and ethics standards to prevent future violations. Furthermore, the companies should transform their risk and integrity cultures.

Next Step

The initial focus of this new case will be to identify gaps in the companies' compliance management systems and their code of conduct programmes. We will also send an initial communication to request engagement dialogues with the two companies.

PTT Oil & Retail Business Public Co., Ltd.

**Associated Company: PTT Public Company Limited*

Background

In June 2019, PTT OIL & RETAIL BUSINESS PUBLIC CO. LTD. (PTTOR) entered into two joint ventures with Kanbawza Group (KBZ) in Myanmar. The first joint venture, in which PTTOR has a 65% stake, operates service stations and café outlets in the country. The second joint venture, in which PTTOR owns a 35% stake, signed a build, operate and transfer (BOT) agreement for 50 years with Myanmar Economic Corporation (MEC) to develop an oil terminal. In May 2021, Human Rights Watch (HRW) raised concerns over PTTOR's commercial ties with Myanmar's military (the Tatmadaw). The company's total investment amounted to USD 200 million and included USD 2 million for the upfront payment for land lease. In August 2019, the UN Independent Fact-Finding Mission on Myanmar (FFMM) described in detail the management links between MEC and the military, as well as how MEC has been a source of significant off-budget revenue for the Tatmadaw. The UN FFMM also reported that KBZ, a former partner of PTTOR which exited the investment in February 2022, provided about USD 4.5 million in donations to the Tatmadaw, which was used in military operations against the Rohingya minority.

Engagement Objective and Activity

The engagement will focus on ensuring that PTTOR exhibits an appropriate understanding of the risks to human rights from its business dealings in Myanmar. It will be expected to respond to good practice requirements and enhance its human rights due diligence, ensuring appropriate remediation where negative impacts are identified. The engagement will also focus on improving the company's disclosure of its approach to human rights issues.

Next Step

The next steps are to commence our engagement with the company in order to encourage greater use of its due diligence approach and enhanced public disclosure in all the countries in which it operates.

STATUS

Engage

ISSUE(S)

► Consumer Interests - Business Ethics

ENGAGEMENT MANAGER



Nigel Rossouw
Associate Director
Amsterdam

CONTRIBUTION TO SDGs



STATUS

Engage

ISSUE(S)

► Human Rights - Involvement with Entities Violating Human Rights

ENGAGEMENT MANAGER



Joe Attwood
Associate Director
London

CONTRIBUTION TO SDGs



Xinjiang Zhongtai Chemical Co., Ltd.

Background

XINJIANG ZHONGTAI CHEMICAL CO., LTD. (Zhongtai) is a Chinese state-owned enterprise funded by the government of Xinjiang and is strategically important to the government. Zhongtai owns at least 43 subsidiaries and 38 joint-stock companies. Its main product is polyvinyl chloride (PVC), a form of plastic, and it is the largest producer of this substance in China, producing 2 million tonnes per year. It is also involved in various other products (including cotton) and its involvement in forced labour is allegedly spread over its operations. In June 2022, Sheffield Hallam University released a report on forced labour in the Xinjiang PVC industry, which noted that Zhongtai has transferred more “surplus labourers” (Uyghurs and other Muslim minorities) than any other company described in academic or journalistic accounts of labour transfers.

Engagement Objective and Activity

Zhongtai should adopt international human rights practices within its labour force, particularly the right to freedom from forced labour. The company should carry out appropriate due diligence and implement effective policies and practices.

Next Step

Sustainalytics will reach out to the company to establish a dialogue and ask how the company monitors human rights within its labour force. Multiple channels will be used and communications will be in both English and Chinese.

STATUS

Engage

ISSUE(S)

► Forced Labour

ENGAGEMENT MANAGER



Eliot Bianco
Manager
London

CONTRIBUTION TO SDGs



Disengage Cases

China National Petroleum Corp.

*Associated company: **PetroChina Co., Ltd.**

Background

CHINA NATIONAL PETROLEUM CORPORATION (CNPC) operates in several high-risk, conflict-affected countries including Sudan, South Sudan, Syria and Myanmar. The company is complicit in human rights violations through the generation of substantial revenue for the governments of these countries, which is used to fund the purchase of weapons that undermine peace and security. In Sudan and South Sudan, CNPC has held significant stakes in several oil-producing consortia since the mid-1990s. For decades, various regions of Sudan and South Sudan have been beset by significant conflicts, in which state authorities and various rebel groups have been accused of gross human rights violations against civilian populations. In Syria, CNPC has stakes in companies participating in the Al Furat Petroleum Company joint venture, which generates revenue for the Syrian government. Since 2011, the country has been in the midst of a multi-sided civil war, with disastrous consequences for civilians. In Myanmar, CNPC and its subsidiary PETROCHINA CO., LTD. (PetroChina) have extensive upstream and midstream projects. Although it seemed for a number of years that the country was transitioning towards democracy and peace, the situation has deteriorated since August 2017, with the country's armed forces committing human rights abuses against the Rohingya minority.

Engagement Objective

Engagement was to focus on the issue of the company's operations in conflict affected countries and how it assessed impacts to human rights, with encouragement that it should adopt the use of human rights due diligence approaches. Furthermore, engagement was to encourage the company to enter into constructive dialogue with governments and non-governmental agencies to better understand where revenues were being spent.

Engagement Activities

Sustainalytics and investors have made numerous attempts to establish a dialogue with the company since June 2020, by email, telephone, WeChat and letter, both in English and Mandarin. Attempts were also made to contact CNPC through the listed subsidiary company, PetroChina. A collaborative investor letter, which was signed by several institutions and addressed to the chairman and executive director of the board of directors, was co-ordinated in April 2022. This was also copied to PetroChina and was re-issued in July 2022.

Outcome

CNPC has not responded to any of the engagement activities presented by Sustainalytics. It is clear that the company does not wish to engage. We have therefore decided to curtail our efforts to engage with the company on this issue and assign the "Disengage" status to the case.

STATUS

Disengage

ISSUE(S)

► Involvement with Entities Violating Human Rights

ENGAGEMENT MANAGER



Joe Attwood
Associate Director
London

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	18	Number of Contacts
	0	Conference Calls
	5	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2020
	Milestone 1	Jun 2020
	Investor Letter	Apr 2022
	Investor Letter	Jun 2022
	Case Disengaged	Aug 2022

Punjab National Bank

Background

In February 2018, the Mumbai Brady House branch of PUNJAB NATIONAL BANK (PNB) was accused of colluding with the managing director of Gitanjali Gems (Gitanjali) and his nephew, in a fraud scheme that involved USD 2.1 billion in suspicious transactions between 2011 and 2017. This branch of PNB had allegedly issued unauthorized Letters of Undertaking (LOU) for about 100 companies linked to the Gitanjali's managing director and his relative to obtain credit from foreign branches of Indian banks, without following procedures. The transactions were not recorded in PNB's SWIFT (a transaction standard) system and, therefore, went undetected. The funds raised through LOUs were routed through various companies, some of which were fictitious, and the ultimate beneficiary was the Gitanjali's managing director himself or entities related to him. In August and October 2018, criminal charges were laid on PNB's former CEO as well as two executive directors, who were later fired (in January 2019) for failing to prevent the fraud. The company admitted that the bank's employees had colluded in the scheme and an internal investigation revealed that the fraud had been enabled by the failings of 54 employees. In March 2019, the Reserve Bank of India (RBI) fined PNB nearly USD 300,000 for non-compliance with its directive to strengthen SWIFT-related operational controls (issued in 2016). The Central Bureau of Investigation filed a new prosecution sanction against the former CEO and two executives in June 2021, alleging "destruction of evidence". Despite having implemented some improvements in its business ethics management since then, PNB reported the highest total value of banking fraud among all Indian banks in the period between April and December 2021.

Engagement Objective

PNB was expected to improve its internal control systems by monitoring adherence to its policies, especially at the executive level. In addition, the company was to apply the directives issued by regulators and implement a company-wide code of conduct addressing financial crime issues.

Engagement Activities

Sustainalytics has made numerous attempts to establish a dialogue with the company since 2020, by email and telephone. As no response was received, we decided to escalate our engagement efforts and we followed up with a letter from the engagement director in October 2021, and with a collaborative investor letter in December of the same year. The investor letter was addressed to the managing director and CEO of PNB. Nevertheless, we never received a response to any of these communications. On a positive note, PNB has presumably repaid the whole amount owed to the targeted banks. However, in terms of disclosure and the company's preparedness, there has been no significant progress so far.

Outcome

PNB has displayed a persistent unwillingness over the past two years to enter into a dialogue or respond to communications from Sustainalytics or investors. We have therefore decided to curtail our efforts to engage with the company on this issue and assign the "Disengage" status to the case.

STATUS

Disengage

ISSUE(S)

► Fraud

ENGAGEMENT MANAGER



Magdalena Grzempa
Manager
Zielona Góra

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	16	Number of Contacts
	0	Conference Calls
	7	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Mar 2020
	Investor Letter	Dec 2021
	Case Disengaged	Aug 2022

Unitech Ltd.

Background

In April 2017, police in Delhi, India, arrested UNITECH LTD. (Unitech)'s then managing directors, alleging that Unitech had failed to deliver housing projects in Gurugram, India, on time. According to media reports, the unfinished housing projects affected about 30,000 homebuyers. In July 2020, media sources reported that forensic auditors found that the company had received around USD 1.96 billion from 29,800 homebuyers, mostly between 2006 and 2014, and about USD 248 million from six financial institutions for the construction of 74 projects. The company failed to make appropriate use of about USD 700 million of homebuyers' money and approximately USD 105 million of the funds received from the institutions for the projects. Instead, it misappropriated the funds by investing in tax havens between 2007 and 2010. As a result of these actions, the directors faced 24 charges of fraud, money laundering and non-payment of USD 93 million in fixed deposits. In August 2018, the Supreme Court of India (SC) ordered Unitech to auction off the land it owns and its directors' personal assets. This development was an escalation of the government's demand that Unitech repay buyers who had paid deposits on homes but had not received them. In January 2020, the government took management control and appointed a new board of directors at Unitech. The SC stated that a committee would continue selling the company's assets to gather funds for the completion of projects.

Engagement Objective

Unitech was expected to demonstrate its ability to meet contractual obligations, such as completing the stalled housing projects, or otherwise compensate home buyers and investors for their losses. An additional objective of the case was for Unitech to reform its corporate governance strategy and internal control mechanisms and show evidence of its successful implementation.

Engagement Activities

Sustainalytics has made numerous attempts to establish a dialogue with the company since 2020, by email and telephone. To escalate our efforts, following the lack of response, in June 2022 we sent a voting recommendation based on the engagement signal to the company from Sustainalytics' ESG Voting Policy Overlay team. Even though Unitech has not responded to us, the new board of directors is visibly focused on delivering the projects. The company shared a Resolution Framework with the SC, which included objectives and estimated timelines for delivering stalled projects. According to the document, some units have already been delivered but the overall progress of the work is not impressive. This is possibly due to the fact that the company is still in a bad financial condition and is struggling to complete the projects and repay its customers for their losses. In addition, there has been no progress on the disclosure side, and the company has not put in place any new procedures or systems to prevent similar incidents from occurring.

Outcome

Unitech has displayed a persistent unwillingness over the past two years to enter into a dialogue or respond to communications from Sustainalytics. We have therefore decided to curtail our efforts to engage with the company on this issue and change the status of the case to "Disengage".

STATUS

Disengage

ISSUE(S)

► Consumer Interests - Business Ethics

ENGAGEMENT MANAGER



Magdalena Grzempa
Manager
Zielona Góra

CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	17	Number of Contacts
	0	Conference Calls
	3	Correspondence
	0	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2019
	Milestone 1	Feb 2020
	Case Disengaged	Aug 2022

Resolved Cases

Walmart, Inc.

Background

For more than two decades, WALMART INC. (Walmart) has been at the centre of controversies over low wages, overtime pay abuses and discrimination. Walmart is frequently subject to employee lawsuits claiming violations of labour rights, including recurring allegations of discrimination and violations of wage and hour regulations. Employees in the US have filed several lawsuits alleging discrimination from Walmart with regard to gender, disability, race and age. According to the company's 2021 annual report, Walmart was a defendant in a number of class-action cases under US federal and state wage and hour laws. Employees in non-US operations have also sought better pay. Over the years, a significant number of cases have been resolved through the company and the plaintiffs reaching settlements or through US courts ordering Walmart to pay substantial compensation.

Engagement Objective

The engagement objective was to ensure that Walmart ceased and mitigated its non-compliance in areas related to labour rights and that it strengthened its policies and guidelines on these issues.

Engagement Activities

Engagement with Walmart has been longstanding, and prior to 2011 was conducted in collaboration with an investor forum. Since 2011, dialogue has been bilateral between Walmart and Sustainalytics. In recent years, this has included conference calls at regular intervals as well as email communications. Efforts to engage meaningfully with Walmart required escalation in July 2013. A letter was sent to Walmart's CEO from Sustainalytics' engagement director (then GES International AB) highlighting Walmart's poor response and flagging the importance of ESG issues to investors. In 2014, the lack of performance led to a "Disengage" status. However, in the past several years Walmart's willingness to discuss labour rights issues has exhibited a positive trend, as has its broader management of labour risk. These positive developments in Walmart's performance and responsiveness led to a revision of the engagement recommendation to "Engage" in May 2017. Regular and constructive engagement discussions has since then taken place confirming the company's continuous work to improve working conditions in its stores and supply chain.

Outcome

Walmart has moved from a point where it was a lightning rod for controversy on labour rights issues, among other topics, to one where it discusses not only its own challenges and management approach, but also its work to contribute at the sector level. Though the engagement process was challenging at times, Walmart now shows sincerity when it comes to engaging in dialogue with stakeholders and improving its preparedness to mitigate impacts and manage risks with regard to labour and working conditions. Walmart has strengthened its labour rights policies, including via its human rights policy statement released in 2018, and has also improved its disclosure. Walmart now provides detailed human capital disclosures that are updated annually and offer insight into its metrics, strategy and ongoing challenges. It has further settled several legal actions and is not facing significant new incidents, though we note that some legal issues remain.

Overall, Walmart's rhetoric concerning its labour issues has improved in recent years, and its performance in the engagement has progressed well since dialogue was re-established in 2017. Sustainalytics therefore considers the case to be resolved.

STATUS

Resolved

ISSUE(S)

► Labour Rights

ENGAGEMENT MANAGER







Matthew Barg
Associate Director
Toronto

























CONTRIBUTION TO SDGs



DIALOGUE STATISTICS

	285	Number of Contacts
	19	Conference Calls
	56	Correspondence
	2	Meetings in Person

CASE TIMELINE

	Engagement Since	May 2003
	Milestone 1	May 2003
	Conference Call	Sep 2005
	Meeting in Person	Oct 2008
	Conference Call	Sep 2011
	Conference Call	Nov 2012
	Conference Calls	Aug, Sep, Nov 2013
	Conference Call	May 2014
	Milestone 2	Jul 2015
	Conference Call	Oct 2015
	Conference Call	Jan 2016
	Conference Call	Apr 2017
	Milestone 3	May 2017
	Conference Call	Oct 2017
	Conference Calls	Jan, Aug, Oct 2018
	Conference Call	Apr 2019
	Milestone 4	May 2019
	Conference Call	Sep 2019
	Meeting in Person	Oct 2019
	Conference Call	Jun, Oct 2020
	Conference Call	Jul 2021
	Conference Call	Jun 2022
	Milestone 5	Aug 2022
	Case Resolved	Aug 2022

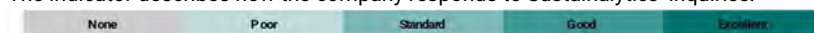
Company Dialogue & Progress Summary

Legend

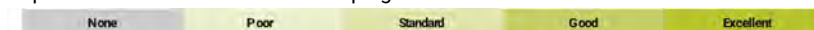
Country The country in the list indicates where the business conduct issue occurred. The breakdown into the regions: Africa/ Middle East, Asia/ Pacific, Europe, Latin America and Caribbean and United States and Canada is based on where the company headquarter is.

Year The year shows when the case was downgraded to Engage status.

Response The indicator describes how the company responds to Sustainalytics' inquiries.



Progress The indicator describes whether or not the violation continues, or how the company's work to prevent future violations is developing.



Performance The indicator describes the combined company progress and response performance.

▲ **High Performance** - good or excellent Response in combination with good or excellent Progress.

▶ **Medium Performance** - standard level of Response and Progress.

▼ **Low Performance** - poor or no Response in combination with poor or no Progress.

New, Same, Better or Worse Performance - indicates the change in either Response or Progress since the last quarterly report.

Low Performance Tracker (Tracker) The indicator describes the time elapsed with Low Performance. One piece equals three months.



After two years, the case will be reviewed by Sustainalytics and a Disengage status can be selected if all other engagement options are ineffective.

Milestones The indicator describes the milestone achieved from 1 to 5.



Engage

AFRICA / MIDDLE EAST

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

► Bribery and Corruption

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.



Elsewedy Electric Co. (Tanzania, 2020)

► Controversial Project(s) - 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 Ltd. (South Africa, 2019)

► Air Pollutant Emissions

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 prioritize the plants which will remain operational for a longer time and be able to prove it takes all the possible actions to minimize the impacts of its operations.



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

► Occupational Health and Safety

Change Objective: Harmony Gold 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.



MTN Group Ltd. (South Africa, 2019)

► Involvement with Entities Violating Human Rights

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.

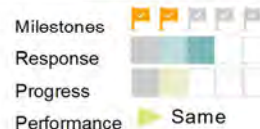


*Associated companies: **MTN Nigeria Communications Plc** and **Scancom Plc**

OCP SA (Western Sahara, 2016)

► Involvement with Entities Violating Human Rights

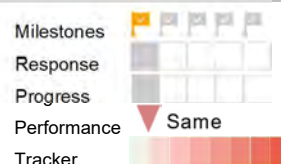
Change Objective: OCP should demonstrate how its activities in Western Sahara will continue in line with international law as well as the interests and wishes of Saharawis, in accordance with the right to self-determination stipulated in the International Covenant on Civil and Political Rights and International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



Orascom Investment Holding SAE (North Korea, 2020)

► Involvement with Entities Violating Human Rights

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)

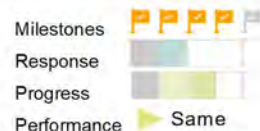
► Occupational Health and Safety

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.

**Steinhoff International Holdings NV** (South Africa, 2019)

► Accounting and Taxation

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.

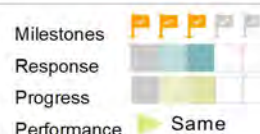


*Associated companies: **Pepkor Holdings Ltd.** and **Mattress Firm, Inc.**

Teva Pharmaceutical Industries Ltd. (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)

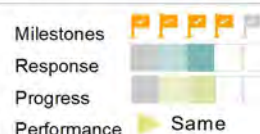
► Activities Resulting in Adverse Human Rights Impacts

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 Ltd.** (South Africa, 2019)

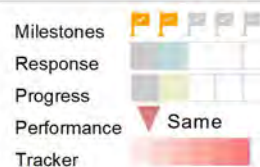
► Quality and Safety - Human Rights

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 Ltd.** (South Africa, 2020)

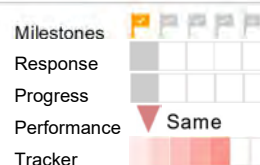
► Accounting and Taxation

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.

**Turkiye Halk Bankasi AS** (Turkey, 2021)

► Fraud

Change Objective: Halkbank should implement robust anti-financial-crime programs including companywide Anti-Money Laundering (AML), Know Your Customer (KYC) and business ethics training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML, KYC and business ethics related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.



*Associated company: **Halk Gayrimenkul Yatırım Ortaklığı AS**

ASIA / PACIFIC

Adani Enterprises Ltd. (Australia, 2016)

► Controversial Project(s) - Environmental and Human Rights Impacts

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.

*Associated company: **Adani Wilmar Ltd. (New)**

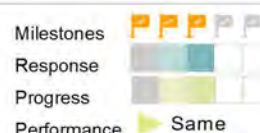


Adani Ports & Special Economic Zone Ltd. (India, 2020)

► Controversial Project(s) - Environmental and Human Rights Impacts

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.

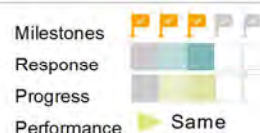
*Associated company: **North Queensland Export Terminal Pty Ltd.**



Adani Ports & Special Economic Zone Ltd. (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

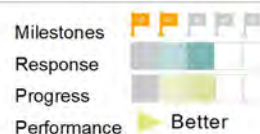
Change Objective: APSEZ should ensure it undertakes human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEC does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.



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

► Quality and Safety - Human Rights

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 Ltd. (Australia, 2019)

► Consumer Interests - Business Ethics

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.

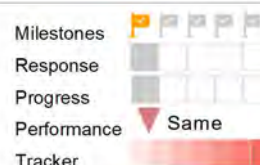
*Associated company: **AMP Capital Investors Ltd.**



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

► Involvement with Entities Violating Human Rights

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.

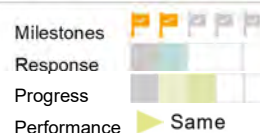


Baidu, Inc. (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Baidu should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should show efforts to establish human rights due diligence practices, define policies relevant to digital rights, and report on external data requests and/or content moderation requirements.

*Associated company: **iQiyi, Inc.**



Bank of Baroda (South Africa, 2022)

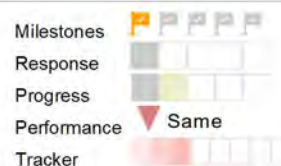
► Money Laundering

Change Objective: Bank of Baroda should implement effective AML governance, including establishing policies, procedures and controls. The company should improve its compliance management system to positively influence the corporate culture into one that results in less regulatory challenges and accusations.

**China Energy Engineering Corp. Ltd.** (China, 2019)

► Occupational Health and Safety

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.



*Previously as **China Energy Engineering Corporation Ltd**

China Gas Holdings Ltd. (China, 2021)

► Quality and Safety - Human Rights

Change Objective: China Gas should provide clarification of the remediation, and provide support in a timely manner for victims, besides the compensation promised. China Gas need to implement industry standard safety practices and quality controls across their infrastructure network, including regular inspections of the gas pipe system, and real-time monitoring of gas line pressure.

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

► Involvement with Entities Violating Human Rights

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.

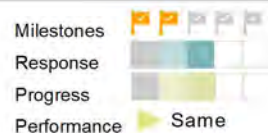


*Associated company: **Sinopec Kantons Holdings Ltd**

Crown Resorts Ltd. (Australia, 2021)

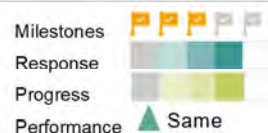
► Money Laundering

Change Objective: Crown Resorts should implement robust anti-money laundering (AML) programs including companywide AML training, reporting frameworks and monitoring mechanisms. The company should disclose, to the extent possible, all of its AML related activities and progress on AML related initiatives. The company should demonstrate strong leadership (institutional and personnel wise) on financial crime issues.

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

► Forced Labour

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.

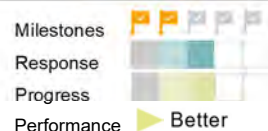


*Associated company: **MSM Malaysia Holdings Bhd**

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

► Labour Rights - Operations

Change Objective: Formosa Taffeta 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**

GCL Technology Holdings Ltd. (China, 2021)

► Forced Labour

Change Objective: GCL should put in place a robust labour 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. GCL should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

*Previously as **GCL-Poly Energy Holdings Ltd.**

*Associated company: **GCL New Energy Holdings Ltd.**

**Golden Agri-Resources Ltd.** (Indonesia, 2020)

► Land Use and Biodiversity

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 companies: **PT Sinar Mas Agro Resources & Technology Tbk** and **PT Sinar Mas Group**

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

► Involvement with Entities Violating Human Rights

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.

**Hino Motors, Ltd.** (Japan, 2022)

► Consumer Interests - Business Ethics

Change Objective: Hino Motors should improve its compliance and operations integrity management system for emissions testing and engine performance. The company should have adequate internal controls, training and communication focused on compliance, ethics, integrity and culture. Furthermore, the company should transform its risk and integrity culture.

**Huafu Fashion Co., Ltd.** (China, 2022)

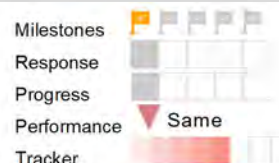
► Forced Labour

Change Objective: Huafu Fashion should undertake steps to respect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. Moreover, it should take steps to ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. The company should also disclose steps and processes it will enact to ensure commitments to respect labour rights are implemented.

**Imperial Pacific International Holdings Ltd.** (United States, 2021)

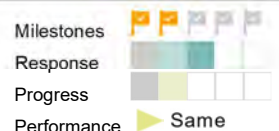
► Labour Rights

Change Objective: IPI should ensure its contractors respect workers' labour rights, in line with international norms. It should also ensure all compensation, including wages owed to workers, are paid on time and that it fully pays all monies owed to the US Department of Labor. Lastly, IPI should ensure that going forward, it has policies and processes in place to ensure that its contractors uphold workers' rights (including use of legally employed labour, payment of on-time, full legal wages and that living and working conditions are safe).

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

► Labour Rights - Operations

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.



*Associated companies: **PT Indofood Sukses Makmur Tbk**, **PT Perusahaan Perkebunan London Sumatra Indonesia Tbk**, **PT Salim Ivomas Pratama Tbk** and **First Pacific Company Limited**

Korea Electric Power Corp. (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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

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

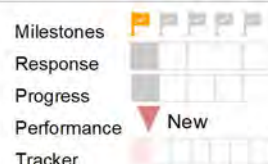
► Incident(s) Resulting in Negative Human Rights Impacts

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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

**Li Ning Co., Ltd.** (China, 2022)

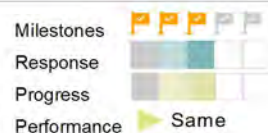
► Forced Labour - Supply Chain

Change Objective: Li Ning should implement a robust due diligence programme to provide disclosure on relevant policies on labour rights. The company should implement transparency, audit and disclosure of supply chain to ensure suppliers commit to respect labour rights. It should also adopt a grievance mechanism accessible to all workers.

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

► Business Ethics

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.

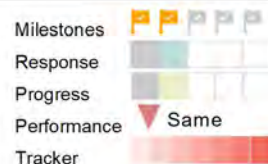


**Associated companies: Lotte Chemical Corp, Lotte Chilsung Beverage Co Ltd, Lotte Confectionery Co., Ltd., Lotte Data Communication Co., Lotte Fine Chemical Co., Ltd., Lotte Food Co., Ltd., LOTTE Himart Co. Ltd., Lotte Non-Life Insurance Co., Ltd., Lotte Shopping Co., Ltd., and Lotte Chemical Pakistan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

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

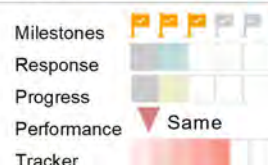
► Labour Rights

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 and Taxation

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 Corp.** (Japan, 2019)

► Consumer Interests - Business Ethics

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.

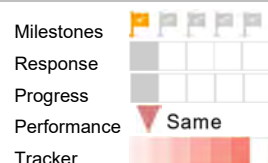


**Previously as Mitsubishi Materials Corporation*

NLC India Ltd. (India, 2021)

► Occupational Health and Safety

Change Objective: NLC India should investigate the accidents and should be transparent on the lessons learnt. NLC should identify and report progress on the actions to be undertaken to prevent recurrences. NLC India should ensure that compensation has been paid to the victims/victims' dependents. NLC should also ensure that all recommendations from the investigations are acted upon and improve disclosure of health and safety metrics and training programmes.



NTPC Ltd. (Bangladesh, 2017)

► Controversial Project(s) - Environmental and Human Rights Impacts

Change Objective: NTPC should work to mitigate its environmental and human rights impacts in alignment with international norms. It should commit to keeping its plants updated to current environmental standards with respect to efficient technologies and treatment of effluents and waste. It should also establish proper due diligence measures that fully take into consideration environmental and human rights concerns prior to developing new projects.

**NTPC Ltd.** (India, 2018)

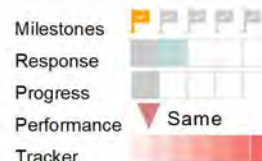
► Occupational Health and Safety

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)

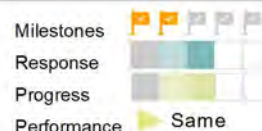
► Forced Labour

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 & Natural Gas Corp. Ltd.** (India, 2019)

► Involvement with Entities Violating Human Rights

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.

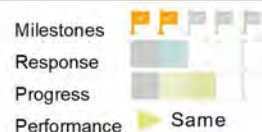


*Associated company: **ONGC Videsh Ltd.**

Page Industries Ltd. (India, 2020)

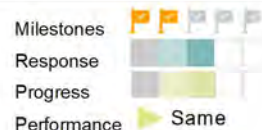
► Labour Rights

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.

**Petrolim Nasional Bhd.** (Malaysia, 2019)

► Involvement with Entities Violating Human Rights

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.



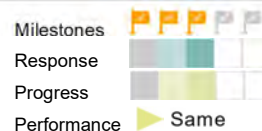
*Previously as **Petrolim Nasional Berhad**

*Associated companies: **Petronas Global Sukuk Ltd.** and **PETRONAS Energy Canada Ltd.**

POSCO STEELEON Co., Ltd. (Myanmar, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: POSCO C&C should undertake the human rights due diligence of its businesses in Myanmar, adapted to the specific situation of the region. As a result, it should engage with the relevant stakeholders and take any necessary actions to ensure the business relationship with MEHL does not make it complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership.



*Previously as **POSCO Coated & Color Steel Co., Ltd.**

*Associated company: **POSCO Holdings Inc.**

PT FKS Food Sejahtera Tbk (Indonesia, 2019)

► Consumer Interests - Business Ethics

Change Objective: PT FKS Food Sejahtera Tbk 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.

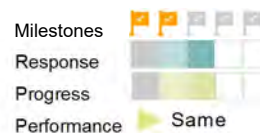


PT Indah Kiat Pulp & Paper Tbk (Indonesia, 2021)

► Land Use and Biodiversity

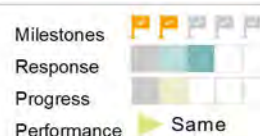
Change Objective: PT Indah Kiat Pulp & Paper Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

*Associated company: **PT Sinar Mas Group**

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

► Emissions, Effluents and Waste

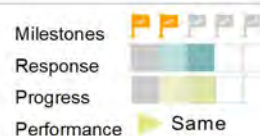
Change Objective: PT Indonesia Asahan Aluminium (Inalum) should introduce a policy prohibiting riverine tailings disposal in future projects, where there is a viable and more environmentally sustainable alternative. Inalum should ensure that the existing monitoring and reporting of the tailings management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

**PT Pabrik Kertas Tjiwi Kimia Tbk** (Indonesia, 2021)

► Land Use and Biodiversity

Change Objective: PT Pabrik Kertas Tjiwi Kimia Tbk should stop contributing to peatland destruction directly and through its suppliers. The company should ensure responsible and consistent execution of its deforestation and biodiversity programmes across its own and supplier operations.

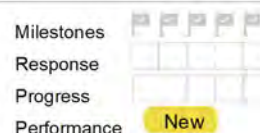
*Associated company: **PT Sinar Mas Group**

**PTT Oil & Retail Business Public Co., Ltd.** (Myanmar, 2022)

► Human Rights - Involvement with Entities Violating Human Rights

Change Objective: PTTOR should undertake the human rights due diligence of its operations in Myanmar adopting approaches recognized by the international community, satisfying itself that it is not complicit in any human rights violations. Should that not be possible, it should withdraw from the partnership. The company should also ensure consistency in the application of measures to understand the risks and responses required when considering business in conflict or high-risk states.

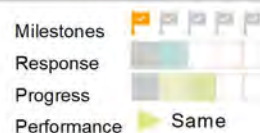
*Associated company: **PTT Public Co., Ltd. (New)**

**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. The company should commit to improving its preparedness to manage human rights-related risks in the future.

*Associated company: **RH International (Singapore) Corp. Pte Ltd.**

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

► Community Relations - Indigenous Peoples

Change Objective: Rio Tinto should agree on a compensation package with the Puutu Kunti Kurrama and Pinikura (PKKP), the Traditional Owners of the destroyed rock-shelters. The company should ensure that it rebuilds community relations with the PKKP and has suitable community relations mechanisms across all its operations that inform communities of important findings in a timely manner. The company should ensure that its community relations teams are fully integrated into its operations to ensure that all operational decisions are made in conjunction with the community relations teams to prevent similar incidents in the future.

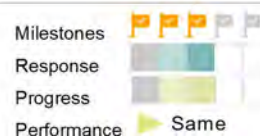
*Associated company: **Energy Resources of Australia Ltd.**

**Samling Global Ltd.** (Malaysia, 2019)

► Land Use and Biodiversity

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.

*Previously as **Samling Global Limited**



SAMSUNG BIOLOGICS Co., Ltd. (South Korea, 2020)

► Accounting and Taxation

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 Corp.** (South Korea, 2020)

► Accounting and Taxation

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)

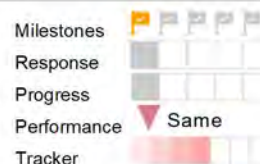
► Bribery and Corruption

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.

**Shezan International Ltd.** (Bangladesh, 2021)

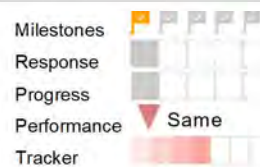
► Child Labour

Change Objective: Shezan should conduct risk assessments and audit its subsidiaries and supply chain to identify the use of child labour in manufacturing. Shezan should work with its suppliers to eradicate child labour from their supply chain.

**Shezan International Ltd.** (Bangladesh, 2021)

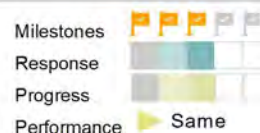
► Occupational Health and Safety

Change Objective: Shezan should ensure that it is transparent with the findings of the investigation and all recommendations should be acted upon. Shezan should identify and report progress on the actions to be undertaken to prevent recurrences. Shezan should improve disclosure of health and safety metrics and training programs. Shezan should ensure that compensation will be paid to the victims/victims' dependents.

**Sime Darby Plantation Bhd.** (Malaysia, 2021)

► Forced Labour

Change Objective: SDP is expected to undertake steps to protect labour rights, end forced labour practices in its operations, and mitigate the impact on its workforce. The company should cooperate with investigations and take steps to ascertain areas of risk and/or failure related to maintaining respect for labour rights, particularly the prevention of forced labour. SDP should provide transparency into steps and processes it will enact to ensure commitments to respect labour rights are implemented.

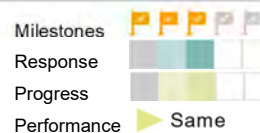


*Previously as **Sime Darby Plantation Sdn Bhd**

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

► Quality and Safety - Human Rights

Change Objective: SK Discovery Co. Ltd. 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 Inc. (Laos, 2019)

► Incident(s) Resulting in Negative Human Rights Impacts

Change Objective: SK inc.' 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 commit to improving its preparedness to manage human rights-related risks in the future.



Supermax Corp. Bhd. (Malaysia, 2021)

► Forced Labour

Change Objective: Supermax should ensure it is not complicit in any forced labour. The company should identify and properly compensate the workers who were the victims of forced labour practices. The company should align its recruitment policy and implementation with international standards and ensure zero-cost process. Supermax shall show it has accurate processes to manage grievances and improve transparency in reporting on how it ensures compliance in this area.

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

► Business Ethics

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.

**Tencent Holdings Ltd.** (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Tencent should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should demonstrate efforts to establish human rights due diligence practices, define policies relevant to digital rights, and to report on external data requests and content moderation requirements.



*Associated companies: **Tencent Music Entertainment Group, Sogou, Inc., Yixin Group Ltd. (New), Sumo Group Plc (New) and China Literature Ltd. (New)**

Tokyo Electric Power Co. Holdings, Inc. (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. In addition, TEPCO should report on the security measures taken at all of its facilities following reports of inadequate security at its Kashiwazaki-Kariwa nuclear plant.



*Previously as **Tokyo Electric Power Company Holdings, Incorporated**

Top Glove Corp. Bhd. (Malaysia, 2021)

► Labour Rights - Operations

Change Objective: Top Glove should take steps to end any forced labour practices and to ensure appropriate health and safety protocols to protect workers from COVID-19 and other risks are in place, both in factories and dormitories. The company is also expected to ensure practices to mitigate forced labour, such as its Zero Recruitment Fee Policy, are implemented for its entire workforce and to act to proactively protect worker health. Top Glove should further show its policies and practices align with internationally accepted labour rights standards.

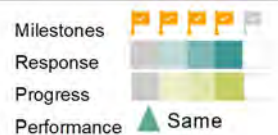


*Associated company: **Top Glove Labuan Ltd.**

TOSHIBA Corp. (Japan, 2020)

► Accounting and Taxation

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.



*Associated company: **Nishishiba Electric Co., Ltd. (New)**

Toyota Motor Corp. (Japan, 2022)

► Consumer Interests - Business Ethics

Change Objective: Toyota should improve its global subsidiary governance framework. The company should have an adequate risk management framework and have robust oversight of its global subsidiaries. Furthermore, the company should explore emissions mitigation and offset options for its subsidiary's non-compliant excess emissions.



UPL Ltd. (South Africa, 2021)

► Emissions, Effluents and Waste

Change Objective: UPL Ltd should remediate contaminated land and water caused by its activities. It should review the adequacy of its existing hazardous chemical storage facilities across its operations to ensure an appropriate level of commitment to the safety of the workforce, local populations and the environment. The company should demonstrate that its policies and procedures for the management of hazardous chemicals are compliant with international best practice and national legislative requirements.

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

► Community Relations

Change Objective: Vedanta should analyze 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**

Weibo Corp. (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Weibo should take steps to manage human rights risk exposure and limit impact on its users where possible. The company should demonstrate efforts to establish human rights due diligence practices, define policies relevant to digital rights, and to report on external data requests and content moderation requirements.

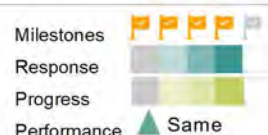


*Associated company: **SINA Corp.**

Westpac Banking Corp. (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.



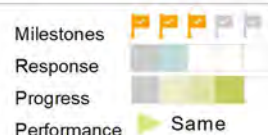
*Previously as **Westpac Banking Corporation**

*Associated company: **Westpac New Zealand Ltd.**

Wilmar International Ltd. (Indonesia, 2019)

► Community Relations - 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.

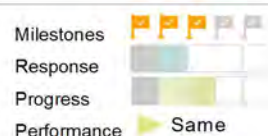


*Associated companies: **Shree Renuka Sugars Ltd, Yihai Kerry Arawana Holdings Co., Ltd., Benso Oil Palm Plantation Ltd and Adani Wilmar Ltd. (New)**

Wockhardt Ltd. (India, 2019)

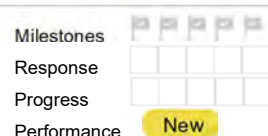
► Quality and Safety - Human Rights

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.

**Xinjiang Zhongtai Chemical Co., Ltd.** (China, 2022)

► Forced Labour

Change Objective: Zhongtai should adopt international human rights practice within its labour force, particularly the right to freedom from forced labour. The company should carry out appropriate due diligence and implement effective policies and practices.



YES BANK Ltd. (India, 2020)

► Business Ethics

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.

**Zijin Mining Group Co., Ltd.** (Papua New Guinea, 2015)

► Activities Resulting in Adverse 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.



*Previously as **Zijin Mining Group Company Limited**

*Associated company: **Guyana Goldfields Inc**

Zijin Mining Group Co., Ltd. (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.



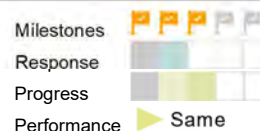
*Previously as **Zijin Mining Group Company Limited**

*Associated company: **Guyana Goldfields Inc**

ZTE Corp. (Iran, 2019)

► Involvement with Entities Violating Human Rights

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.



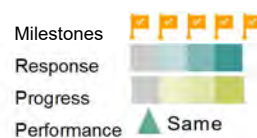
EUROPE

Barclays Plc (United Kingdom, 2019)

► Business Ethics

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.

*Associated Company: **Barclays Bank Plc**

**Bayer AG** (United States, 2018)

► Quality and Safety

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.

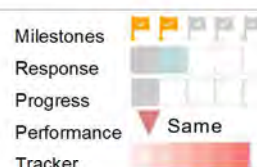
*Associated company: **Bayer CropScience Ltd. (India)**

**Bolloré SE** (Cameroon, 2019)

► Activities Resulting in Adverse Human Rights Impacts

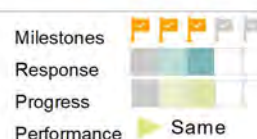
Change Objective: Bolloré should ensure that affected communities are consulted according to the principle of free, prior and informed consent. The company should also implement its human rights policy and demonstrate due diligence in its different business relationships to prevent adverse human rights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

*Associated companies: **La Forestière Équatoriale SA, Compagnie de l'Odét SE and Compagnie du Cambodge**

**boohoo group Plc** (United Kingdom, 2020)

► Labour Rights - 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 unauthorized sub-contractors). In addition, the company should adopt an effective grievance mechanism accessible to supply chain workers.

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

► Business Ethics

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.

*Associated companies: **Credit Suisse AG (Guernsey) and Credit Suisse (Schweiz) AG**

**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 related to its AML program.

*Associated Company: **Danica Pension Livsforsikrings A/S**

**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.

*Associated Companies: **Deutsche Bank México SA, Institución de Banca Múltiple, Deutsche Bank SAE and DWS Group GmbH & Co. KGaA (New)**



EDP-Energias de Portugal SA (Portugal, 2020)

► Bribery and Corruption

Change Objective: EDP should commission an independent investigation into 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 - Energias do Brasil SA, EDP Renováveis, S.A. and Viesgo Infraestructuras Energéticas SL**

**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.

*Associated Companies: **Allied Universal Manager LLC and Allied Universal Holdco LLC**

**GCM Resources Plc** (Bangladesh, 2021)

► Controversial Project(s) - Human Rights Impacts

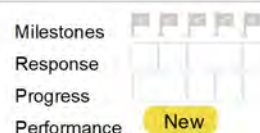
Change Objective: GCM Resources should ensure independent oversight of the resettlement process in compliance with international norms on human rights. It should align its processes with Voluntary Principles on Security and Human Rights to ensure non-lethal force at future protests. GCM should indicate the measures taken to minimize environmental impacts, ensure suitable monitoring of its mitigation measures with independently verified monitoring reports.

**Glencore Plc** (Switzerland, 2022)

► Bribery and Corruption

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

*Associated company: **PolyMet Mining Corp (New)**

**Glencore Plc** (Bolivia, 2021)

► Child Labour

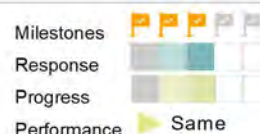
Change Objective: Glencore and its subsidiaries should cease purchasing ore from cooperatives which practice child labour. It should work with the authorities to assist in fulfilling the government's pledge to eradicate child labour by 2025; and should have programmes to improve health and safety in the mines that extend to co-operatives.

*Associated company: **PolyMet Mining Corp**

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

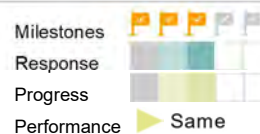
► Consumer Interests - Business Ethics

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.

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

► Quality and Safety - Human Rights

Change Objective: Mallinckrodt should ensure that there are robust governance, compliance, and risk management systems in place. These should address marketing practices, 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.

**Medtronic Plc** (United States, 2022)

► Quality and Safety

Change Objective: Medtronic should take appropriate actions to responsibly address the negative impacts of its products to compensate those affected and ensure no repeat of quality failures. The company should continue to improve quality and safety of its devices to achieve industry recognized good practice and improve the disclosure of all product-related data to ensure that relevant information is communicated to the public.

*Associated companies: **Medtronic Inc., Medicea International SA and Intersect ENT, Inc. (New)**

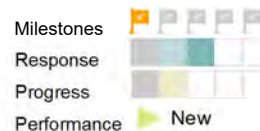


Orpea SA (France, 2022)

► Quality and Safety - Human Rights

Change Objective: Orpea should cooperate with authorities to aid investigations, resolve outstanding proceedings if necessary, and make meaningful public disclosures. Orpea should take steps to align its policies, governance, risk management framework and grievance mechanisms to international quality and safety standards. The company should measure effectiveness of its efforts via robust monitoring, reporting and communicating, and take steps to transform its corporate culture to avoid similar issues in the future.

*Associated company: **Orpea Belgium SA**

**Sanofi** (Philippines, 2020)

► Quality and Safety - Human Rights

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.

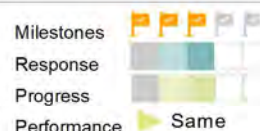
*Associated companies: **Sanofi India Ltd., Principia Biopharma, Inc., Kiadis Pharma N.V., Sanofi-Aventis Participations SAS, Translate Bio, Inc. and Kadmon Holdings Inc**

**Siemens Gamesa Renewable Energy SA** (Western Sahara, 2018)

► Involvement with Entities Violating Human Rights

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**

**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.

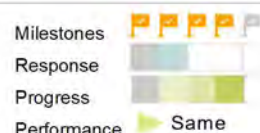
*Associated companies: **Société de Caoutchoucs de Grand-Bereby, Socfin SA and Socfinasia S.A.**

**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.

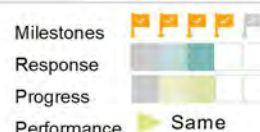
*Associated company: **Swedbank Hypotek AB**

**Syngenta AG** (Thailand, 2019)

► Quality and Safety

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.

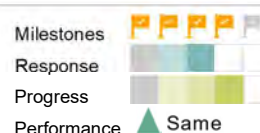
*Associated companies: **China National Chemical Corp. and Sinochem Group Co., Ltd.**

**Telefonaktiebolaget LM Ericsson** (Sweden, 2020)

► Bribery and Corruption

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.

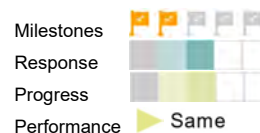
*Associated company: **Vonage Holdings Corp. (New)**



Teleperformance SA (France, 2021)

► Freedom of Association

Change Objective: Teleperformance should ensure no anti-union practices or other labour rights violations are occurring and should provide any remediation of issues, as appropriate. It should demonstrate that across its operations its labour practices align with international standards, enable freedom of association, and that due diligence practices are sufficient to manage concerns.

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

► Community Relations

Change Objective: Vedanta should analyze 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.



LATIN AMERICA AND CARRIBEAN

BRF SA (Brazil, 2019)

► Consumer Interests - Human Rights

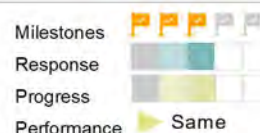
Change Objective: BRF should ensure that the failure to meet food safety standards due to a bribery scheme has been investigated thoroughly and that its food quality and safety policies and management systems are properly implemented, monitored and reported.

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

**Centrais Elétricas Brasileiras SA** (Brazil, 2020)

► Controversial Project(s) - 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.

**Empresas Públicas de Medellín ESP** (Colombia, 2019)

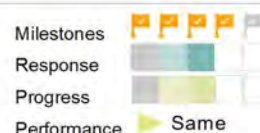
► Controversial Project(s) - Environmental and Human Rights Impacts

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)

► Freedom of Association

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.

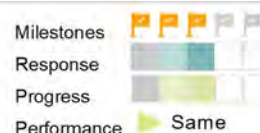


*Associated companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energía S de RI**

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

► Leaks, Spills and Pollution - 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 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 companies: **GMéxico Transportes SAB de CV** and **Mexico Generadora de Energía S de RI**

JBS SA (Brazil, 2017)

► Bribery and Corruption

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.

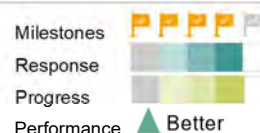


*Associated company: **Independencia Internacional**

JBS SA (United States, 2020)

► Business Ethics

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 Internacional**

JBS SA (Brazil, 2021)

► Land Use and Biodiversity

Change Objective: JBS should stop sourcing cattle, meat, and/or animal feed from suppliers that are either directly or indirectly involved in irresponsible deforestation practices. As such, JBS should develop and implement comprehensive measures to identify non-compliant suppliers. Furthermore, JBS should intensify collaboration with other relevant stakeholders to mitigate deforestation.

*Associated companies: **JBS USA Food Co** and **Independencia International**

**Petróleos Mexicanos SA** (Mexico, 2015)

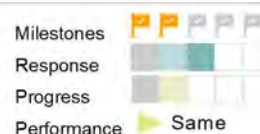
► Incident(s) Resulting in Negative Human Rights and Environmental Impacts

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 minimize likelihood of new spills. The company should also exert its influence on all stakeholders to counter oil theft activity and its related impacts.

**SLC Agricola SA** (Brazil, 2021)

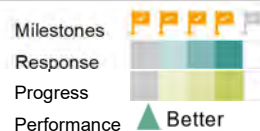
► Land Use and Biodiversity

Change Objective: SLC Agricola should investigate allegations thoroughly and retain an independent third party to verify whether it has illegally deforested land. SLC Agricola should put in place policies and programmes related to the environment and emphasize a commitment to stop deforestation.

**Vale SA** (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.



UNITED STATES AND CANADA

3M Co. (United States, 2019)

► Activities Resulting in Adverse 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.**

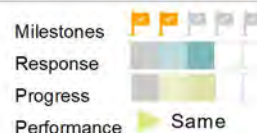


Activision Blizzard, Inc. (United States, 2021)

► Discrimination and Harassment

Change Objective: Activision Blizzard should cooperate with ongoing investigations and, if found guilty, compensate plaintiffs. Furthermore, the company should reinforce anti-discrimination policies by conducting related sensitization training, to move towards a culture of gender equality, diversity and inclusion. Moreover, the company should assure a robust grievance-mechanism is in place and appoint a senior level anti-discrimination expert to lead such activities with a strong mandate from the executive team and company board, and with sufficient resources. The company should disclose regularly on such efforts, along with external assurance.

*Associated Company: **King Digital Entertainment Plc**

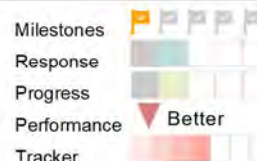


Amazon.com, Inc. (United States, 2021)

► Freedom of Association

Change Objective: Amazon should ensure no anti-union practices take place within its operations. The company shall ensure union elections are performed in a fair and impartial manner. Amazon should demonstrate how its Global Human Rights Principles, addressing ILO standards and freedom of association, is implemented throughout its entire operations.

*Associated Company: **Whole Foods Market, Inc.**



Amazon.com, Inc. (United States, 2020)

► Occupational Health and Safety

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.

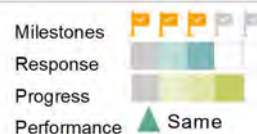
*Associated Company: **Whole Foods Market, Inc.**



Bunge Ltd. (Brazil, 2021)

► Land Use and Biodiversity

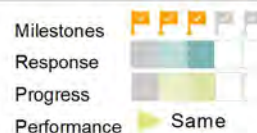
Change Objective: Bunge should stop sourcing soy from suppliers that are directly or indirectly involved in deforestation practices. Bunge should fully implement comprehensive measures to identify non-compliant suppliers, use best practice to achieve its commitments in relation to deforestation, and provide related public disclosure.



Cargill, Inc. (Brazil, 2020)

► Land Use and Biodiversity

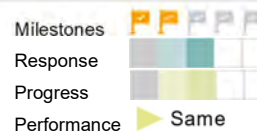
Change Objective: Cargill should demonstrate a clear action plan and targets in relation to deforestation, for both the company and its suppliers. It should establish a monitoring and verification system for supplier's compliance and disclose progress against its company and supplier targets. In Brazil,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



Caterpillar, Inc. (Myanmar, 2020)

► Involvement with Entities Violating Human Rights

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 Financial Services Corp.**

Citigroup, Inc. (United States, 2019)

► Business Ethics

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 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 companies: **Associates First Capital Corporation, Citigroup Global Markets Holdings Inc., Banco Nacional de México SA, and Citibank NA (New York)**

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

► Incident(s) Resulting in Negative Human Rights Impacts

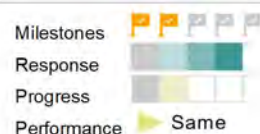
Change Objective: CoreCivic should ensure its Human Rights Policy is implemented throughout the entire operations, and show it has proper mechanisms in place to manage complaints. The company should also improve transparency in public reporting on how it ensures compliance with the Human Rights Policy.

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

► Community Relations - Indigenous Peoples

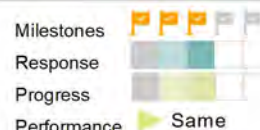
Change Objective: Energy Transfer LP should enter into a reconciliation dialogue with Standing Rock on the Dakota Access Pipeline. It should adopt a human rights policy and establish a due diligence process to align with international norms on indigenous peoples' rights across its operations, as well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

*Associated companies: **Penntex Midstream Partners LP, ETC Sunoco Holdings LLC and Enable Midstream Partners LP**

**FirstEnergy Corp.** (United States, 2021)

► Bribery and Corruption

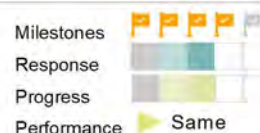
Change Objective: FirstEnergy should cooperate with all related investigations and implement the recommendations from them. The company should ensure anti-bribery and corruption management system including anti-bribery training for staff are robust. The company should adopt a suitable grievance and whistleblower mechanism. The company should demonstrate transparency and integrity in its lobbying activities.

**Johnson & Johnson** (United States, 2018)

► Quality and Safety - Human Rights

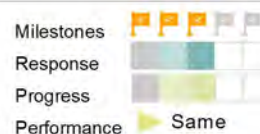
Change Objective: Johnson and Johnson should ensure that the lessons learned from the numerous product quality issues have been incorporated into its protocols and procedures, to minimize the risk of future litigation.

*Associated companies: **Actelion Ltd, Momena Pharmaceuticals, Inc. and Hansen Medical, Inc.**

**Lockheed Martin Corp.** (Saudi Arabia, 2020)

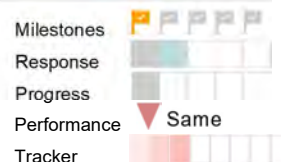
► Involvement with Entities Violating Human Rights

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.

**Mattel, Inc.** (United States, 2021)

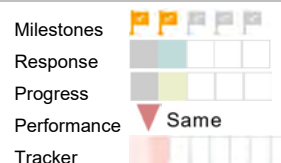
► Quality and Safety - Human Rights

Change Objective: Mattel should undertake a complete review (and commission an independent validation of the appropriateness of any review) of all infant sleep / soothing products it has on the market, in production and in design process against the relevant safety standards for potential recall and compensate the affected families. To prevent reoccurrence, Mattel should have in place robust safety standards and processes, in line with the potential risks identified with the products it puts on the market.

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

► Labour Rights

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 Interests - Human Rights

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**

**Meta Platforms, Inc.** (United States, 2018)

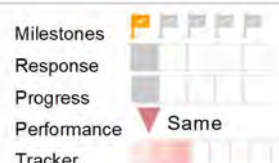
► Data Privacy and Security

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.

**Meta Platforms, Inc.** (United States, 2021)

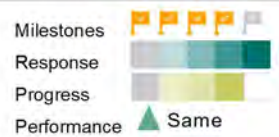
► Social Impact - Products

Change Objective: Meta should undertake human rights due diligence of its policies and business impact on users. The company should increase transparency of enforcement of content moderation policies and provide insight into their implementation by country. The company should demonstrate governance structures and competency to oversee implementation of human rights standards in the company's products and practices.

**Pan American Silver Corp.** (Guatemala, 2019)

► Community Relations - 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)

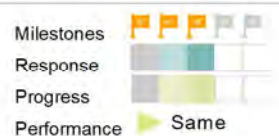
► Quality and Safety - Human Rights

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.** (Saudi Arabia, 2020)

► Involvement with Entities Violating Human Rights

Change Objective: 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.



*Associated companies: **Raytheon Co** and **Raytheon Missiles & Defense**

Southern Copper Corp. (Mexico, 2020)

► Freedom of Association

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.

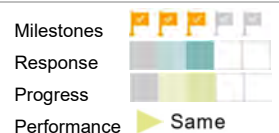


*Associated company: **Minera Mexico SA de CV**

Southern Copper Corp. (Mexico, 2020)

► Leaks, Spills and Pollution - 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 should 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.

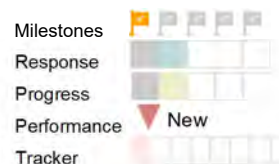


*Associated company: **Minera Mexico SA de CV**

Starbucks Corp. (United States, 2022)

► Freedom of Association

Change Objective: Starbucks should promote good labour relations and ensure no anti-union practices take place within its operations. The company should cooperate with investigations and take appropriate steps to identify any barriers to dialogue with its workforce and introduce corrective actions. Starbucks should ensure it respects its commitments to international standards are implemented throughout its operations. Relevant actions should be transparent.

**Stryker Corp.** (United States, 2019)

► Quality and Safety - Human Rights

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.



*Previously as **Stryker Corporation**

*Associated companies: **Wright Medical Group N.V., Invisuty, Inc. and Vocera Communications, Inc.** (New)

Tesla, Inc. (United States, 2022)

► Discrimination and Harassment

Change Objective: Tesla should have these incidents investigated by an independent third party and fully participate with the investigation. Tesla should reinforce anti-discrimination policies by conducting related sensitization training, to move towards a culture of gender equality, diversity and inclusion. The company should ensure a robust grievance-mechanism is in place and appoint senior level anti-discrimination and human resource experts to lead such activities with a strong mandate from the executive team and company board, and with sufficient resources. The company should disclose regularly on such efforts, along with external audit.

**The Boeing Co.** (United States, 2019)

► Quality and Safety - Human Rights

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.

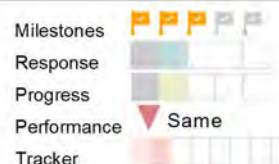


*Previously as **The Boeing Company**

The Chemours Co. (United States, 2018)

► Activities Resulting in Adverse 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, therefore, we 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 it is applicable to its sites.

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

► Incident(s) Resulting in Negative Human Rights Impacts

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.

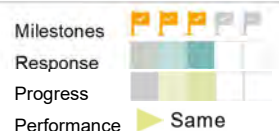


*Previously as **GEO Group, Inc.**

Thermo Fisher Scientific, Inc. (China, 2021)

► Involvement with Entities Violating Human Rights

Change Objective: Thermo Fisher should improve its human rights due diligence and disclosure, especially in relation to its products/services and business relationships. The company should also demonstrate efforts to support internationally accepted human rights standards as well norms governing the collection, use and storage of human genetic data.

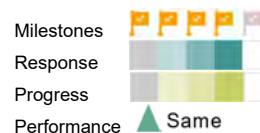


*Associated company: **PPD, Inc.**

Uber Technologies, Inc. (United States, 2019)

► Data Privacy and Security

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.

**Wells Fargo & Co.** (United States, 2019)

► Business Ethics

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

Disengage due to low performance

AFRICA / MIDDLE EAST	Elbit Systems Ltd.	
	► Operations in Occupied Territories	Palestinian Authority
ASIA / PACIFIC	63 Moons Technologies Ltd	
	► Fraud	China
	AviChina Industry & Technology Company Limited	
	► Involvement With Entities Violating Human Rights	China
	China Huarong Asset Management Co Ltd	
	► Bribery and Corruption	
	*Associated companies: Huarong International Financial Holdings Ltd., Huarong Investment Stock Corp Ltd and Huarong Real Estate Co., Ltd.	China
	China National Petroleum Corp. (New)	
	► Involvement with Entities Violating Human Rights	China
	*Associated company: PetroChina Co., Ltd.	
	China Northern Rare Earth (Group) High-Tech Co Ltd	
	► Activities Resulting in Adverse Environmental and Human Rights Impacts	China
	CH. Karnchang Public Company Limited	
	► Project(s) with Environmental and Human Rights Risks	Laos
	CK Power Public Co. Ltd.	
	► Controversial Project(s) - Environmental and Human Rights Impacts	Laos
	Coal India Limited	
	► Recurring Workplace Accidents	India
	Export-Import Bank of India	
	► Project(s) With Environmental and Human Rights Risks	Bangladesh
	Inner Mongolia Baotou Steel Union Co. Ltd.	
	► Emissions, Effluents and Waste	China
	Metallurgical Corporation of China Ltd.	
	► Environmental Impacts from Waste Practices	
	*Associated companies: China Metallurgical Group Corp and China Minmetals Group Co. Ltd.	Papua New Guinea
	Punjab National Bank (New)	
	► Fraud	India
	Steel Authority of India Limited	
	► Fatal Workplace Accident(s)	India
	Unitech Ltd. (New)	
	► Consumer Interests - Business Ethics	India
LATIN AMERICA AND CARIBBEAN	Petróleos de Venezuela S.A.	
	► Corrupt Practices	
	► Oil Spill(s)	
	► Recurring Workplace Accidents	Venezuela
UNITED STATES AND CANADA	Motorola Solutions, Inc.	
	► Operations in Occupied Territories	Palestinian Authorities

Disengage due to no publicly traded securities or significant distress

AFRICA / MIDDLE EAST	Mumias Sugar Company Limited	
	► Accounting and Taxation	Kenya
	Uchumi Supermarkets Limited	
	► Fraud	Kenya
ASIA / PACIFIC	1MDB Global Investments Ltd.	
	► Business Ethics	Malaysia
	China North Industries Corp.	
	► Involvement With Entities Violating Human Rights	China
	Chongqing Energy Investment Group Co., Ltd.	
	► Occupational Health and Safety	China

EUROPE	Cox & Kings (India) Ltd.	
	► Fraud	India
	Hanergy Mobile Energy Holding Group Co., Ltd.	
	► Accounting and Taxation	China
	Kangde Xin Composite Material Group Co., Ltd.	
	► Accounting and Taxation	China
	Kangmei Pharmaceutical Co Ltd	
	► Accounting and Taxation	China
	NMC Health PLC	
	► Accounting and Taxation	
	<i>*Associated company: NMC Health (Jersey) Ltd.</i>	United Kingdom
	Wirecard AG	
	► Fraud	Germany
Disengage due to involvement in controversial weapons		
AFRICA / MIDDLE EAST	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	
	► Involvement in Cluster Munitions	Pakistan
	Anhui GreatWall Military Industry Co., Ltd.	
	► Involvement in Cluster Munitions	China
	Bharat Dynamics Limited	
	► Nuclear Weapons Development	India
	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
	Defense Research & Development Organization	
	► Inhumane Weapons	
	► Involvement in Cluster Munitions	India
	Larsen & Toubro Limited	
	► Nuclear Weapons Development	
	<i>*Associated companies: L&T Finance Holdings Ltd, L&T Technology Services Ltd. and Larsen & Toubro Infotech Limited</i>	India
	LIG Corp.	
	► Involvement in Cluster Munitions	South Korea
	LIG Nex1 Co Ltd	
	► Involvement in Cluster Munitions	South Korea
	MindTree Limited	
	► Nuclear Weapons Development	India
	National Development Complex	
	► Involvement in Cluster Munitions	Pakistan
	Nityanand Udyog Pvt Ltd.	
	► Involvement in Land Mines	India
	Poongsan Corporation	
	► Involvement in Cluster Munitions	South Korea
	Poongsan Holdings Corporation	
	► Involvement in Cluster Munitions	South Korea
	SNT DYNAMICS Co., Ltd.	
	► Involvement in Land Mines	South Korea
	SNT Holdings Co., Ltd.	

	► Involvement in Land Mines	South Korea
	Synthetic Moulders Ltd.	
	► Involvement in Land Mines	India
	TATA Advanced Systems Ltd.	
	► Nuclear Weapons Development	India
	Tata Sons Private Limited.	
	► Nuclear Weapons Development	
	<i>*Associated companies: Tata Consultancy Services Ltd. and Tata Investment Corp. Ltd.</i>	India
	Walchandnagar Industries Ltd.	
	► Nuclear Weapons Development	India
EUROPE	Aeroteh SA	
	► Involvement in Cluster Munitions	Romania
	Compania Nationala ROMARM SA	
	► Involvement in Cluster Munitions	Romania
	Rostec Corporation	
	► Involvement in Cluster Munitions	Russia
	NPO Splay named after A.N. Ganichev JSC	
	<i>*Previously Splay State Research & Production Association Fsue</i>	Russia
	► Involvement in Cluster Munitions	
	Tactical Missiles Corp. JSC	
	► Involvement in Cluster Munitions	Russia
LATIN AMERICA AND CARIBBEAN	Avibras Industria Aeroespacial S/A.	
	► Involvement in Cluster Munitions	Brazil
UNITED STATES AND CANADA	Mil-spec Industries Corp	
	► Involvement in Cluster Munitions	
	► Involvement in Land Mines	United States
	The Day & Zimmermann Group, Inc.	
	► Involvement in Cluster Munitions	United States

Disengage due to state-owned enterprises being complicit in human rights abuses and/or situation in Ukraine

AFRICA / MIDDLE EAST	Saudi Arabian Oil Co.	
	► Operations in Territories with Elevated Human Rights Risks	
	<i>*Associated companies: Saudi Basic Industries Corp, S-Oil Corp. and Motiva Enterprises LLC (New)</i>	Saudi Arabia
LATIN AMERICA AND CARIBBEAN	Petróleos de Venezuela S.A.	
	► Operations in Territories with Elevated Human Rights Risks	Venezuela
EUROPE	Academician V.P. Makeyev State Rocket OJSC	
	► Involvement with Entities Violating Human Rights	Russia
	ALROSA PJSC	
	► Involvement with Entities Violating Human Rights	Russia
	<i>*Associated company: ALROSA-Nyurba PJSC</i>	
	Development Bank of The Republic of Belarus	
	► Involvement with Entities Violating Human Rights	Russia
	Gazprombank OJSC	
	► Involvement with Entities Violating Human Rights	Russia
	Gazprom PJSC	
	► Involvement with Entities Violating Human Rights	
	► Consumer Interests - Business Ethics (New)	
	<i>*Associated companies: Gazprom Neft PJSC (New), NIS AD (New), Mosenergo OAO (New), Territorial Generating Co No 1 PJSC (New), VK Co. (New) and The Second Generation Co of the Wholesale Power Market PJSC (OGK-2) (New)</i>	Russia
	Irkut Corporation	
	► Involvement with Entities Violating Human Rights	Russia
	MMC Norilsk Nickel PJSC	
	► Leaks, Spills and Pollution - Environmental and Human Rights Impacts (New)	Russia
	NPO Splay named after A.N. Ganichev JSC	
	<i>* Previously Splay State Research & Production Association Fsue</i>	Russia
	► Involvement with Entities Violating Human Rights	
	Rosneft Oil Co.	
	► Involvement with Entities Violating Human Rights	Russia

*Associated company: **Bashneft PJSOC**

Rostec Corporation

► Involvement with Entities Violating Human Rights

Russia

Rostelecom PJSC

► Involvement with Entities Violating Human Rights

Russia

*Associated company: **Central Telegraph PJSC**

Russian Agricultural Bank OJSC

► Involvement with Entities Violating Human Rights

Russia

Russian Railways OJSC

► Involvement with Entities Violating Human Rights

Russia

Sberbank Russia PJSC

► Involvement with Entities Violating Human Rights

Russia

State Development Corp. VEB.RF

* Previously Bank for Development & Foreign Economic Affairs

► Involvement with Entities Violating Human Rights

Russia

State Space Corp. Roscosmos

► Involvement with Entities Violating Human Rights

Tactical Missiles Corp. JSC

► Involvement with Entities Violating Human Rights

Russia

Tatneft PJSC

► Involvement with Entities Violating Human Rights

Russia

Transneft PJSC

► Involvement with Entities Violating Human Rights

Russia

*Associated company: **Novorossiysk Commercial Sea Port PJSC**

United Aircraft Corp. PJSC

► Involvement with Entities Violating Human Rights

Russia

VTB Bank PJSC

► Involvement with Entities Violating Human Rights

Russia

*Associated company: **Vozrozhdenie Bank PJSC**

Resolved

UNITED STATES AND CANADA

Walmart, Inc. (United States, 2006)

Walmart has strengthened its labour rights policies, including via its human rights policy statement released in 2018, and has also improved its disclosure. Walmart now provides detailed human capital disclosures that are updated annually and offer insight into its metrics, strategy and ongoing challenges. It has further settled several legal actions and is not facing significant new incidents, though we note that some legal issues remain. Overall, Walmart's rhetoric concerning its labour issues has improved in recent years and therefore Sustainalytics considers the case to be resolved.

ISSUE

► Labour Rights

MILESTONES

5/5 Achieved

Archived

AFRICA / MIDDLE EAST

Ashot Ashkelon Industries Ltd. (Palestinian Authority, 2020)

Ashot is no longer a subsidiary of Elbit Systems, a company directly involved in the controversy. Thus, due to the change in the company's ownership structure Sustainalytics decided to Archived the case.

ISSUE

► Involvement with Entities
Violating Human Rights

ASIA / PACIFIC

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

The case has been archived as a response to the lifting of restrictions by the US Food and Drug Administration (FDA) and the European Medicines Agency (EMA). It is assumed that issues relating to the review of quality that led to the incident have been resolved. The company did not respond to our last set of queries and there is reason to believe that engagement will not continue in the same constructive tone. Sustainalytics will continue to monitor FDA and EMA restrictions and if the company again becomes restricted the case will be reviewed.

ISSUE

► Quality and Safety -
Human Rights

Global Standards Engagement Overview

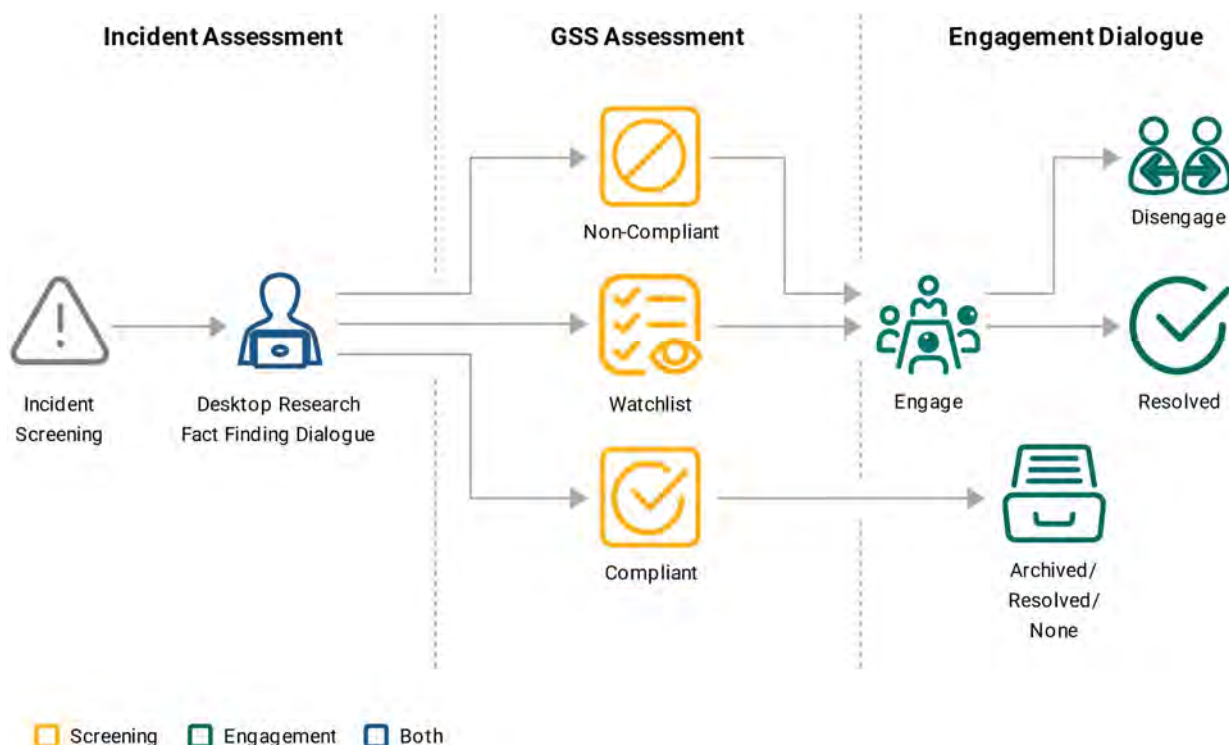
Global Standards Engagement (GSE) is an incident-driven engagement with focus on companies that severely and systematically violate international standards, such as the UN Global Compact Principles and the OECD Guidelines for Multinationals. The engagement is based on a thorough and continuous assessment 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 is 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.



Global Standards Engagement Status

Evaluate

- Cases with potential systematic incidents or an isolated incident that has severe consequences in relation to the environment or humans.
- Verification of the severity and company's responsibility takes between three-six months.
- The fact-finding dialogue and desktop research aims to assess companies' responses to the incident and preparedness to address the problem.

Engage

- Issue identified by Global Standards Screening (assessed as Watchlist or Non-Compliant) such as cases with systematic incidents or an isolated incident that has severe consequences in relation to the environment or society.
- Companies with clear gaps in their policies and management systems.
- Using a variety of engagement activities, the dialogue aims to effect change at the company, to be evidenced by it making a commitment and developing a strategy to address the identified shortcomings.

Associated

- This status flags to clients when the company or case is related to another company or case (for instance a non-autonomous subsidiary), where engagement will take place at the parent company and/or the company involved in the issue. We might engage with other companies in the corporate group if the engagement dialogue with the company closest to the incident is not willing to engage. This also means that some of the companies that are Watchlist/Non-Compliant will receive the engagement status 'Associated'.

Disengage

- Poor or no progress and/or poor or no response from the company within a period of two years after the start of engagement.
- Companies classified as non-engageable due to no or limited publicly traded securities or under significant distress
- Companies whose business models rely on activities where engagement would likely be not fruitful (such as involvement in controversial weapons or State-Owned Enterprises complicit in human rights abuses).
- Regular engagement case on Russian or Belarusian company, where we pause our engagement due to the situation in Ukraine.

Resolved

- The change objective has successfully been met, and the engagement has been concluded.

Archived

- Engagement is currently not warranted, and the case will be continuously assessed for any future changes.

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 nearly 30 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 17 offices globally, Sustainalytics has more than 1,200 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com.



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