

swisscanto

A brand of



Zürcher
Kantonalbank

Global & Thematic Engagement

Q2 Engagement Report 2025

Engagement is an essential part of the sustainable investor's toolkit, promoting sustainable business practices and helping maximize risk-adjusted returns.

Our Engagement Activities

As global investor with a strong Swiss heritage and forward-looking role in sustainable investing, the asset management of Zürcher Kantonalbank with its Swisssanto brand recognizes that environmental, social, and corporate governance (ESG) factors can present material risks to portfolio investments and opportunities for better risk-adjusted returns.

Responsible and sustainability investing is a crucial element of our asset management strategy. We are convinced that integrating ESG factors may result in better-informed investment decisions allowing the generation of value for investors. Our investment stewardship activities complement our ESG-integrated investment focus and sustainability strategy.

Through our investment stewardship, we, or the fund management companies of the group of Zürcher Kantonalbank, seek to promote sustainable business practices advocating for the compliance within renowned international principles and widely accepted ESG best-practice standards. This may include promoting compliant practices, check-and-balance principles, adequate pay-for-performances, stewardship of environmental protection and climate change, supporting biodiversity, fair labor practices, non-discriminatory work and the protection of human rights and other best-practice ESG topics. The investment stewardship of the asset management of Zürcher Kantonalbank or the respective fund management companies comprises the following active ownership elements:

- With **proxy voting**, we cast actively and responsibly our votes along our sustainable oriented mindset and strategy.
- By **engaging** actively with issuers, we promote best-practice ESG standards and convey our climate change message and strategy.

Engagement is primarily driven and led by our active, fundamental capabilities, mostly equity related but comprising also fixed income, as engagements drive both perspectives and may benefit issuers overall irrespective of their listed securities. Our engagement activities are based on three major pillars as set out hereafter:

- **Direct dialogue with Swiss issuers:** Our focus is to create visibility among companies as an active and sustainable investor by promoting best-practice ESG in the interest of our investors by leveraging on our home base expertise.

- **Collaborative engagements:** The focus is to promote best-practice ESG on entire industries as well as the achievement of environmental and/or social goals (i.e. 17 UN SDGs). These collaborative engagements are mostly driven by the UN PRI platform, but opportunistic direct interactions with companies also take place. In addition, we support various ESG initiatives such as Climate Action 100+, TNFD, Climate Bond Initiative, etc.
- **Global & thematic engagements:** The focus is to promote best-practice ESG standards and our climate strategy on a global scale in our investors' interest. In addition, we focus within the thematic engagements on climate change, cleantech and biodiversity. We mandated Sustainalytics to leverage existing resources and to convey our key sustainability messages globally. Depending on relevance and materiality, we may also participate in these corporate dialogues.

We believe that the best way to promote improved market practices and ESG best-practice standards is through direct dialogues (engagements).

An important element is to convey our climate change strategy to issuers globally. We may actively ask issuers to:

- Formulate ambitious and transparent climate strategy to reduce greenhouse gas emissions.
- Clearly define responsibilities and accountability for the definition, control and implementation of the climate strategy.
- Establish incentive systems for implementing the climate strategy (e.g. ESG KPIs in compensation schemes).

Besides our climate-related engagement, we prioritize our engagements in general according to breaches against the UN Global Compact Principles and focus on promoting the UN SDGs. We believe that investors are well positioned to influence ESG best-practices among their investments, especially in material holdings.

About the following Engagement Report from Morningstar Sustainalytics

Morningstar Sustainalytics is our partner for engagement activities at international companies. The following report is provided by Morningstar Sustainalytics and covers the engagements they conduct on our behalf. It shows an overview of global and thematic engagements.

About Morningstar Sustainalytics

Morningstar Sustainalytics is a leading ESG data, research, and ratings firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors.

Today, Morningstar Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG information and assessments into their investment processes.

The firm also works with hundreds of companies and their financial intermediaries to help them consider material sustainability factors in policies, practices, and capital projects. Morningstar Sustainalytics has analysts around the world with varied multidisciplinary expertise across more than 40 industry groups. For more information, visit www.sustainalytics.com.

Asset Management of Zürcher Kantonalbank

Proven specialists manage high-quality investment and pension solutions for private investors, companies, and institutions. With its Swisscanto brand, Zürcher Kantonalbank Group is one of Switzerland's largest asset managers. It is also known for its role in sustainable investments.

Swisscanto Fondsleitung AG

Swiss fund management for Zürcher Kantonalbank and third parties

Swisscanto Fondsleitung AG, part of Zürcher Kantonalbank group, has been established in 1960 and serves as fund management company of the Swiss domiciled Swisscanto funds. Furthermore Swisscanto Fondsleitung AG also supports an increasing number of third-party customers with tailor-made services and flexible solutions.

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Swisscanto Asset Management International S.A., part of the Zürcher Kantonalbank Group, is a Luxembourg-based investment fund management company offering a range of fund solutions across various asset classes and risk profiles. In addition to serving as the in-house management company for Swisscanto funds under Luxembourg law, it operates as a third-party management company for private label funds, providing tailored solutions to meet specific client needs.

Your contacts

Enquiries should be emailed to:

- Engagement@swisscanto.ch for all matters relating to engagement.
- Voting@swisscanto.ch for all matters relating to proxy voting.

www.swisscanto.com

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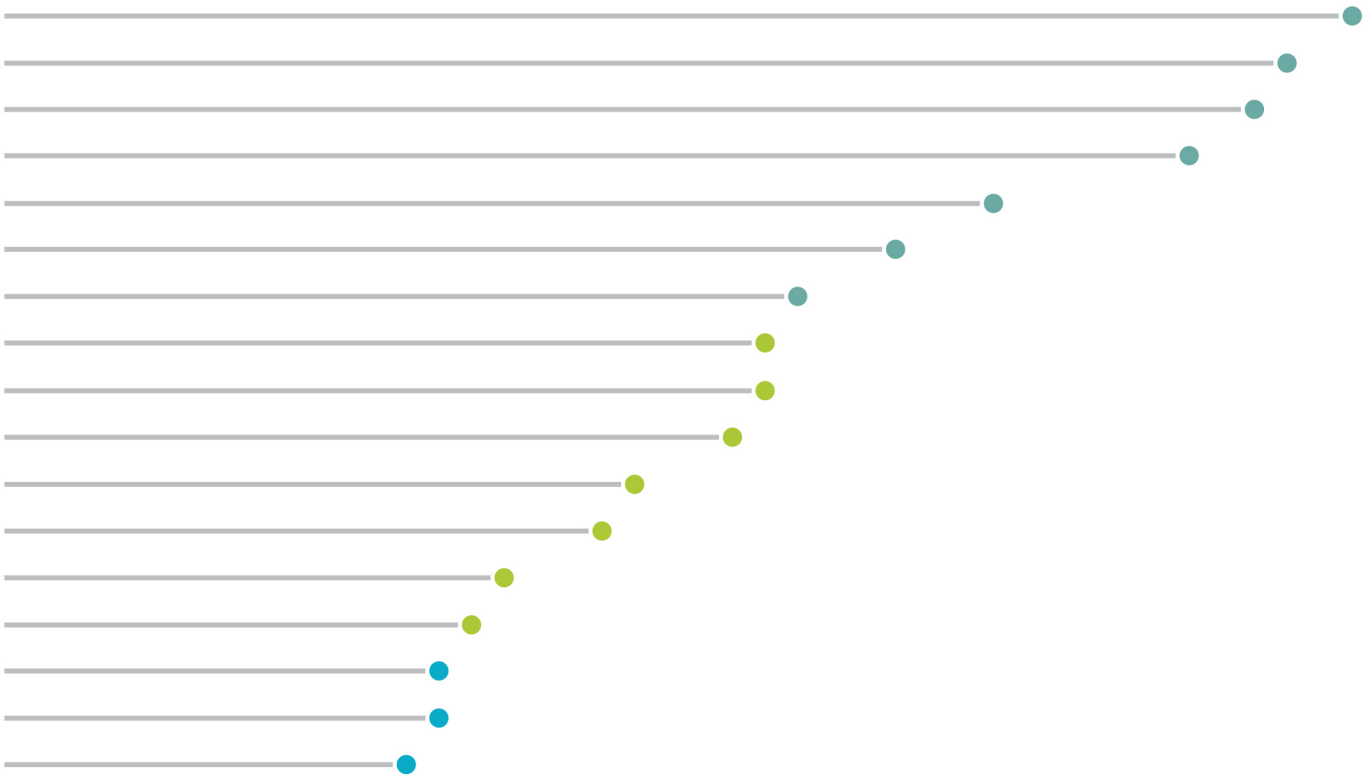
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Engagement 360

2025 Q2 Report



Stewardship is where insights become action. Engagement 360 supports a holistic approach to mitigating ESG risks and capitalizing opportunities.

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This report summarizes the shareholder engagement activities that Morningstar Sustainalytics performed on behalf of Swisscanto / Zürcher Kantonalbank between April and June 2025. If there is no specific reference to date in graphs and tables, the data is presented as per end of the reporting period. The report has been produced in August 2025 and uses data for the quarter ending 30 June 2025. Version 1 was disseminated on 18 August 2025. Use of and access to this information is limited to clients of Morningstar Sustainalytics and is subject to Morningstar Sustainalytics legal terms and conditions.

Stewardship Approach

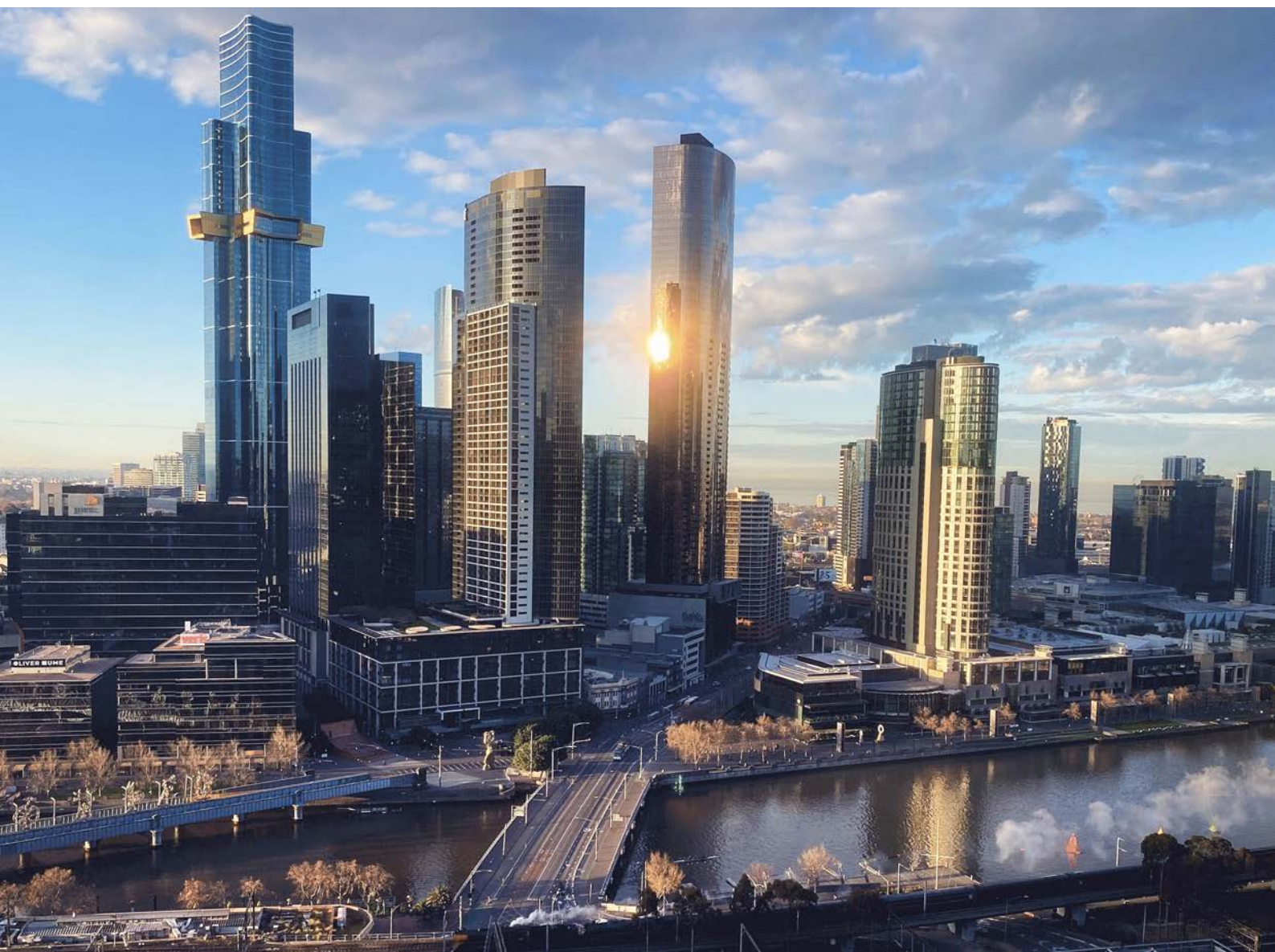
Engagement 360 is a holistic stewardship offering that promotes and protects the world's leading asset owners' and managers' long-term shareholder values through consistent engagement outcomes. Engagement 360 addresses ESG risks and strives to create positive social and environmental outcomes.

ESG STRATEGY AND RISK promotes and protects long-term value by flagging high- and severe- risk companies to proactively engage unmanaged and financially material ESG issues. The focus is on companies with unmanaged ESG risk greater than 30 as identified by Morningstar Sustainalytics' ESG Risk Ratings.

INCIDENT engagements address companies that severely or systematically violate international standards, such as the UN Global Compact and OECD Guidelines for Multinationals to ensure that investors are managing associated reputation risk. This engagement aims to not only to verify how a company addresses the incident but also to effectuate change in the company's policies and/or processes to ensure proper policies and programmes are in place to avoid future reoccurrences and improve its ESG disclosure. Companies flagged as Watchlist or Non-Compliant as identified by Morningstar Sustainalytics' Global Standards Screening research are targeted for this engagement.

THEMES are SDG-aligned proactive engagements that enable investors to align their interests in addressing specific systemic issues across the ESG spectrum. Thematic engagement's philosophy centers around systematic change, collaboration, root causes and best practice sharing at its core. The purpose of this engagement is to influence companies to proactively manage specific ESG risks and capitalize on opportunities.

Morningstar Sustainalytics' ESG Voting Policy Overlay provides vote recommendations that align to widely accepted ESG principles, sustainability objectives, ongoing corporate engagements and ESG issues most important to investors.



Executive Summary

We are delighted to report on the activities and results of Morningstar Sustainalytics' Engagement 360 in Q2 2025, providing an overview of activities and insights into the results of the stewardship work throughout the quarter.

Highlights of the Quarter

In Incidents we saw five new engagements initiated from Watchlist downgrades. On our Strategy and Risk focused engagements, we saw eight cases resolved, including United States Steel Corp and established 20 new engagements. The ESG Voting Policy Overlay delivered 1,122 voting recommendations plus 429 engagement company meeting commentaries.

The engagement team co-led a full-capacity investor roundtable at the Southeast Asia Investor Forum and joined a high-level panel with the UNEP Finance Initiative, Zurich Insurance, and Prudential. We also strengthened long-standing engagements with US issuers, focusing on the credibility of net zero commitments amid evolving political and regulatory dynamics. In response to recent regulatory rollbacks, we refined our strategy to include pre-engagement compliance notices and a sharper focus on governance structures shaping transition planning.

We hosted a well-attended engagement webinar focused on setting GHG emission reduction targets for utility sector companies. The event drew over 30 participants, including institutional investors and electric utility representatives from both sides of the Atlantic. Strong interaction throughout the session highlighted the high level of interest in the topic. Attendees gained valuable insights into the tools and strategies available to support the net zero transition. On human rights, grievance mechanisms are essential for managing human rights risks and strengthening corporate resilience. They remain a core focus of our Human Rights and Transition Programme and Incidents engagements. However, many companies – particularly within extensive supply chains – lack effective systems, increasing legal and reputational risk. Despite evidence linking strong grievance mechanisms to better performance and stakeholder trust, disclosure remains limited.

The quarter also saw participation in an investor visit to Currys Plc's UK repair and distribution facility in May 2025.

Finally, we also attended ABN AMRO bank's annual Human Rights Conference in Amsterdam, focused on grievance mechanisms, as well as the OECD Forum on Responsible Minerals Supply Chains in Paris. Throughout the quarter, the Stewardship team:

- i. Conducted 124 meetings, including 7 meetings in-person;
- ii. Exchanged 2,850 emails and phone calls;
- iii. Achieved 271 Positive Developments and 258 Milestones;
- iv. Resolved 10 engagements successfully.

Looking Ahead

With new engagements underway for Strategy and Risk and recent closures completed, we anticipate a busy third quarter, including several introductory and content-focused calls following the summer period. As we move into the second half of 2025, the Global Plastics Treaty negotiations will resume, a key event in the calendar and material to several of our engagements. As such, we will continue monitoring efforts to address ocean pollution and exploitation. These developments will be incorporated into relevant engagement conversations.

Stewardship Overview



796

engagements as of 30
June 2025

26

new engagements



Utilities

is the most engaged industry



**Highest number of
engagements in a
single market is
Asia / Pacific**

**Disclosure and
Climate Change -
Transition Risk**
are the most engaged
topics

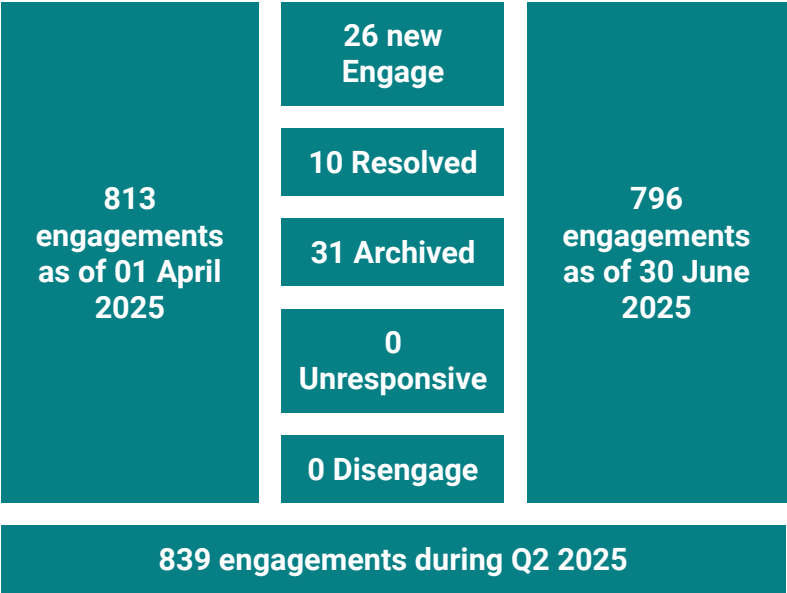
**SDG 13 Climate
Action**
(44%) linked to
engagement
objective



Engagement Status

When we open an engagement, the status is Engage. We will then pursue engagement until we change status to:

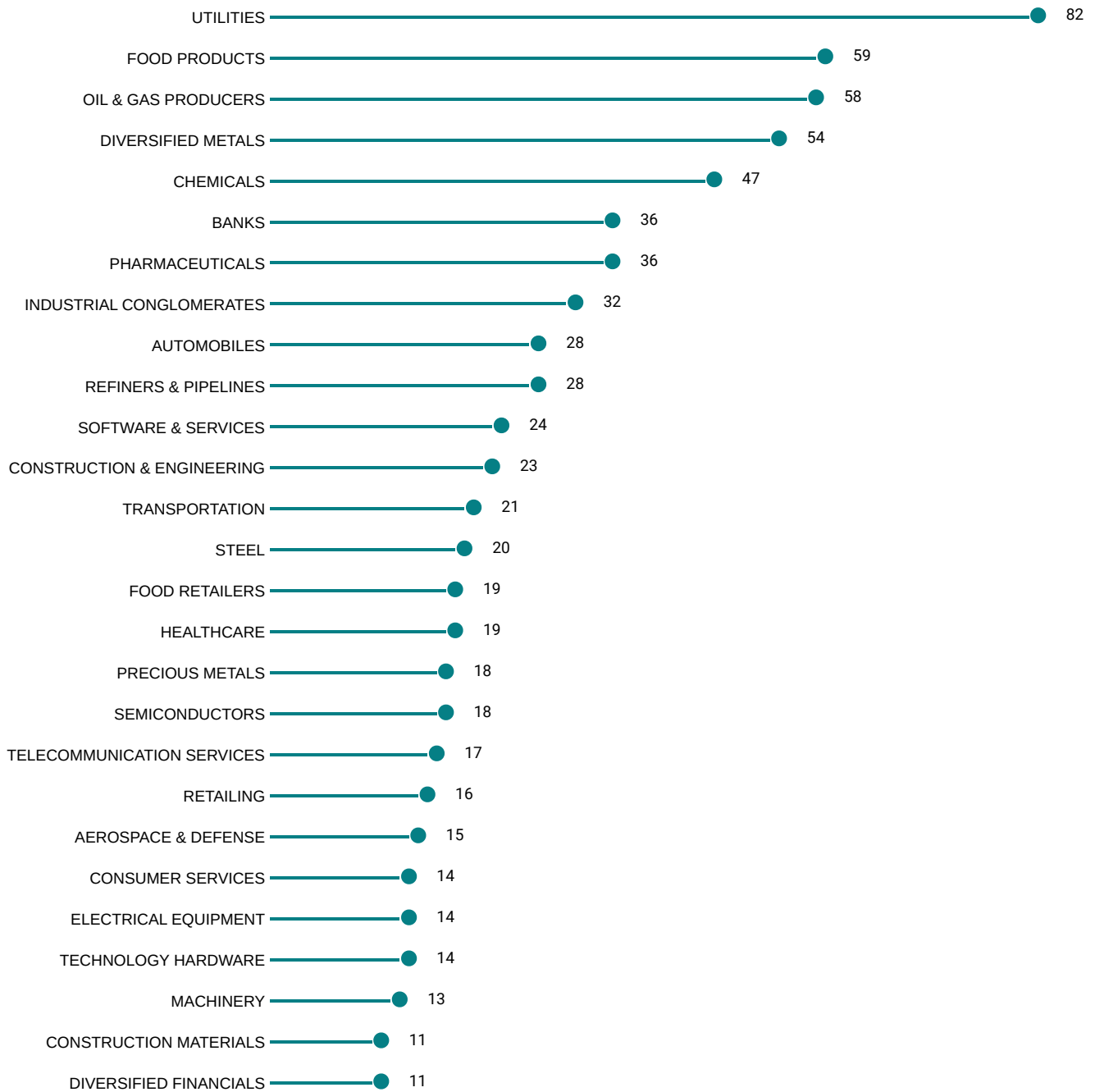
Resolved	The company has achieved the engagement objective.
Archived	Engagement is concluded, the engagement objective has not been achieved.
Unresponsive	Unresponsive is the final step in the escalation for companies not responding to our engagement. At this final step, we have exhausted all other engagement tools.
Disengage	Engagement is deemed unlikely to succeed.



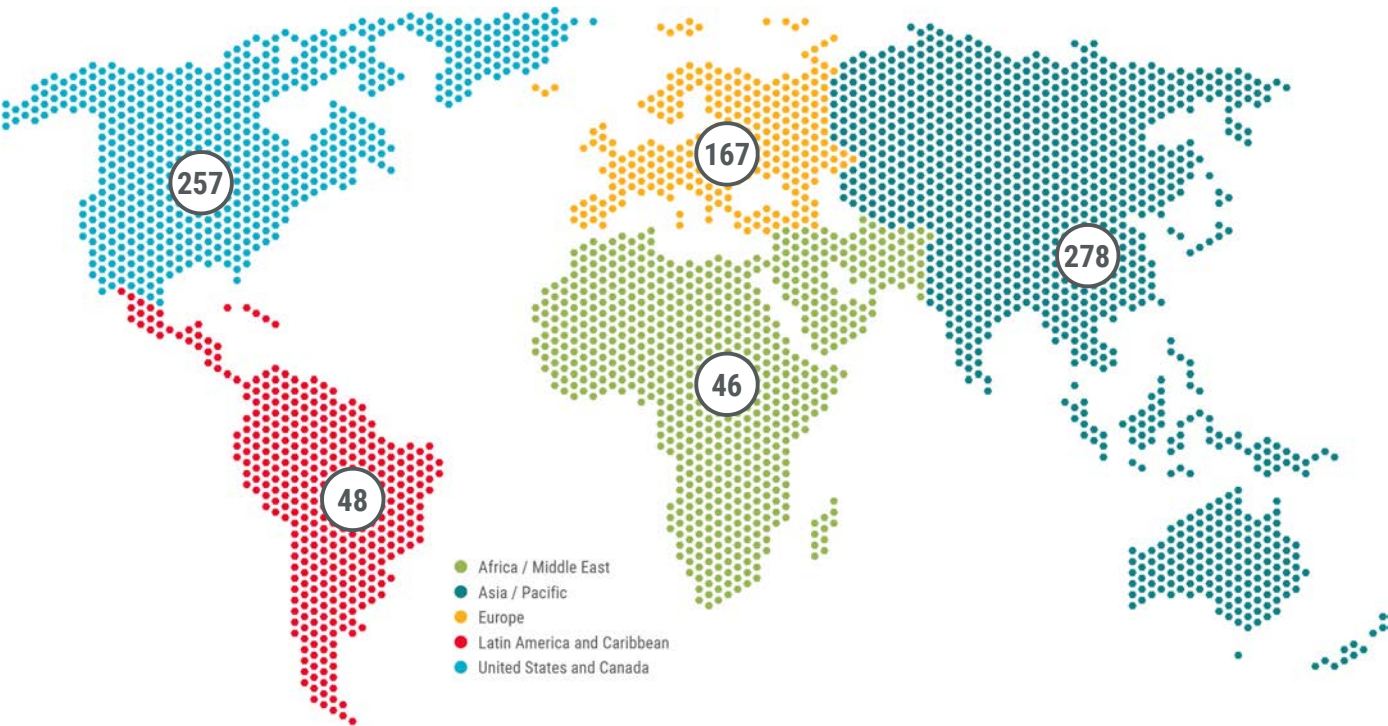
On a regular basis, universes are rebalanced and issuers might therefore be delisted and removed from our data set. In such circumstances, the opening and closing engagement counts will not match.

Industry Distribution

(Industries with a minimum of 10 engagements)



Engagements by Headquarter Location

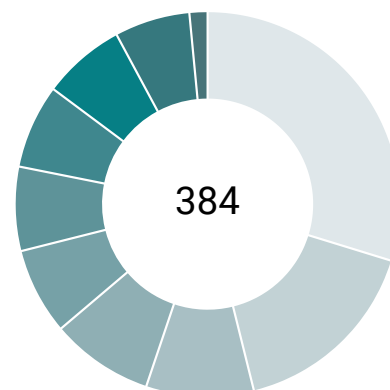


Engagement Topics

At the end of the reporting period, our engagements addressed a number of topics across the environmental, social and governance pillars.

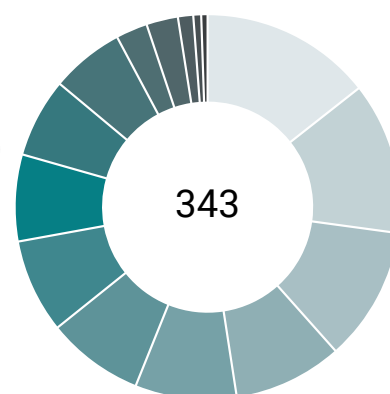
Environmental

- CLIMATE CHANGE - TRANSITION RISK (283)
- WATER QUALITY (85)
- BIODIVERSITY (68)
- NATURAL RESOURCE USE (66)
- CIRCULAR ECONOMY (59)
- WATER SECURITY (155)
- WASTE MANAGEMENT (81)
- LAND POLLUTION AND SPILLS (66)
- DEFORESTATION (65)
- AIR POLLUTANT EMISSIONS (13)



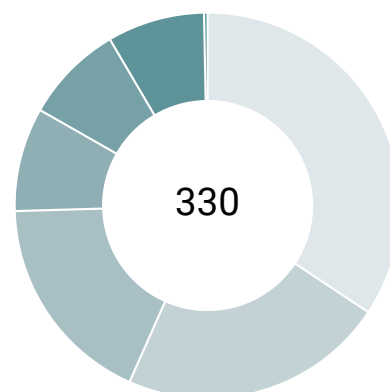
Social

- HUMAN RIGHTS (114)
- HUMAN CAPITAL (89)
- INDIGENOUS PEOPLE (67)
- COMMUNITY RELATIONS (62)
- CHILD LABOUR (52)
- DATA PRIVACY AND SECURITY (20)
- MARKETING PRACTICES (9)
- WEAPONS (3)
- JUST TRANSITION (101)
- PRODUCT QUALITY AND SAFETY (72)
- DIVERSITY, EQUITY AND INCLUSION (DEI) (64)
- FORCED LABOUR (57)
- OCCUPATIONAL HEALTH AND SAFETY (48)
- LABOUR RIGHTS (20)
- HIGH-RISK TERRITORIES (4)



Governance

- DISCLOSURE (256)
- BOARD COMPOSITION (133)
- BUSINESS ETHICS, BRIBERY AND CORRUPTION (61)
- COMPETITION (1)
- ESG GOVERNANCE (166)
- ACCOUNTING AND TAXATION (64)
- SHAREHOLDERS RIGHTS (60)



Note: Each engagement case may address multiple ESG topics. The numbers in parentheses indicate how many engagements include that specific topic. The total in the chart reflects the count of engagements with an Environmental, Social, or Governance focus. While a single engagement may span multiple ESG pillars, it is counted only once in the total. However, there is no limit to the number of topics an engagement can cover, so the topic counts will not sum to the total per pillar.

Sustainable Development Goals – Mapping Engagements

All engagements are mapped to the 17 UN Sustainable Development Goals (SDGs). The mapping is done by Morningstar Sustainalytics and refers to the focus and objective(s) of the engagement.

1 No Poverty	8%	10 Reduced Inequality	9%
2 Zero Hunger	14%	11 Sustainable Cities and Communities	10%
3 Good Health and Well-Being	28%	12 Responsible Consumption and Production	54%
4 Quality Education	7%	13 Climate Action	44%
5 Gender Equality	8%	14 Life Below Water	8%
6 Clean Water and Sanitation	10%	15 Life on Land	11%
7 Affordable and Clean Energy	21%	16 Peace and Justice, Strong Institutions	31%
8 Decent Work and Economic Growth	32%	17 Partnerships to Achieve the Goal	3%
9 Industry, Innovation and Infrastructure	31%		

Case Study: AIA Group Ltd. (AIA)

Sustainability and Good Governance Stewardship Programme - Engagement Since: 15 February 2024



Industry: **Insurance**

Base Location: **Hong Kong**

AIA Group, a pan-Asian life insurance company, operating in 18 markets needs to reevaluate its strategies to better integrate Environmental, Social, and Governance (ESG) considerations due to increasing risks from climate change-driven natural catastrophes.

Progress: **Good** | Response: **Excellent** | Latest Milestone: **3**

Engagement Update

AIA is very receptive to engagement. In April 2025, we conducted an engagement call with the company, during which we addressed topics related governance, risk and impact, strategy, targets and transparency. Following this discussion, we scheduled a follow-up call to further clarify some of the matters discussed in April.

Focus Area

During the engagement call, we identified several gaps in AIA's governance and sustainability practices, specifically, sustainability diligence practices, corporate policies, tax transparency, double materiality assessment, executive compensation practices, and sustainability data reporting verification.

Engagement Outcomes

AIA demonstrates robust governance and risk and impact assessment practices. The board structure and governance of sustainability align with best practices to a great extent. The company has an impact management framework that meets the minimum expectations and is not involved in any significant business controversy. Additionally, AIA has developed strategies, targets, and results practices that have exceeded minimum expectations over the past year.

Insights & Outlook

AIA is advancing its AI adoption with a robust governance framework to ensure responsible use. The AI council oversees governance and risk assessment, with 15 AI use cases identified for 2024. AI is also integrated into its healthcare strategy for claims processing. AIA emphasizes continuous improvement of AI capabilities and governance, collaborating with suppliers to drive AI adoption and innovation. Additionally, AIA is focusing on regional developments, particularly in employee diversity, governance, and human capital, with more markets adopting the International Financial Reporting Standards Foundation's Sustainability Disclosure Standards (IFRS S2). It aims to standardize reporting across the region, driving meaningful change and meeting SDG achievements by 2030.

Case Study: CF Industries Holdings, Inc.

Net Zero Transition Stewardship Programme - Engagement Since: 13 June 2023



Industry: **Agricultural Chemicals**

Base Location: **United States**

CF Industries Holdings is the world's leading producer of nitrogen fertilizer and ammonia. Given its significance within the global economy, and role as a provider of chemicals necessary for a low-carbon future, it is important the company successfully decarbonizes.

Progress: **Standard** | Response: **Good** | Latest Milestone: **2**

Engagement Update

CF Industries Holdings and Morningstar Sustainalytics held a third engagement meeting on net zero on 7 April 2025. Topics discussed included decarbonization investment, supply chain engagement, emission reduction targets, performance and disclosure, and the political environment for low carbon transition within the US. Directly after the call, CF Industries announced an additional USD 2.1 billion investment in low carbon transition infrastructure.

Focus Area

Engagement with CF Industries Holdings focuses on supporting the company transition its business model to take advantage of low-carbon business opportunities. The company specializes in creating ammonia through the Haber-Bosch process, with key infrastructure and access to resources giving it a narrow economic moat over competitors. While the vast majority of its ammonia has historically gone to producing nitrogen fertilizer, diversifying into the low-carbon hydrogen supply chain positions both the company and the economy to reduce future greenhouse gas emissions.

Engagement Outcomes

Prior to the April engagement meeting, CF Industries Holdings was investing roughly USD 400 million on upgrading its infrastructure to reduce emissions at its current facilities through carbon capture and storage. Following the meeting, CF Industries Holdings moved forward with development of a new plant aimed specifically at producing low-carbon ammonia for hydrogen fuel systems – marking a positive development for Net Zero Transition. Future engagement will focus on improving disclosure of scope 2 emissions, and consideration of the Science Based Target initiative Chemical Sectoral Decarbonization Approach (SBTI SDA) – once it is finalized.

Insights & Outlook

CF Industries Holdings approach to decarbonization is proactive and pragmatic. The rise of regenerative agriculture and other farming trends that deemphasize nitrogen fertilizer make the decision to decarbonize a straightforward one, and the company's strong balance sheet facilitates its transition. Nonetheless, it is prudently maximizing tax incentives provided under 45Q of the Inflation Reduction Act to support its low-carbon investments.¹ Overall, there is room for the company to improve in its stated ambition and pace of execution. However, despite facing geopolitical headwinds in its home market, improvement is expected based on its direction of travel.

Case Study: Procter & Gamble Co. (P&G)

Biodiversity and Natural Capital Stewardship Programme - Engagement Since: 22 July 2022



Industry: Household Products

Base Location: United States

P&G is one of the world's largest consumer product manufacturers generating more than USD 80 billion in annual sales. Its business relies heavily on natural resources and the engagement focuses on P&G's management on its nature-related risks and impacts.

Progress: Good | **Response:** Good | **Latest Milestone:** 2

Engagement Update

During our last meeting in April 2025, P&G reaffirmed its commitment to sustainability, highlighting progress despite current geopolitical issues. The company completed the first version of its TNFD LEAP Assessment, providing a structured framework to evaluate environmental priorities across its value chain. Further findings should be disclosed in 2026. P&G also addressed deforestation allegations in Indonesia, reassuring investors of its deforestation- and conversion-free supply chain processes.

Focus Area

Engagement with P&G has focused on nature-related risk assessment, land and water targets, and board-level governance. The company has shared progress on its Forest Commodities Policy and environmental risk evaluation across its value chain. P&G also integrates human rights into its nature strategy—for instance, through a programme supporting smallholder farmers in Malaysia to improve livelihoods and yields via sustainable agricultural practices. Future discussions will explore P&G's water stewardship, including how it identifies water-related risks and applies basin-specific strategies and targets.

Engagement Outcomes

P&G shows strong leadership in biodiversity initiatives, backed by governance and board-level expertise in nature, climate, and social issues. Its participation in global frameworks and leading organizations reflects a clear commitment to aligning with emerging best practices. P&G has set water targets and is exploring land targets, signaling a forward-looking approach to environmental stewardship. The completion of its first LEAP assessment in 2025 marks a key milestone. Its resource management is guided by dedicated sourcing policies for palm oil and wood pulp—two high-impact commodities identified through materiality screening.

Insights & Outlook

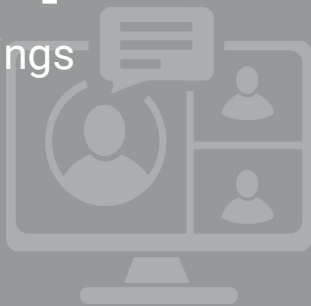
P&G has established a comprehensive system to ensure compliance with its no-deforestation and no-conversion policies. This system is built on four key components: (1) clearly defined policy expectations that are actively communicated to all suppliers, (2) 100% third-party certification for all wood pulp and palm oil used in its products, (3) rigorous internal compliance monitoring, including field assessments, desk audits, and regular sustainability reviews, and (4) a public grievance mechanism that triggers formal investigations and corrective actions when non-compliance is reported. P&G's approach sets a high standard for environmental accountability in global supply chains.

Engagement Results



214

meetings



2,850

emails and phone
calls exchanged



10

engagements
resolved



271

Positive
Developments

258

Milestones achieved



35%

of engagements with
Excellent or Good
Response

23%

of engagements
with Excellent or
Good Progress

Engagement Progress

Progress reflects the pace and scope of changes towards the engagement objective that the company is making, assessed on a five-point scale.

Excellent	The company has adopted a proactive approach and addressed the issues related to the change objective.		2% (17)	Excellent
			20% (153)	Good
Good	The company has taken sufficient measures to address the issues related to the change objective.			
			63% (472)	Standard
Standard	The company has undertaken a number of measures to address the issues related to the change objective.			
			12% (87)	Poor
Poor	The company has indicated willingness to addressing the issues related to the change objective, but no measures have been taken yet.		3% (19)	None
None	The company has not made any progress against the engagement objective.			

Engagement Response

Response reflects the company's willingness to engagement dialogue with investors, assessed on a five-point scale.

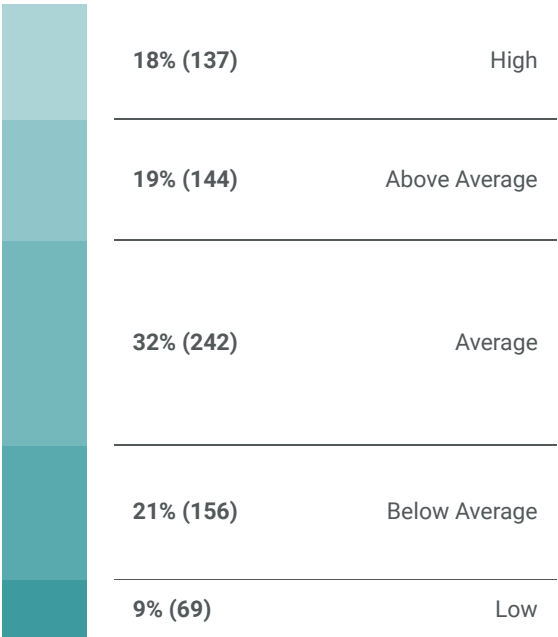
Excellent	The company is proactive in communicating around the issues related to the change objective.		7% (53)	Excellent
			28% (210)	Good
Good	The company addresses all the issues related to the change objective.			
			38% (282)	Standard
Standard	The company provides responses to some of the issues related to the change objective.			
			17% (129)	Poor
Poor	The company has initially responded but not properly addressed the issues related to the change objective and is unwilling to engage further with us.		10% (74)	None
None	The company has not responded to the inquiries.			

Engagement Performance

Performance describes the combined company Progress and Response.

We have five tiers to offer a nuanced understanding, the tiers are: Low, Below Average, Average, Above Average, and High.

The Progress and Response matrix below is used to determine performance.



Progress and Response Matrix

		RESPONSE				
		EXCELLENT	GOOD	STANDARD	POOR	NONE
PROGRESS	EXCELLENT	High	High	Above Average	Average	Average
	GOOD	High	High	Above Average	Average	Average
	STANDARD	Above Average	Above Average	Average	Below Average	Below Average
	POOR	Average	Average	Below Average	Low	Low
	NONE	Average	Average	Below Average	Low	Low

Engagement Milestones

Milestones are our five-stage tracking of progress in achieving the engagement objective.

258 Milestones
achieved in Q2 2025

Milestones Framework

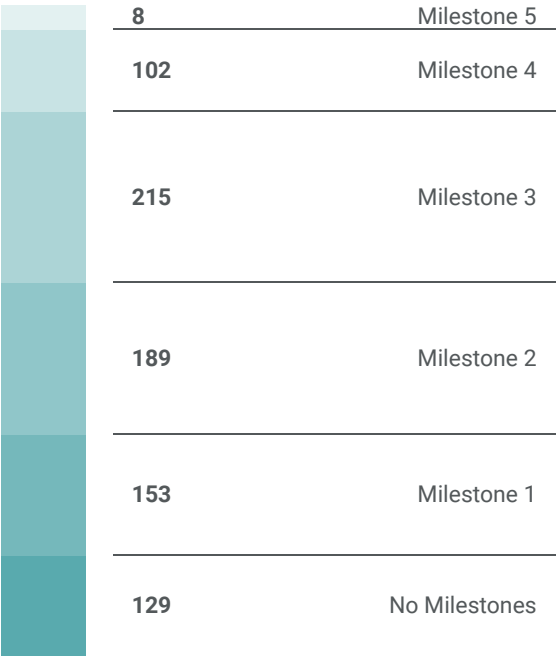
Resolved	Case successfully closed.
Milestone 5	Change objective is considered fulfilled.
Milestone 4	Implementation of strategy has advanced meaningfully, and related issuer disclosure maturing.
Milestone 3	Strategy is well formed and has moved into early stages of implementation.
Milestone 2	Issuer establishes a strategy to address the issue.
Milestone 1	Acknowledge of issue(s) and commitment to mitigation.

YTD Highest Milestone Achieved (Resolved)



Note: Cumulative year to date resolved cases.

Highest Milestone Achieved (Engage)



Note: Milestone distribution of ongoing Engage cases at the end of the reporting period.



Engagements Resolved

COMPANY	COUNTRY	INDUSTRY	ISSUE	RELATED COMPANY
Alinma Bank	Saudi Arabia	Banks	Focus on Risk Assessment and ESG Disclosure	None
Asian Paints Ltd.	India	Chemicals	Focus on Emissions, Effluents and Waste and Resource Use	None
Donaldson Co., Inc.	United States of America	Machinery	Focus on Product Governance	None
Dubai Islamic Bank PJSC	United Arab Emirates	Banks	Focus on Product Governance	None
Freeport-McMoRan, Inc.	United States of America	Diversified Metals	Focus on Emissions, Effluents and Waste and Community Relations	None
POSCO STEELEON Co., Ltd.	South Korea	Steel	Involvement With Entities Violating Human Rights	POSCO Holdings, Inc.
Saudi Awwal Bank	Saudi Arabia	Banks	Focus on Product Governance	None
SD Guthrie Bhd.	Malaysia	Food Products	Forced Labour	None
United States Steel Corp.	United States of America	Steel	Focus on Risk Assessment and ESG Disclosure	None
Universal Health Services, Inc.	United States of America	Healthcare	Focus on Risk Assessment and ESG Disclosure	None

Resolved - Freeport McMoran, Inc.

ESG Risk Ratings Score

Negligible (0-10)	Low (10-20)	Medium (20-30)	High (30-40)	Severe (40+)
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26.2

INDUSTRY:
Diversified Metals Mining

COUNTRY:
United States

ENGAGEMENT FOCUS:
Materiality and ESG Governance
Community Relations
Emissions, Effluents and Waste
Carbon—Own Operations

RATIONALE FOR RESOLVED STATUS:
Freeport McMoran, Inc. has improved its ESG Risk Rating score to 26.2.

Positive Development Highlights:

- Freeport McMoran discloses that in 2024 the company conducted an externally led sustainability materiality assessment to incorporate impact materiality as described by the Global Reporting Initiatives (GRI) Standards.
- The company disclosed a standalone PT-FI Sustainability Report for its Grasberg Mine operations in Indonesia in December of 2024. The report includes updated economic and social contribution data and information.
- In its 2024 Annual Report on Sustainability, Freeport McMoran discloses a 2025 target to develop internal water stewardship plans for seven mining and mineral processing operations with medium-high, high or extremely highwater stress ratings.
- The company has increased use of renewable energy at its sites. In 2024, 44% of electricity purchased for American Copper came from renewables. El Abra mine used 100% certified renewable energy in 2023 and 2024 through its existing power purchase agreement (PPA). In 2024, nearly 75% of Cerro Verde’s electricity was renewable.

In the latest update of the ESG Risk Rating, Freeport McMoran has improved its Risk Rating management score by 5.8 points, bringing it into the medium risk category and below the 28-point threshold for engagement.

Low Performance Engagements

The following list displays Low Performance companies with Poor or None Progress in combination with Poor or None Response.

When a case is added to the Low Performance list, a 24-month process of specific engagement using a wide range of engagement tools e.g. collaborative investors letters or letters to the company's board, will take place. After two years, the case will be reviewed and a Disengage status can be selected to reflect all other engagement options have been ineffective.

For each Low Performance case, there is a **Low Performance Time Tracker** which illustrates the time elapsed.

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
ARC Resources Ltd.	Canada	Focus on Emissions, Effluents and Waste	Strategy & Risk	 Poor	 None	 0-3
Blue Owl Capital, Inc.	United States of America	Focus on Product Governance	Strategy & Risk	 Poor	 None	 0-3
Encompass Health Corp.	United States of America	Focus on Product Governance and Emissions, Effluents and Waste	Strategy & Risk	 Poor	 None	 0-3
Exxon Mobil Corp.	United States of America	TSP - Net Zero Transition	Themes	 Poor	 Poor	 0-3
Fomento Economico Mexicano SAB de CV	Mexico	TSP - Human Capital Management	Themes	 Poor	 Poor	 0-3
Fujitsu Ltd.	Japan	TSP - Human Capital Management	Themes	 Poor	 Poor	 0-3
Hess Corp.	United States of America	Focus on Carbon Products and Services	Strategy & Risk	 Poor	 None	 0-3
Minor International Public Co., Ltd.	Thailand	TSP - Human Capital Management	Themes	 Poor	 Poor	 0-3

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Occidental Petroleum Corp.	United States of America	TSP - Net Zero Transition	Themes	 Poor	 Poor	 0-3
OCI NV	Netherlands	TSP - Net Zero Transition	Themes	 Poor	 None	 0-3
Sodexo SA	France	TSP - Human Capital Management	Themes	 Poor	 Poor	 0-3
The Walt Disney Co.	United States of America	TSP - Human Capital Management	Themes	 Poor	 Poor	 0-3
Amazon.com, Inc.	United States of America	TSP - Net Zero Transition	Themes	 Poor	 None	 3-6
Athabasca Oil Corp.	Canada	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	 None	 None	 3-6
Baytex Energy Corp.	Canada	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 Poor	 Poor	 3-6
Daiichi Sankyo Co., Ltd.	Japan	TSP - Sustainability and Good Governance	Themes	 Poor	 Poor	 3-6
HF Sinclair Corp.	United States of America	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	 Poor	 None	 3-6
ORION Corp.	South Korea	Focus on Product Governance	Strategy & Risk	 Poor	 None	 3-6
QL Resources Bhd.	Malaysia	Focus on Product Governance	Strategy & Risk	 Poor	 None	 3-6

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Wanhua Chemical Group Co., Ltd.	China	Focus on ESG Disclosure	Strategy & Risk	 Poor	 None	 3-6
Yunnan Baiyao Group Co., Ltd.	China	Focus on Product Governance	Strategy & Risk	 Poor	 None	 3-6
Zhangzhou Pientzehuang Pharmaceutical Co., Ltd.	China	Focus on Risk Assessment and Corporate Governance	Strategy & Risk	 Poor	 Poor	 3-6
China State Construction Engineering Corp. Ltd.	China	Focus on Risk Assessment	Strategy & Risk	 Poor	 None	 6-9
DTE Energy Co.	United States of America	Focus on Emissions, Effluents and Waste	Strategy & Risk	 Poor	 Poor	 6-9
Emeis SA	France	Quality and Safety - Human Rights	Incidents	 Poor	 None	 6-9
EOG Resources, Inc.	United States of America	Focus on Emissions, Effluents and Waste	Strategy & Risk	 Poor	 None	 6-9
General Dynamics Corp.	United States of America	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 Poor	 Poor	 6-9
Kintetsu Group Holdings Co., Ltd.	Japan	New Case - Focus to be Determined	Strategy & Risk	 None	 None	 6-9
MasTec, Inc.	United States of America	Focus on Carbon and Community Relations	Strategy & Risk	 Poor	 None	 6-9
Saudi Industrial Investment Group	Saudi Arabia	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 Poor	 None	 6-9

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Saudi Kayan Petrochemical Co.	Saudi Arabia	Focus on Emissions, Effluents and Waste and Community Relations	Strategy & Risk	 Poor	 None	 6-9
Whitecap Resources, Inc.	Canada	Focus on Emissions, Effluents and Waste	Strategy & Risk	 Poor	 Poor	 6-9
Bausch Health Cos., Inc.	Canada	Focus on Product Governance	Strategy & Risk	 Poor	 Poor	 9-12
James Hardie Industries Plc	Ireland	TSP - Net Zero Transition	Themes	 Poor	 Poor	 9-12
Power Construction Corporation of China, Ltd.	China	Controversial Project(s) - Environmental and Human Rights Impacts	Incidents	 Poor	 Poor	 9-12
PT Indah Kiat Pulp & Paper Tbk	Indonesia	Land Use and Biodiversity	Incidents	 Poor	 Poor	 9-12
Targa Resources Corp.	United States of America	Focus on Emissions, Effluents and Waste and Community Relations	Strategy & Risk	 Poor	 Poor	 9-12
Tata Steel Ltd.	India	TSP - Net Zero Transition	Themes	 Poor	 Poor	 9-12
China National Building Material Co., Ltd.	China	TSP - Net Zero Transition	Themes	 Poor	 None	 12-15
China Railway Construction Corp. Ltd.	China	Controversial Project(s) - Human Rights and Environmental Impacts	Incidents	 Poor	 Poor	 12-15

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Suncor Energy, Inc.	Canada	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	Poor	Poor	12-15
Tosoh Corp.	Japan	TSP - Net Zero Transition	Themes	Poor	Poor	12-15
China Petroleum & Chemical Corp.	China	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	Poor	Poor	15-18
Hoshine Silicon Industry Co., Ltd.	China	Forced Labour	Incidents	Poor	Poor	15-18
SDIC Power Holdings Co., Ltd.	China	Controversial Project(s) - Environmental and Human Rights Impacts	Incidents	Poor	Poor	18-21
PTT Oil & Retail Business Public Co., Ltd.	Thailand	Involvement With Entities Violating Human Rights	Incidents	Poor	Poor	21-24
Tongling Nonferrous Metals Group Co., Ltd.	China	Controversial Project(s) - Human Rights and Environmental Impacts	Incidents	Poor	Poor	21-24
Bank of China Ltd.	China	Focus on ESG Integration Financials	Strategy & Risk	None	Poor	+
Bank of Shanghai Co., Ltd.	China	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	None	None	+
Coal India Ltd.	India	Focus on Occupational Health and Safety and Emissions, Effluents and Waste	Strategy & Risk	None	None	+

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Eregli Demir ve Çelik Fabrikalari TAS	Turkey	Focus on Carbon Own Operations	Strategy & Risk	 Poor	 None	 Above 24
Exxon Mobil Corp.	United States of America	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	 Poor	 Poor	 Above 24
Foshan Haitian Flavouring & Food Co., Ltd.	China	Focus on ESG Disclosure	Strategy & Risk	 None	 Poor	 Above 24
Grupo Carso SAB de CV	Mexico	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 Poor	 Poor	 Above 24
Grupo Financiero Inbursa SAB de CV	Mexico	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 None	 None	 Above 24
GS Holdings Corp.	South Korea	Focus on Carbon Own Operations	Strategy & Risk	 None	 Poor	 Above 24
Guangdong Haid Group Co., Ltd.	China	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 Poor	 None	 Above 24
HDC Hyundai Development Co.	South Korea	Quality and Safety	Incidents	 None	 None	 Above 24
HEICO Corp.	United States of America	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	 None	 None	 Above 24
Hindustan Petroleum Corp. Ltd.	India	Focus on Carbon and Community Relations	Strategy & Risk	 Poor	 Poor	 Above 24

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PROGRESS	RESPONSE	TIME TRACKER
One piece equals three months.						
Industrial & Commercial Bank of China Ltd.	China	Focus on ESG Integration Financials	Strategy & Risk	None	Poor	Above 24
KOSÉ Corp.	Japan	Focus on Corporate Governance	Strategy & Risk	None	Poor	Above 24
Masimo Corp.	United States of America	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	None	None	Above 24
National Industrialization Co.	Saudi Arabia	Focus on Emissions, Effluents and Waste and Land Use and Biodiversity	Strategy & Risk	None	None	Above 24
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.	China	Focus on Product Governance	Strategy & Risk	None	None	Above 24
Shanghai Pudong Development Bank Co., Ltd.	China	Focus on ESG Integration Financials	Strategy & Risk	None	Poor	Above 24
Starbucks Corp.	United States of America	TSP - Biodiversity and Natural Capital	Themes	Poor	Poor	Above 24
Toyo Suisan Kaisha, Ltd.	Japan	Focus on Corporate Governance	Strategy & Risk	None	Poor	Above 24
Zensho Holdings Co., Ltd.	Japan	Focus on Product Governance	Strategy & Risk	None	Poor	Above 24

Morningstar Sustainability does not provide investment advice; the decision of investment or exclusion lies solely with investors. Morningstar Sustainability provides insights, information, and services, and it remains the client's sole responsibility and decision to manage their portfolio. Morningstar Sustainability's Stewardship clients benefit from engagement activities, such as participating in company meetings, webinars, and roundtable events. Investor clients are also provided with insights and data stemming from those activities.

Engagement Status Updates

The following is an overview of all engagement status updates from 1 April to 30 June 2025.

New Engage

COMPANY	COUNTRY	ISSUE	FOCUS AREA	RELATED COMPANY	QUARTER
Advantage Energy Ltd.	Canada	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Al Rajhi Co. for Cooperative Insurance	Saudi Arabia	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Alphabet, Inc.	United States of America	Anti-Competitive Practices	Incidents	Apigee Corp.	Q2
Brookfield Renewable Partners LP	Bermuda	TSP - Human Rights and Transition	Themes	None	Q2
China Eastern Airlines Corp. Ltd.	China	New Case - Focus to be Determined	Strategy & Risk	None	Q2
China Nonferrous Mining Corp. Ltd.	China	Incident(s) Resulting in Negative Environmental and Human Rights Impacts	Incidents	China Nonferrous Metal Mining (Group) Co., Ltd.	Q2
China Railway Group Ltd.	China	Occupational Health and Safety	Incidents	None	Q2
China Resources Pharmaceutical Group Ltd.	Hong Kong	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Daqin Railway Co., Ltd.	China	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Dominion Energy, Inc.	United States of America	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Frontline Plc	Cyprus	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Hainan Airlines Holding Co., Ltd.	China	New Case - Focus to be Determined	Strategy & Risk	None	Q2

COMPANY	COUNTRY	ISSUE	FOCUS AREA	RELATED COMPANY	QUARTER
HYUNDAI ENGINEERING & CONSTRUCTION CO., LTD.	South Korea	Occupational Health and Safety	Incidents	None	Q2
International Petroleum Corp.	Canada	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Italian-Thai Development Public Co., Ltd.	Thailand	Occupational Health and Safety	Incidents	None	Q2
Mitsui & Co., Ltd.	Japan	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Mouwasat Medical Services Co.	Saudi Arabia	New Case - Focus to be Determined	Strategy & Risk	None	Q2
New Fortress Energy, Inc.	United States of America	New Case - Focus to be Determined	Strategy & Risk	None	Q2
PT Amman Mineral Internasional Tbk	Indonesia	New Case - Focus to be Determined	Strategy & Risk	None	Q2
RBC Bearings, Inc.	United States of America	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Shimizu Corp.	China	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Spring Airlines Co., Ltd.	China	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Storskogen Group AB	Sweden	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Superior Plus Corp.	Canada	New Case - Focus to be Determined	Strategy & Risk	None	Q2
TAISEI Corp.	Japan	New Case - Focus to be Determined	Strategy & Risk	None	Q2
Tourmaline Oil Corp.	Canada	Focus on ESG Disclosure	Strategy & Risk	None	Q2

New Associated

COMPANY	COUNTRY	ISSUE	FOCUS AREA	RELATED COMPANY	QUARTER
Blackstone, Inc.	United States of America	Child Labour	Incidents	Packers Sanitation Services, Inc. Ltd.	Q2

New Archived

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PREVIOUS STATUS	RELATED COMPANY	QUARTER
Anglogold Ashanti Plc	United Kingdom	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Arcadium Lithium Plc	Ireland	Focus on Occupational Health and Safety and Emissions, Effluents and Waste	Strategy & Risk	Engage	None	Q2
AWL Agri Business Ltd.	India	Controversial Project(s) - Environmental and Human Rights Impacts	Incidents	Associated	None	Q2
Barry Callebaut AG	Switzerland	TE - Human Rights Accelerator	Themes	Engage	None	Q2
BHP Group Ltd.	Australia	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Filo Corp.	Canada	New Case - Focus to be Determined	Strategy & Risk	Engage	None	Q2
First Quantum Minerals Ltd.	Canada	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Freeport-McMoRan, Inc.	United States of America	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Hon Hai Precision Industry Co., Ltd.	Taiwan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Korea Electric Power Corp.	South Korea	Incident(s) Resulting in Negative Human Rights Impacts	Incidents	Engage	None	Q2

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PREVIOUS STATUS	RELATED COMPANY	QUARTER
Korea Western Power Co., Ltd.	South Korea	Incident(s) Resulting in Negative Human Rights Impacts	Incidents	Engage	None	Q2
Kweichow Moutai Co., Ltd.	China	Focus on Corporate Governance	Strategy & Risk	Engage	None	Q2
Lenovo Group Ltd.	Hong Kong	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Luckin Coffee, Inc.	China	Accounting and Taxation	Incidents	Engage	None	Q2
Lupin Ltd.	India	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	Engage	None	Q2
Marathon Oil Corp.	United States of America	Focus on Carbon and Emissions, Effluents and Waste	Strategy & Risk	Engage	None	Q2
Microchip Technology, Inc.	United States of America	Focus on Product Governance	Strategy & Risk	Engage	None	Q2
Mitsubishi Materials Corp.	Japan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Mondelez International, Inc.	United States of America	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Nestlé SA	Switzerland	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Newmont Corp.	United States of America	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Panasonic Holdings Corp.	Japan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Ratch Group Public Co. Ltd.	Thailand	Incident(s) Resulting in Negative Human Rights Impacts	Incidents	Engage	None	Q2
Regis Resources Ltd.	Australia	Focus on Risk Assessment and ESG Disclosure	Strategy & Risk	Engage	None	Q2

COMPANY	COUNTRY	ISSUE	FOCUS AREA	PREVIOUS STATUS	RELATED COMPANY	QUARTER
Samsung Electronics Co., Ltd.	South Korea	TE - Human Rights Accelerator	Themes	Engage	None	Q2
SK, Inc.	South Korea	Incident(s) Resulting in Negative Human Rights Impacts	Incidents	Engage	None	Q2
Sony Group Corp.	Japan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Sumitomo Metal Mining Co. Ltd.	Japan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	TE - Human Rights Accelerator	Themes	Engage	None	Q2
The Hershey Co.	United States of America	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Tongaat-Hulett Ltd.	South Africa	Accounting and Taxation	Incidents	Disengage	None	Q2
Uchumi Supermarkets Ltd.	Kenya	Business Ethics	Incidents	Disengage	None	Q2
Vale SA	Brazil	TE - Human Rights Accelerator	Themes	Engage	None	Q2
Xinjiang Xinxin Mining Industry Co., Ltd.	China	Forced Labour	Incidents	Engage	None	Q2

Universe Change Impact

COMPANY	COUNTRY	INDUSTRY	ISSUE	NOTES	QUARTER
Americanas SA	Brazil	Retailing	Accounting and Taxation	Entity no longer eligible for Morningstar Sustainalytics research. Previous status: Disengage	Q2
China Evergrande Group	China	Real Estate	Business Ethics	Entity no longer eligible for Morningstar Sustainalytics research. Previous status: Disengage	Q2
China Evergrande New Energy Vehicle Group Ltd.	China	Healthcare	Business Ethics	This entity was archived in Q2 2025 due to research ineligibility of related company, China Evergrande Group. Previous status: Associated	Q2
Evergrande Property Services Group Ltd.	China	Real Estate	Business Ethics	This entity was archived in Q2 2025 due to research ineligibility of related company, China Evergrande Group. Previous status: Associated	Q2
JBS USA Food Co.	United States of America	Food Products	Land Use and Biodiversity	Entity mapped to JBS SA. Previous status: Associated	Q2
JBS USA Food Co.	United States of America	Food Products	Business Ethics	Entity mapped to JBS SA. Previous status: Associated	Q2
RH International (Singapore) Corp. Pte Ltd.	Singapore	Utilities	Incident(s) Resulting in Negative Human Rights Impacts	Entity mapped to Ratch Public Group Co. Previous status: Associated	Q2

Focus Area Overview

Incidents - Quarterly Highlights

In Q2 2025, we implemented several status changes to our incident-driven engagements as part of the Global Standards Screening quarterly cycle. We concluded the quarter with **118 active engagements**, reflecting the following developments:

- **Five** engagements initiated due to Watchlist downgrades.
- **Two** engagements successfully resolved upon meeting change objectives.
- **Six** engagements closed due to the time elapsed since the initial misconduct and the absence of new incidents.

Over the quarter, we facilitated 273 email and phone exchanges, conducted 26 meetings (including 2 in-person), and achieved 14 key milestones.

Grievance Mechanism

Following our March 2025 webinar on operational grievance mechanisms, we have published the article "*From Policy to Practice: Crafting Grievance Mechanisms That Drive Impact*".

Grievance mechanisms are critical for managing human rights risks and enhancing corporate resilience. However, many companies—especially within their supply chains—lack effective systems, increasing their exposure to legal and reputational risks. While research shows that robust grievance mechanisms correlate with improved performance and stakeholder trust, disclosure remains limited.

Our engagement efforts focus on companies with past human or labour rights controversies, where we have identified gaps in practice. Through these engagements, we support companies in strengthening their grievance mechanisms and broader human rights frameworks, particularly in high-risk regions and complex supply chains, supporting them to better align with international standards.

Looking Ahead

In Q3, we will continue advancing our active engagements, with several companies to reach key milestones or resolution. Additionally, we plan to initiate constructive first meetings with the new engagements added in Q2.

Strategy & Risk - Quarterly Highlights

In Q2 2025, our engagement efforts continued to deliver measurable impact and advance several active dialogues. We conducted 48 meetings, exchanged 568 emails and calls, tracked 230 positive developments, and recorded 89 key milestones.

We successfully closed eight engagements this quarter, as companies improved their ESG Risk Ratings—crossing the 28-point threshold and entering the Medium Risk category. Several companies were also archived due to universe updates, while 20 new engagements were initiated, expanding our active coverage and reinforcing our commitment to driving ESG improvements across markets.

Strategic Presence in Southeast Asia

ESG reforms continue to gain momentum across Southeast Asia, especially around value chain disclosure, water stress, and regional taxonomy convergence—which are reshaping the investment landscape. This quarter we contributed with direct engagement with stock exchanges, institutional investors, and corporate stakeholders in Malaysia and Singapore.

We co-led a full-capacity investor roundtable at the Southeast Asia Investor Forum and participated in a high-level panel alongside the UNEP Finance Initiative, Zurich Insurance, and Prudential. Discussions focused on regulatory asymmetries, sector blind spots, and the growing demand for stewardship-informed capital. Our Stewardship team provided expert insights on global ESG regulations, value chain risk, and the implementation gap between regulation and corporate readiness.

Governance Focus: Japan's Executive Remuneration Trends

During Japan's 2025 AGM season, we analyzed executive remuneration practices across more than 50 companies listed on the Tokyo Stock Exchange Prime Market. "*Three Key Insights: Analyzing Japan's Executive Remuneration Programmes*" explores evolving governance structures, pay-performance alignment, and disclosure practices. The findings highlight a shift toward greater transparency and shareholder responsiveness in Japan's corporate governance landscape.

Investor Engagement Insight: US Decarbonization Commitments

In first half of 2025, we deepened our long-standing engagements with US issuers, focusing on the credibility of net-zero commitments amid shifting political and regulatory dynamics. In response to recent regulatory rollback trends, we adapted our engagement strategy to include pre-engagement compliance notices and a sharper focus on governance structures that influence transition planning.

Our dialogues emphasized investor expectations around Scope 3 disclosure, capital alignment with low-carbon pathways, and the integration of emissions targets into executive incentives, reinforcing our commitment to support investors in navigating climate-related policy headwinds.

The Energy Demands of AI: A Utility Sector Wake-Up Call

As AI-driven data centers rapidly expand, electricity demand is accelerating at a pace that is beginning to strain the US energy systems. "*AI's Energy Demand Meets US Utility Readiness*" examines how this surge in power needs intersects with persistent gaps in the utility sectors' transition. Using Morningstar Sustainalytics' ESG Risk Ratings and Low Carbon Transition Ratings (LCTR), we assess both current emissions exposure and forward-looking readiness. The research paper outlines investor actions to support scalable, low-carbon infrastructure and promote utility transition strategies through engagement and policy advocacy.

Looking Ahead

With new engagements underway and recent closures completed, we anticipate a busy Q3, including several introductory and content-focused calls with tailored suggested actions for companies to improve their risk management and disclosure practices. We continue to escalate with non-responsive issuers, sending these companies Stewardship Vice President-level and collaborative investor letters, several of which have already prompted responses.

Human Capital Management - Quarterly Highlights

The Human Capital Management Stewardship Programme continues to engage with selected 50 companies across several industries from retail, transportation, telecommunications services, aerospace and defense, healthcare and more through ongoing research, gap analysis and in-depth engagement dialogues. From April to June 2025, we held seven conference calls, most of which were first engagement calls with issuers establishing strong relationships and dialogue on the material value of human capital management.

This quarter has seen us moving away from conversations on Diversity, Equity and Inclusion with US issuers considering the executive order in January 2025 (where companies were asked to no longer partake in "illegal DEI" activities) and focus more on the employee experience in general.² We have found that companies continue to view human capital management as a material topic. Some of our engagement's organizations are adapting by adopting language like offering "merit-based opportunities" to their employees. This indicates that companies intend to comply while understanding the necessity to maintain a robust employee value proposition.

In this report we will provide data and statistics from Q2. We will showcase **BT Group Plc**, a European-based telecommunications services company. Additionally, "*The Role of AI in Human Capital Management*" explores the technological trends occurring and outlines opportunities for companies.

Looking Ahead

We plan to continue engaging with companies by scheduling dialogue sessions and closely monitoring developments as we move into Q3. Our engagements will continue to focus on getting issuers to consider what their human capital management (HCM) skills gap data and risk assessment data is telling them to build a workforce with the future in mind.

Human Rights and Transition - Quarterly Highlights

The Human Rights and Transition Stewardship Programme continues to roll out engagement with 50 companies across the renewable energy value chain, through ongoing research, gap analysis and in-depth engagement dialogues. From our analysis, certain trends in risks and challenges are already emerging for each of the three subindustries covered by the programme: utilities, manufacturers of energy equipment, and metals and mining. As an example, many utility companies lack traceability into raw material procurement and consequently visibility into human rights risks in upstream suppliers.

April through June 2025 was a busy period during which we held 30 engagement meetings and had numerous written exchanges with selected companies. These exchanges introduced the programme and established initial relationships. Moreover, we started our first round of engagement dialogues and obtained initial insights into companies' various human rights due diligence approaches. We also attended three in-person industry events, in order to stay abreast of sector trends and to strengthen our connections with third party initiatives and groups active in the renewable energy and human rights space.

We also held engagement with **Ørsted** that already at the early stages of the programme and engagement, provided interesting insights and showed promising progress on the issue. Additionally, the engagement team attended the OECD Forum on Responsible Minerals Supply Chains in Paris in early May, gaining valuable insights on mineral resource value chains and human rights challenges, priorities and best practice.

Looking Ahead

In the second half of 2025, we will switch focus from introductory calls to largely tune in on engagement calls and follow-ups with companies. Moreover, we will fine-tune the programme's Theory of Change, looking at how we can drive progress on human rights risk mitigation not only within individual companies, but also at sector and value chain level.

Sustainability and Good Governance - Quarterly Highlights

The Sustainability and Good Governance Stewardship Programme continues to engage with 60 companies across four sectors that are pivotal to the global transition towards more sustainable economies.

The second quarter included 11 engagement calls, including, **Microsoft Corp.** and **SAP SE** as well as research into new disclosures of our engaged companies. We note that **Roche Holding AG** and **AIA Group Ltd.** has made progress on risk management and impact assessment, strategy and integration, targets and results as well as on transparency and accountability.

In this report, we look at the importance of investment stewardship and what asset owners and asset managers can do to bridge the gap between expectations and execution of stewardship responsibilities. We also focus on AIA Group Ltd. as the case study in our report.

Looking Ahead

In the third quarter we anticipate further progress in establishing more engagement meetings. We intend to follow up with companies which have not yet agreed to an engagement call. Additionally, we will monitor political developments that influence ESG policies and practices globally. We will continue to engage with companies to discuss the application of good governance central to the global sustainability transition.

Sustainability Insights

Three Key Insights: Analyzing Japan's Executive Remuneration Programmes

In Japan, it is customary for many companies to hold their annual general shareholders' meetings in June, during which important corporate governance matters—such as the election of directors and decisions on executive remuneration—are addressed. In 2025, Morningstar Sustainalytics delivered voting recommendations and reviewed the corporate governance structure of over 50 Japanese companies and, among these, companies participating in our Material Risk/Strategy & Risk Engagement service were specifically analyzed to gain deeper insights into their remuneration practices, referencing the recommendations of Japan's Corporate Governance Code, as well as global leading practices.³ These companies span a wide range of sectors listed on the Tokyo Stock Exchange Prime Market, including automobiles, transportation, utilities, machinery, finance, chemicals, steel, food products, construction & engineering, and conglomerates. Through our analysis activities, we identified three key insights related to engaged companies' governance, structure, and disclosure practices.⁴

Governance: Remuneration Committees

Under Japan Companies Act, listed companies may adopt one of three corporate governance structures: Companies with a Board of Company Auditors, Companies with an Audit and Supervisory Committee, and Companies with three Committees.⁵ These structures differ in how oversight functions are organized. The first involves an independent audit body outside of the board of directors, the second integrates the audit function within the board, and the third includes the three internal committees: Nomination, Audit, and Remuneration committees within the board.

As of July 2024, 50.9% of companies listed on the Tokyo Stock Exchange Prime Market have adopted the first structure, 44.2% the second, while only 4.9% adopt the third structure.⁶ Companies with a three Committees governance structure are required to establish a remuneration committee, whereas those with the other two governance structures are not obligated to do so. Consequently, over 90% of companies listed in the Prime Market are not legally obligated to have a remuneration committee of the Board.

Additionally, when it comes to the composition of remuneration committees, Japan's Corporate Governance Code recommends that a majority of committee members be independent outside directors.^{7,8} This approach is similar to that of the United Kingdom but differs from the United States, where listed companies are required to establish remuneration committees composed entirely of independent outside directors.

While analyzing the implementation of remuneration committees and the proportion of independent directors within them, we found that all companies in our analysis, regardless of which of the three corporate governance structures they employed, had established such committees. Notably, these committees, though generally recommended on a voluntary basis, had an average composition of approximately 69% independent outside directors. The analysis also revealed that while 12% of these companies had remuneration committees where independent outside directors did not constitute a majority, 15% were composed entirely of independent outside directors.

In Japan, the Corporate Governance Code is structured on a "comply or explain" basis, requiring companies to provide explanations if they choose not to adopt specific provisions, such as the establishment of committees. Based on our analysis, the results, which demonstrate a high proportion of companies establishing remuneration committees and show that independent outside directors make up more than half of these committees, may suggest that the framework has contributed to meaningful progress in both areas. This represents a positive signal for Japan's remuneration governance; however, concerns regarding the expertise and effectiveness of these committees still leave room for further research.

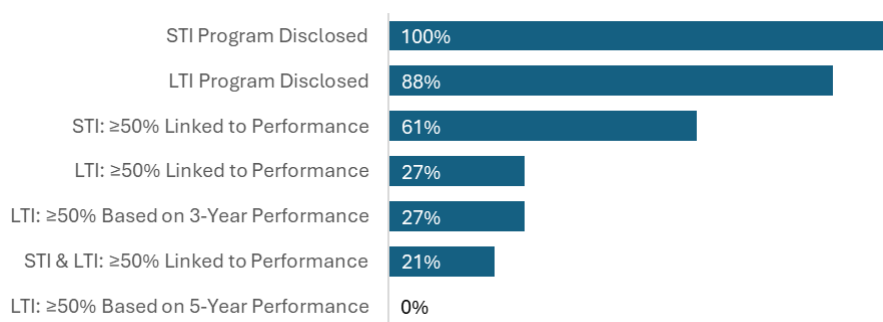
Structure: STI, LTI and Linkages to Performance Metrics

Japanese companies' executive remuneration is generally structured with a balanced combination of three components: fixed remuneration, short-term incentives (STI), such as bonuses, and long-term incentives (LTI), such as stock-based rewards. Among these, both STI and LTI often include performance-linked elements. Performance and equity-based incentives are considered important as they align executive interests with company performance, motivating sustainable growth. However, Japanese companies have traditionally placed a stronger emphasis on fixed remuneration. As a result, the proportion of performance-based pay and equity-linked remuneration tends to be lower in Japan, compared to Western countries.⁹

Throughout our analysis, the adoption status of STI and LTI plans among the covered companies was examined (see Figure 1 below). The results demonstrate that 100% of the companies analyzed have adopted STI plans, while 88% have also implemented LTI plans. When analyzing the degree of performance linkage, approximately 61% of companies with STI plans base half or more of the target award on performance metrics. In contrast, only 27% of companies with LTI plans apply the same level of performance-based design. Furthermore, only about 21% of companies have both STI and LTI plans that are significantly tied to performance outcomes. Regarding the performance measurement period for LTI plans, all Japanese companies analyzed set targets over a period of three years or more. Notably, none of the companies incorporate a performance period of five years or longer.

Japan's Corporate Governance Code emphasizes that executive remuneration should serve as an incentive for sustainable, long-term corporate value creation. This requires aligning remuneration not only with short-term performance but also with long-term results and potential risks. Although the adoption of STI and LTI plans is becoming more widespread, the analysis indicates that the extent of performance linkage particularly in LTI plans remains limited. This suggests that there is still room for improvement in designing more effective incentive structures that support long-term strategic goals.

Figure 1: Implementation of STI and LTI programmes and their linkage to performance.



Disclosure: Individual Executive Remuneration

Executive remuneration is typically disclosed by category of officer in Japan—such as internal directors, outside directors, internal auditors, or outside auditors. Individual-level disclosure of executive remuneration began with the 2010 amendment to the Cabinet Office Ordinance on Disclosure of Corporate Affairs.¹⁰ Under this regulation, listed companies are required to disclose the names and remuneration amounts of executives whose annual remuneration exceeds ¥100 million (USD 680,000). Most companies currently comply with this mandatory disclosure requirement. Among the companies covered in our analysis, 67% disclosed individual remuneration amounts in accordance with the legal requirement. In most cases, the disclosure includes not only the total remuneration per individual but also a breakdown by type of remuneration.

However, 21% of the companies did not disclose individual remuneration amounts, citing the absence of any executive whose total consolidated remuneration exceeded ¥100 million. Interestingly, one company voluntarily disclosed the individual remuneration of certain directors, even though it was not legally required. This voluntary disclosure was reportedly implemented as a response to a past incident involving former executives, aiming to enhance transparency and accountability.

Despite this example, voluntary individual disclosure remains rare in Japan. In general, Japanese companies tend to be cautious about proactively disclosing detailed remuneration information. This contrasts with practices in countries such as the United States and the United Kingdom, where disclosure of remuneration for some or all executives is mandatory.

In Japan, unless an executive's remuneration exceeds the ¥100 million threshold, only the total amount and pay-type breakdowns by officer category is disclosed, without any details on the structure of individual remuneration. As a result, it is often difficult to gain a clear understanding of how individual executive remuneration is structured.

In Summary

Since the introduction of Japan's Corporate Governance Code, there have been notable improvements in the systems and disclosure practices related to executive remuneration. These developments have contributed to enhanced governance, as reflected in the information disclosed by companies. However, when compared to Western standards, there remains room for improvement in areas such as the structure of remuneration and the transparency of remuneration amounts. Through its Material Risk/Strategy & Risk Engagement service, Morningstar Sustainalytics will encourage further enhancements in executive remuneration and corporate governance practices in Japan, supporting the development of governance frameworks that contribute to long-term corporate value creation.

Ocean Health is Rising on the Nature Agenda

Ocean health is a critical piece of the puzzle to address both the nature and climate crisis; it is the planet's largest carbon sink¹¹ and home to an immense amount of biodiversity (much of it not yet discovered).¹² However, up until now, it has largely been overshadowed by a focus on terrestrial ecosystems.

In June, we participated in the Blue Economy and Finance Forum which shone a spotlight on how the financial sector can support the "blue economy". The blue economy refers to economic activities that allow resource use while preserving the ocean ecosystem instead of degrading it.¹³ A key message from the Forum was that while there are significant untapped opportunities in the marine space – with innovative tools such as debt-for-nature swaps and blue bonds showcased – unlocking private finance at scale will require clear policy signals, de-risking mechanisms, and stronger integration of ocean-related risks into financial decision-making. Financial institutions can play a critical role by recognizing ocean health as material, assessing exposure to marine-related risks and opportunities, and actively deploying capital toward sustainable ocean use.

The oceans underpin industries from seafood and tourism to shipping and coastal infrastructure. A decade ago, WWF estimated that key ocean assets were conservatively worth at least USD 24 trillion – a figure likely far higher today.¹⁴ However, the continued degradation of marine ecosystems places an estimated USD 8.4 trillion of assets and revenues at risk, particularly for ocean-dependent sectors such as fisheries.¹⁵

As investor interest grows in understanding nature-related risks, it becomes essential to assess how companies' impact and depend on marine ecosystems. Within our engagement programme, we are encouraging companies in the seafood value chain (i.e., aquaculture, fisheries and food retail) to conduct and disclose such assessments. One of the key barriers in the seafood value chain, however, is traceability. According to Planet Tracker, only 29% of global seafood is "traceability-ready". Improving this figure could increase profits by 60%, due to reduced waste, product recalls, and inefficiencies.¹⁶

The Taskforce on Nature-Related Financial Disclosures (TNFD) recently published sector-specific guidance for fisheries¹⁷ and aquaculture,¹⁸ outlining key drivers of nature loss such as overfishing, bycatch, habitat destruction and unsustainable feed sourcing. This guidance helps companies link ecological degradation to financial risks – including declining fish stocks, regulatory tightening, and reputational damage.

Our engagement with **Nissui Corp.**, a Japanese seafood company, highlights both progress and ongoing challenges. Nissui is making strides on governance, with board-level oversight and early adoption of TNFD-aligned disclosure. However, gaps remain in traceability and biodiversity risk management. The company continues to source high-risk species, including some on the IUCN Red List, and has yet to adequately address bycatch exposure. To help address these risks, we will focus our engagement on supporting Nissui to strengthen its understanding of bycatch exposure and implement best practice mitigation measures, such as gear modification. In parallel, we will continue to engage with the company to phase out procurement of IUCN Red Listed species to align seafood sourcing with global biodiversity goals.

In contrast, **Mowi ASA**, a Norwegian aquaculture company, demonstrates sector leadership. It has conducted a comprehensive assessment of biodiversity impacts and dependencies across operations and supply chains. Mowi's approach includes robust feed sourcing standards, with efforts to diversify inputs exploring alternatives such as canola oil. Its TNFD-aligned report is one of the most advanced among the 50 companies in our engagement programme.

Both companies have reviewed the Science-Based Targets Network (SBTN) Ocean methodology, with Mowi even providing feedback. Although neither has committed to set SBTN aligned targets at this stage, their early engagement with this evolving framework is promising.

Looking ahead, we are expanding the scope of our ocean-focused dialogue to include downstream actors and financial institutions. We have begun early conversations with the retailer **Carrefour SA**, whose strategy includes sourcing certified sustainable seafood through schemes such as the Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC).

We will also engage with financial actors on this topic. For example, **Crédit Agricole SA** – an attendee of both the Blue Economy Forum and the UN Ocean Conference – has pledged not to finance deep sea mining.¹⁹ WWF's recent assessment of bank policies on seafood highlights that leading banks are starting to set clear expectations for clients and are supporting blue-labelled financial products.²⁰ This signals an important role for financial institutions in shaping the future of sustainable ocean use.

The message is clear: oceans are not a niche issue. The convergence of the UN Ocean Conference, Global Plastics Treaty negotiations, and fishery subsidy reforms at the World Trade Organization means that marine ecosystems are rightly taking up some of the spotlight within nature-related risk and opportunity discussions.

As ocean health climbs the sustainability agenda, we will continue to elevate this theme within our biodiversity engagement – working across the value chain, including financial actors, to ensure the marine environment is not left behind in the efforts to halt biodiversity loss.

Responsible Mineral Sourcing: Takeaways From the OECD Forum

Transition minerals such as lithium, cobalt, and rare earth elements are essential to a clean energy economy. They are found in electric vehicles, wind turbines, solar panels, and much more. The rise of low-carbon power generation to meet climate goals is estimated to result in a tripling of mineral demand by 2040.²¹ Mineral extraction is often accompanied by human rights abuses like forced and child labour and Indigenous land rights on top of negative environmental impacts and increased geopolitical tensions. These are all material concerns for communities, businesses, and investors. As extraction occurs, human rights and local community engagement must be a priority to achieve a sustainable transition.

These themes took center stage at the OECD Forum on Responsible Mineral Supply Chains in Paris this May, which explored how stakeholders can respond to the rising mineral demand without compromising human rights. Generally speaking, respectful engagement with rightsholders and robust human rights due diligence can bring improvements for local communities, increase supply chain resilience, and ultimately accelerate the transition to a clean energy economy. At the Forum, Morningstar Sustainalytics' Stewardship team met with mining and utility companies. The Forum also provided insights into industry trends, priorities, challenges and best practices that will prove useful during our engagement dialogues. A synopsis is provided below.

Companies must secure a "social license to operate." Representatives from established mining companies based in Europe, Latin America and Asia emphasized that meaningful human rights due diligence, backed by credible third-party certifications, is essential for building trust and providing remedy, since communities near mining operations continue to face long-term health and environmental impacts. These are not abstract concerns: NGOs and journalists directly challenged companies at the Forum on past and recent harms. While due diligence requires investment, the cost of local opposition, legal delays, and project shutdowns is much higher.

Investors have a unique opportunity to influence better practices. Beyond capital allocation, investors can set expectations on human rights before projects begin and support ongoing improvements as active owners. For example, one firm that invests in the solar equipment sector mentioned that they invest only after screening companies against human rights criteria and being satisfied with the level of traceability that the company has into its raw material procurement. Another private equity firm mentioned how they use in-house expertise to advise and engage companies on human rights themes, so that they are not perceived as "watchdogs" but as technical partners who can add value. Meaningful engagement with investees emerged as a key element of active ownership from these discussions.

Artisanal and small-scale mining (ASM) needs formalization. ASM is often tied to mineral-rich regions and local communities' livelihoods, but also linked to serious abuses, including the worst forms of child labour. Companies' disengagement from areas where ASM is prevalent as a risk avoidance strategy often leads to risk being shifted rather than eliminated, and it can also undermine efforts to improve working conditions and promote sustainable practices within the sector. Instead, inclusion – though difficult – is more sustainable and aligns with the United Nations Guiding Principles on Business and Human Rights. Forum speakers emphasized two key points to enable formalization and improvement of working conditions in ASM: 1) small-scale miners need access to geological data, which is essential to prove the mineral content of their lands to financial institution and secure capital they can invest in their business, and 2) remove the stigma of being associated with criminal activities.

For Indigenous peoples, responsible mineral sourcing is not just a regulatory issue, it is about cultural survival and rights. Free, Prior, and Informed Consent (FPIC) is a fundamental principle enshrined in international law, recognizing the right of Indigenous peoples to give or withhold their consent for any action that affects their lands, territories, or rights.^{22,23} With over half of known transition mineral reserves near Indigenous territories, it is critical that FPIC is not reduced to a box-ticking exercise. FPIC must ensure that Indigenous voices are included in decision-making processes and that partnerships built on respect and benefit sharing, rather than being reduced to a matter of access to land only. It also makes good business sense to respect the self-determination rights of Indigenous peoples. Without community support, the financial and operational viability of projects can be at risk, in addition to risks of litigation and reputational costs. By obtaining strong consent from Indigenous communities, businesses will have a deeper and more durable social license to operate.²⁴

China remains a key player in the mineral supply chain, but concerns persist, particularly around state-imposed forced labour. China is a major refiner and supplier of critical minerals like cobalt, graphite, and rare earth elements, but has also faced multiple investigations over labour practices involving minority groups, including Uyghurs, particularly in the solar sector.²⁵ Limited transparency and restrictions on civil society in China hinder effective risk assessments, making voluntary disclosure by Chinese entities even more critical. Since 2025, there have been efforts to align Chinese companies' business practices with international guidelines.²⁶

Our initial analysis of certain Chinese entities shows some acknowledgment of human rights responsibilities but highlights significant gaps in due diligence implementation. With the EU's forced labour ban set to take effect in 2027 and the US' Uyghur Forced Labor Prevention Act already in force, regulatory scrutiny is rising. This has prompted efforts to diversify and decrease transition mineral dependence on China through increased exploration, extraction, and processing in Europe and the US.

Accountability does not end at the mine site. Midstream and downstream companies – like solar panel or electrical vehicle manufacturers, and utilities – also carry responsibility. While a few companies have begun mapping and addressing risks in its raw material procurement, many others still have limited insight into the origins of raw materials. This lack of visibility hampers risk management and exposes companies to cargo seizures under forced labour bans, and scrutiny from the media. At the Forum, an automotive company was publicly questioned on how it responds to human rights abuses in its value chains.

In summary, the Forum reinforced that the clean energy transition is critical, but it must be just, or it will not be sustainable. The issues listed above are complex and differ in approach from company to company. Investors play a pivotal role in shaping the future of mineral supply chains, by setting expectations, backing strong due diligence, and engaging with companies to uphold human rights. The Human Rights and Transition Stewardship Programme endeavours to assist companies in their transition journey.

Target Setting in the Utility Sector: Insights on Best Practices

In May 2025, sustainability experts, utility professionals, and institutional investors from across the US and Europe gathered virtually to examine the rapidly evolving landscape of greenhouse gas (GHG) emissions target-setting in the utility sector. The session focused on translating climate ambition into implementation, with insights drawn from both corporate practice and methodological innovation.

The webinar, titled “*GHG Emission Reduction Target Setting in the Utility Sector*” was designed to facilitate knowledge sharing on practical strategies, scientific methodologies, and cross-sector collaboration to support credible climate action. Morningstar Sustainability hosted this as part of an ongoing dialogue between corporate and investor stakeholders.

The session opened with a clear recognition of the growing role that science-aligned emissions targets play in managing climate risk, driving decarbonization, and enhancing long-term business resilience. For utility companies—who sit at the center of the global energy transition—the ability to set and deliver on credible targets is not only a regulatory and reputational imperative but also a key enabler of access to sustainable capital and investor confidence.

The webinar featured two primary segments: a corporate case study from **EDP S.A.**, Portugal’s leading utility, and a methodology-focused presentation from the Electric Power Research Institute (EPRI) introducing the SMARTargets framework. Together, these perspectives highlighted both the practical realities of implementation and the evolving tools available to guide target-setting decisions in a sector characterized by operational complexity, regional variation, and increasing scrutiny.

Corporate Climate Strategy: EDP’s Science-Aligned Decarbonization Pathway

Ligia Fernandez, Environmental Specialist at EDP, shared the company’s 20-year journey toward decarbonization, offering a real-world example of what science-based target-setting looks like when embedded across an organization. EDP’s emissions reduction plan is fully aligned with the Science-Based Targets initiative (SBTi), making it the first Portuguese company to have its targets validated back in 2017. Today, EDP is aiming for net zero emissions by 2040, supported by a robust climate transition plan that is fully integrated into the company’s business planning cycle.

EDP has already achieved a 42% reduction in absolute GHG emissions, and 95% of its electricity generation now comes from renewable sources. These results are the outcome of deliberate strategic planning and organizational alignment. The company established a Net Zero Acceleration Taskforce to oversee the journey towards decarbonization. The taskforce involves business units, environmental teams, and executive leadership, with its plans receiving board-level endorsement. This governance structure has enabled EDP to translate climate ambition into concrete operational action, including thermal phaseouts, clean energy investments, and upstream and downstream engagement across the value chain.

A key challenge emphasized by EDP was addressing scope 3 emissions—specifically, those associated with upstream materials (such as green steel used in infrastructure) and downstream natural gas retail operations. Scope 3 remains the most difficult category for utilities to influence, given data limitations, supplier engagement barriers, and a lack of low-carbon alternatives in some markets. EDP is actively working to improve scope 3 data quality and strengthen supplier relationships to reduce emissions across its broader value chain.

EDP also addressed the increasing significance of market-based instruments in scope 2 emissions accounting, such as Renewable Energy Certificates (RECs), International RECs (I-RECs), and Guarantees of Origin. These instruments are currently used to account for electricity consumption at offices and renewable project sites, as well as for energy sold to retail clients. However, with the GHG Protocol currently reviewing its guidance on scope 2 accounting, EDP is closely monitoring potential changes that could impact the treatment of unbundled certificates in emissions inventories.

SMARTargets: An Alternative Framework for Actionable GHG Target-Setting

The second half of the webinar featured Dr. Steven Rose from EPRI, who introduced the SMARTargets framework—an emerging methodology aimed at addressing key limitations of existing GHG target-setting approaches by anchoring emissions goals in both scientific rigor and regional feasibility. Scheduled for public consultation in mid-2025 and a full release in the fall, SMARTargets is designed to complement, not replace, initiatives like the Science-Based Targets initiative (SBTi). It offers utilities a more tailored, context-specific pathway to setting credible and actionable targets. SMARTargets can serve as a valuable addition for companies that have already adopted SBTi-aligned targets and as a practical alternative for those still seeking an appropriate framework.

SMARTargets provides a structured pathway for companies to align with international climate goals, including the Paris Agreement, while taking into account region-specific realities such as the electricity grid mix, infrastructure constraints, and local policy environments. Dr. Rose emphasized that even within the United States, energy systems are highly heterogeneous—ranging from hydro-dominant regions in the Northwest to natural gas and nuclear-reliant areas elsewhere. As such, utilities need a flexible framework that enables them to assess trade-offs, quantify risk, and determine achievable targets without compromising reliability or economic viability.

The methodology also integrates company-specific risk and opportunity analysis, helping utilities develop emissions strategies that are both actionable and aligned with financial planning and system needs. Importantly, SMARTargets is designed to support not only operational decarbonization but also long-term transition risk management and alignment with investor expectations, as well as with science and the Paris Agreement goals.

Key Takeaways

The webinar reinforced several important messages. First, credible climate targets require more than just ambition—they must be backed by science, integrated into business planning, and supported by transparent governance. Second, achieving net zero will depend on the utility sector's ability to manage scope 3 emissions, balance regulatory and market challenges, and adopt flexible methodologies that reflect regional and operational diversity. Third, frameworks like SMARTargets can serve as valuable tools to complement existing approaches, enabling utilities to take a more nuanced and data-driven approach to decarbonization.

Above all, the session underscored the importance of continued collaboration between utilities, investors, and sustainability experts to ensure that climate strategies are both bold and implementable. With mounting pressure from regulators, stakeholders, and the public, the time to move from ambition to execution is now—and the tools to do so are steadily evolving.

Circular Economy Options for the Consumer Electronics Industry

After a year of engaging in circular economy dialogues with companies in the automotive value chain, we expanded the Scaling Circular Economies Stewardship Programme to the consumer electronics value chain in March. While discovering interesting cross-pollination opportunities between these two value chains, we still need to learn more about circularity options for the consumer electronics industry. This article explores two publications that provide guidance on circular impact in the consumer electronics industry. The first is by UNDRESS Circularity—a collaborative project focused on the consumer electronics industry in Germany. The second is a circular design guide developed by the Circular Electronics Partnership and the Circular Design Forum.

Measuring circular impact – methodology and guide for practitioners, an assessment of the consumer electronics industry²⁷

Circular business models aim to create a positive impact by prolonging and intensifying product use. In 2025, a consumer electronics industry consortium established a new impact measurement methodology considering how circular business models change use phases and influence user behavior. Supported by a step-by-step guide, the new method shifts focus from product emissions to user behavior and usage time, introducing 'active use time' as a core metric. The new methodology is intended to complement established accounting frameworks by addressing some of their limitations:

1. The **GHG Protocol** is a widely used standard for GHG emissions accounting across corporate operations, value chains, and products. The scope 3 standard includes emissions associated with the use phase of products but does not account for variations through different usage patterns induced by circular business models. Extending a product's use phase may increase reported Scope 3 emissions due to energy consumption, without capturing the environmental benefit of avoided emissions by lowering demand for new production. The Ellen MacArthur Foundation has called for updates to GHG reporting standards to fairly reflect circular practices.²⁸
2. The **Circular Transition Indicators** assess the impact of circular business activities through material flows, helping businesses measure circularity. While product use phase optimization is measured, the intended environmental impacts of changes in consumer behavior are not quantified.
3. **Life Cycle Assessments (LCAs)** offer detailed analyses of environmental effects across product lifecycles, with the use phase playing a central role. Many LCAs use theoretical standardized values for the use phase, which do not reflect actual usage. Simplified calculations sometimes assess the positive impact of rental and second-hand offerings, assuming direct replacement of new devices, which may be too simplistic.

In our engagement dialogues, several companies have found it challenging to attribute GHG emissions that are avoided in the use phase to circular economy innovations. Companies tend to prefer a conservative approach to avoid double counting and greenwashing accusations, potentially underreporting their decarbonization efforts. Regarding the Circular Transition Indicators, we have gathered that they are time intensive to implement, and the external one-size-fits-all format does not easily serve day-to-day internal decision making. Lastly, diligent LCA work remains critical to ensure actual progress. For example, not all sources of recycled plastic content provide the same environmental benefit.

Circular Electronics Design Guide²⁹

The Circular Electronics Partnership (CEP) is a multistakeholder collaboration platform shaping the electronics industry's transition to a circular economy. Its Circular Electronics Design Guide builds on an earlier publication, the Circular Electronics System Map, establishing that a product is truly circular only if it meets three attributes: **circular resources** (made from verified circular resources), **circular design** (designed for use-phase optimization and material recovery), and **actual recovery** (use phase optimized, and materials recovered at end of life).

A product can only be as circular as the system it circulates in, requiring a network of products, services, actors, and supporting infrastructure. The Circular Electronics Design Guide offers an innovation process blueprint with four phases:

1. **Enable:** Define roles and responsibilities, foster a circular culture, and establish data schemes.
2. **Frame:** Set clear goals and KPIs for circularity, understanding the broader context, including regulatory and technological changes.
3. **Plan:** Develop circular value propositions and create detailed roadmaps for implementing circular strategies.
4. **Implement:** Design products and operations for repair, refurbishment, and recycling. Engage users and monitor compliance with KPIs.

Companies often start their circular transition with ‘low-hanging fruit’ circular value propositions, growing towards more strategic propositions. A phased roll-out could begin with ad-hoc measures, such as reducing production line rejects or offering refurbishment services for slightly damaged items. Examples of more strategic measures are the application of recycled or renewable material content in product lines or extending product lifespan by developing repair and refurbishment service systems or subscription models encouraging product return and reuse. Prioritizing B2B over B2C applications may be beneficial due to steadier relationships, larger volumes, and better financial alignment, reducing total use cost for customers. Each company’s approach would likely involve a combination of strategies tailored to market characteristics and opportunities.

Furthermore, the report identifies several scaling dimensions for circular strategies: **(a) within the same product** (adding features or functionalities); **(b) towards a broader consumer group** (pricing model that prioritizes affordability and lower upfront costs); **(c) across portfolio**; **(d) across geographies** (either globalized or localized), and **(e) multiply value proposition** (new products).

Our engaged companies are increasingly strategic with their circularity ambitions. Even the most ambitious companies need to focus their efforts where they can exert leverage and ensure that their circularity innovations are backed by robust business cases. These insights contribute to our agenda setting for the next round of engagement. The first article provides useful directions for discussing and improving circularity reporting. As a broader project, the World Business Council for Sustainable Development is developing the Global Circularity Protocol for Business³⁰ based on the Circular Transition Indicators. The second publication shows how we can provide companies with meaningful building blocks for a strategy to deliver circularity progress at scale. Tools such as these are not only useful tools for companies with the absence of more standardized voluntary reporting guidelines and methodologies but form an essential part of any investors toolkit to support engagement with companies on complex issues.

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Frankfurt (+49) 69 3329 6555

Paris (+33) 1 184880642

Americas:

Boston (+1) 617 603 3321

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Engage List

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
3M Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
A.P. Møller-Mærsk A/S (Denmark, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
ABB Ltd. (Switzerland, 2025)	TSP - Human Rights and Transition	Themes	Good	Standard	3	2025
Abbott Laboratories (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	None	2	2024
AbbVie, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Accor SA (France, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	1	2024
Adecco Group AG (Switzerland, 2024)	TSP - Human Capital Management	Themes	Good	Excellent	1	2024
AIA Group Ltd. (Hong Kong, 2024)	TSP - Sustainability and Good Governance	Themes	Good	Excellent	3	2024
Air France-KLM SA (France, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Air Liquide SA (France, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	2	2023
Air Products & Chemicals, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Airbnb, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	1	2024
Airbus SE (Netherlands, 2024)	TSP - Human Capital Management	Themes	Good	Good	2	2024
Al Rajhi Bank (Saudi Arabia, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	1	2024
Albemarle Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
Alcoa Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
Alibaba Group Holding Ltd. (China, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Alliant Energy Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Good	Good	2	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Alphabet, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	1	2024
Alphabet, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Amazon.com, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	None	2	2023
America Movil SAB de CV (Mexico, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2025
American Electric Power Co., Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
American Express Co. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	1	2024
Amgen, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	0	2024
Anglo American Plc (United Kingdom, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	3	2025
Anglo American Plc (United Kingdom, 2023)	TSP - Net Zero Transition	Themes	Excellent	Standard	3	2023
Anglogold Ashanti Plc (United Kingdom, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
Anheuser-Busch InBev SA/NV (Belgium, 2024)	TSP - Human Capital Management	Themes			1	2024
Antofagasta Plc (United Kingdom, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
Apple, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	2	2023
Aptiv Irish Holdings Ltd. (Switzerland, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2024
ArcelorMittal SA (Luxembourg, 2023)	TSP - Net Zero Transition	Themes	Poor	Good	2	2023
Archer-Daniels-Midland Co. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Poor	1	2022
Archer-Daniels-Midland Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	2	2023
AstraZeneca PLC (United Kingdom, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	2	2024
AT&T, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes			3	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
AutoZone, Inc. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2024
Avis Budget Group, Inc. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2024
AXA SA (France, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	3	2024
Banco Bilbao Vizcaya Argentaria SA (Spain, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	3	2024
Banco Bradesco SA (Brazil, 2024)	TSP - Sustainability and Good Governance	Themes	None	Good	0	2024
Banco do Brasil SA (Brazil, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	1	2022
Banco Santander SA (Spain, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
Bank of America Corp. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	0	2022
BASF SE (Germany, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	2	2023
Bayer CropScience Ltd. (India) (India, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	2	2022
Bayerische Motoren Werke AG (Germany, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Berkshire Hathaway, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	None	1	2023
Best Buy Co., Inc. (United States of America, 2025)	TSP - Scaling Circular Economies	Themes			0	2025
BHP Group Ltd. (Australia, 2023)	TSP - Net Zero Transition	Themes	Poor	Excellent	0	2023
BHP Group Ltd. (Australia, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025
Bloom Energy Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	1	2025
BlueScope Steel Ltd. (Australia, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
BNP Paribas SA (France, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	2	2024
Boliden AB (Sweden, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	0	2023
Bouygues SA (France, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	2	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
BP Plc (United Kingdom, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	3	2023
BRF SA (Brazil, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	1	2022
Bridgestone Corp. (Japan, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Broadcom Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	2	2024
Brookfield Corp. (Canada, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Brookfield Renewable Partners LP (Bermuda, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
BT Group Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Bunge Global SA (United States of America, 2024)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2024
BYD Co., Ltd. (China, 2024)	TSP - Scaling Circular Economies	Themes	Poor	Standard	0	2024
Canon, Inc. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Poor	Standard	0	2024
Cargill, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	2	2022
Carnival Corp. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Carrefour SA (France, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	2	2022
CECONOMY AG (Germany, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
Cencosud SA (Chile, 2022)	TSP - Biodiversity and Natural Capital	Themes	Poor	Standard	0	2022
Central Retail Corp. Public Co. Ltd. (Thailand, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
Centrica Plc (United Kingdom, 2025)	TSP - Human Rights and Transition	Themes	Standard	Poor	2	2025
CF Industries Holdings, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Chevron Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
China Hongqiao Group Ltd. (China, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
China National Building Material Co., Ltd. (China, 2023)	TSP - Net Zero Transition	Themes	Poor	None	1	2023
China Northern Rare Earth (Group) High-Tech Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes			1	2025
China Resources Building Materials Technology Holdings Ltd. (Hong Kong, 2023)	TSP - Net Zero Transition	Themes	Poor	Good	1	2023
Chubu Electric Power Co., Inc. (Japan, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Chugai Pharmaceutical Co., Ltd. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
CMS Energy Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Coca-Cola FEMSA SAB de CV (Mexico, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Coles Group Ltd. (Australia, 2024)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2024
Commonwealth Bank of Australia (Australia, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Compagnie Générale des Établissements Michelin SCA (France, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Companhia de Saneamento Basico do Estado de Sao Paulo SABESP (Brazil, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	1	2023
Compass Group Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Consolidated Edison, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Contemporary Amperex Technology Co., Ltd. (China, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Continental AG (Germany, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Corteva, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
Costco Wholesale Corp. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Poor	1	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Crédit Agricole SA (France, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	1	2022
CRH Plc (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	2	2023
CSL Ltd. (Australia, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	1	2024
Currys Plc (United Kingdom, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
CVS Health Corp. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Daiichi Sankyo Co., Ltd. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Poor	Poor	0	2024
Danone SA (France, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Standard	2	2022
Daqo New Energy Corp. (China, 2025)	TSP - Human Rights and Transition	Themes			0	2025
Dassault Systèmes SE (France, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
DBS Group Holdings Ltd. (Singapore, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	0	2022
De'Longhi SpA (Italy, 2025)	TSP - Scaling Circular Economies	Themes			1	2025
Deere & Co. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	0	2022
Dell Technologies, Inc. (United States of America, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2025
DENSO Corp. (Japan, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Deutsche Börse AG (Germany, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	3	2024
Deutsche Lufthansa AG (Germany, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	2	2023
Deutsche Post AG (Germany, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Deutsche Telekom AG (Germany, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Dixon Technologies (India) Ltd. (India, 2025)	TSP - Scaling Circular Economies	Themes	Standard	None	0	2025

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Dow, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
DSM-Firmenich AG (Switzerland, 2025)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	1	2025
DTE Energy Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
E.ON SE (Germany, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
Eastman Chemical Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	1	2023
Edison International (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	1	2025
EDP SA (Portugal, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	3	2023
Electrolux AB (Sweden, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
Eli Lilly & Co. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	1	2024
Emera, Inc. (Canada, 2023)	TSP - Net Zero Transition	Themes	Good	Good	2	2023
Empresas Copec SA (Chile, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
EnBW Energie Baden Württemberg AG (Germany, 2025)	TSP - Human Rights and Transition	Themes	Good	Excellent	2	2025
Enel SpA (Italy, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
ENGIE SA (France, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
ENGIE SA (France, 2025)	TSP - Human Rights and Transition	Themes	Good	Standard	3	2025
Eni SpA (Italy, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Equinor ASA (Norway, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	0	2023
Eramet SA (France, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	3	2025
EssilorLuxottica SA (France, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Exelon Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
Exxon Mobil Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Poor	2	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
FedEx Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	1	2023
First Quantum Minerals Ltd. (Canada, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
First Solar, Inc. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
First Solar, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	1	2024
Fluence Energy, Inc. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	2	2025
Fomento Economico Mexicano SAB de CV (Mexico, 2024)	TSP - Human Capital Management	Themes	Poor	Poor	2	2024
Ford Motor Co. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Fortum Oyj (Finland, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	2	2023
Freeport-McMoRan, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	1	2023
Freeport-McMoRan, Inc. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	3	2025
Fresenius Medical Care AG (Germany, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Fresenius SE & Co. KGaA (Germany, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Fresh Del Monte Produce, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
Fujitsu Ltd. (Japan, 2024)	TSP - Human Capital Management	Themes	Poor	Poor	2	2024
Galp Energia SGPS SA (Portugal, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	0	2023
Ganfeng Lithium Group Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	1	2025
GCL Technology Holdings Ltd. (Hong Kong, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	2	2025
General Mills, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2022
General Motors Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	3	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
George Weston Ltd. (Canada, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Gerdau SA (Brazil, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
Glencore Plc (Switzerland, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	0	2023
Golden Agri-Resources Ltd. (Singapore, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2022
Goldwind Science & Technology Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	1	2025
Gruma SAB de CV (Mexico, 2022)	TSP - Biodiversity and Natural Capital	Themes	Poor	Standard	0	2022
GSK Plc (United Kingdom, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	2	2024
HANWHA SOLUTIONS CORP. (South Korea, 2025)	TSP - Human Rights and Transition	Themes			2	2025
HCA Healthcare, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	None	1	2024
HDFC Bank Ltd. (India, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Heidelberg Materials AG (Germany, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	2	2023
Hertz Global Holdings, Inc. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2024
Hindalco Industries Ltd. (India, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
Holcim Ltd. (Switzerland, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Honda Motor Co., Ltd. (Japan, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
HP, Inc. (United States of America, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Poor	1	2025
HSBC Holdings Plc (United Kingdom, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	2	2024
Iberdrola SA (Spain, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025
Iberdrola SA (Spain, 2023)	TSP - Net Zero Transition	Themes	Good	Excellent	2	2023
ICL Group Ltd. (Israel, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Iluka Resources Ltd. (Australia, 2025)	TSP - Human Rights and Transition	Themes	Standard	Poor	2	2025
Infineon Technologies AG (Germany, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	3	2024
Infosys Ltd. (India, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
ING Groep NV (Netherlands, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Standard	1	2022
Intel Corp. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
International Consolidated Airlines Group SA (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Good	Good	3	2024
International Distribution Services Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	0	2024
Intesa Sanpaolo SpA (Italy, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
IOI Corp. Bhd. (Malaysia, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	2	2022
Itaú Unibanco Holding SA (Brazil, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	2	2024
J Sainsbury Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	3	2024
James Hardie Industries Plc (Ireland, 2023)	TSP - Net Zero Transition	Themes	Poor	Poor	1	2023
JB Hi-Fi Ltd. (Australia, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
Jiangxi Copper Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes			1	2025
Johnson & Johnson (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	2	2024
JPMorgan Chase & Co. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	0	2022
KDDI Corp. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Poor	Good	0	2024
Kerry Group Plc (Ireland, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
KEYENCE Corp. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Poor	Standard	0	2024
Kia Corp. (South Korea, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
KKR & Co., Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	1	2024
Koninklijke Ahold Delhaize NV (Netherlands, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	1	2022
Kühne + Nagel International AG (Switzerland, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
L'Oréal SA (France, 2024)	TSP - Human Capital Management	Themes	Standard	Poor	4	2024
Lear Corp. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	0	2024
Lenovo Group Ltd. (Hong Kong, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2025
LG Chem Ltd. (South Korea, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	2	2023
LG Electronics, Inc. (South Korea, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
LG Energy Solution Ltd. (South Korea, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Linde Plc (United Kingdom, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	1	2023
Localiza Rent A Car SA (Brazil, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	0	2024
LONGi Green Energy Technology Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes			2	2025
Lowe's Companies, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	None	1	2024
Lynas Rare Earths Ltd. (Australia, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	1	2025
LyondellBasell Industries NV (United Kingdom, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	3	2023
Macquarie Group Ltd. (Australia, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Mahindra & Mahindra Ltd. (India, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Marathon Petroleum Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	0	2023
Marriott International, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	1	2024
Mazda Motor Corp. (Japan, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
McDonald's Corp. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	1	2022
Meituan (China, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
MercadoLibre, Inc. (Uruguay, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Mercedes-Benz Group AG (Germany, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	2	2024
Microsoft Corp. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Good	Standard	2	2024
Microsoft Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	1	2023
Midea Group Co. Ltd. (China, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
Minerva SA (Brazil, 2022)	TSP - Biodiversity and Natural Capital	Themes	Poor	Good	0	2022
Ming Yang Smart Energy Group Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes			1	2025
Minor International Public Co., Ltd. (Thailand, 2024)	TSP - Human Capital Management	Themes	Poor	Poor	1	2024
Mitsubishi Chemical Group Corp. (Japan, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	3	2023
Mitsubishi Corp. (Japan, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
Mitsubishi Corp. (Japan, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Mizuho Financial Group, Inc. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
Moderna, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Mowi ASA (Norway, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Standard	3	2022
MP Materials Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Poor	1	2025
Naspers Ltd. (South Africa, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	2	2024
Neste Corp. (Finland, 2023)	TSP - Net Zero Transition	Themes	Good	Good	1	2023
Nestlé SA (Switzerland, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	2	2022
Newmont Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025
NextEra Energy, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Excellent	1	2023
Nextracker, Inc. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	1	2025
NIPPON STEEL CORP. (Japan, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Nippon Telegraph & Telephone Corp. (Japan, 2024)	TSP - Human Capital Management	Themes	Good	Good	1	2024
Nippon Yusen KK (Japan, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Nissan Motor Co., Ltd. (Japan, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Nissui Corp. (Japan, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	1	2022
Nordex SE (Germany, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
Norsk Hydro ASA (Norway, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025
Norsk Hydro ASA (Norway, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Novo Nordisk A/S (Denmark, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
NRG Energy, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Nucor Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Nutrien Ltd. (Canada, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2022

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
NVIDIA Corp. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	0	2024
O'Reilly Automotive, Inc. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2024
Occidental Petroleum Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Poor	2	2023
OCI NV (Netherlands, 2023)	TSP - Net Zero Transition	Themes	Poor	None	1	2023
Olam Group Ltd. (Singapore, 2024)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	1	2024
Orange SA (France, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	1	2024
Panasonic Holdings Corp. (Japan, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2025
PepsiCo, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	1	2022
Pfizer Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	2	2024
Phillips 66 (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	0	2023
PPG Industries, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
Procter & Gamble Co. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	2	2022
Prosegur Compañía de Seguridad SA (Spain, 2024)	TSP - Human Capital Management	Themes	Standard	Good	1	2024
PT Astra Agro Lestari Tbk (Indonesia, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2022
PT Bank Mandiri (Persero) Tbk (Indonesia, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
Public Service Enterprise Group, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Quanta Computer, Inc. (Taiwan, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2025
Regeneron Pharmaceuticals, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	2	2024
Renault SA (France, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	2	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Republic Services, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023
Rio Tinto Ltd. (Australia, 2023)	TSP - Net Zero Transition	Themes	Good	Standard	2	2023
Rio Tinto Ltd. (Australia, 2025)	TSP - Human Rights and Transition	Themes			3	2025
Risen Energy Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	2	2025
Roche Holding AG (Switzerland, 2024)	TSP - Sustainability and Good Governance	Themes	Good	Good	3	2024
Royal Bank of Canada (Canada, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Royal Caribbean Group (United States of America, 2024)	TSP - Human Capital Management	Themes	Poor	Standard	1	2024
Royal KPN NV (Netherlands, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2025
RWE AG (Germany, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Samsung Electronics Co., Ltd. (South Korea, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	2	2023
Samsung SDI Co., Ltd. (South Korea, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2024
SAP SE (Germany, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Schneider Electric SE (France, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	2	2024
SD Guthrie Bhd. (Malaysia, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	2	2022
SEB SA (France, 2025)	TSP - Scaling Circular Economies	Themes			0	2025
Securitas AB (Sweden, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
Shanghai Aiko Solar Energy Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	0	2025
Shanghai Electric Group Co., Ltd. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	None	0	2025
Shell Plc (United Kingdom, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Shopify, Inc. (Canada, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	2	2024
Shoprite Holdings Ltd. (South Africa, 2022)	TSP - Biodiversity and Natural Capital	Themes	Poor	Standard	1	2022
Siemens AG (Germany, 2024)	TSP - Human Capital Management	Themes	Excellent	Excellent	5	2024
SK hynix, Inc. (South Korea, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
SK Innovation Co., Ltd. (South Korea, 2024)	TSP - Scaling Circular Economies	Themes	Standard	None	0	2024
SMA Solar Technology AG (Germany, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
Sociedad Quimica y Minera de Chile SA (Chile, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	1	2022
Sodexo SA (France, 2024)	TSP - Human Capital Management	Themes	Poor	Poor	1	2024
SoftBank Group Corp. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Solvay SA (Belgium, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	2	2023
Sony Group Corp. (Japan, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2025
South32 Ltd. (Australia, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Southern Copper Corp. (United States of America, 2025)	TSP - Human Rights and Transition	Themes			3	2025
Spotify Technology SA (Luxembourg, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	None	0	2024
Starbucks Corp. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Poor	Poor	0	2022
Steel Dynamics, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	1	2023
STMicroelectronics NV (Netherlands, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	3	2024
Sumitomo Mitsui Financial Group, Inc. (Japan, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Good	1	2022
Sunrun, Inc. (United States of America, 2025)	TSP - Human Rights and Transition	Themes	Standard	Poor	2	2025

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Suzlon Energy Ltd. (India, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	3	2025
Suzuki Motor Corp. (Japan, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2025
Swiss Re AG (Switzerland, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Excellent	2	2024
Swisscom AG (Switzerland, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
T-Mobile US, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Poor	2	2024
Taiwan Semiconductor Manufacturing Co., Ltd. (Taiwan, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Takeda Pharmaceutical Co., Ltd. (Japan, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024
Target Corp. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	1	2024
Tata Motors Ltd. (India, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Tata Steel Ltd. (India, 2023)	TSP - Net Zero Transition	Themes	Poor	Poor	2	2023
TCL Technology Group Corp. (China, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Poor	0	2025
Telefónica SA (Spain, 2024)	TSP - Human Capital Management	Themes	Good	Good	1	2024
Telenor ASA (Norway, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2025
Tesco Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	1	2024
Tesla, Inc. (United States of America, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Poor	1	2024
Texas Instruments Incorporated (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Good	1	2024
The AES Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	1	2023
The Goldman Sachs Group, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Standard	0	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
The Home Depot, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Poor	2	2024
The Kroger Co. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	1	2022
The Siam Cement Public Co. Ltd. (Thailand, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	1	2023
The Southern Co. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	3	2023
The Walt Disney Co. (United States of America, 2024)	TSP - Human Capital Management	Themes	Poor	Poor	1	2024
The Williams Cos., Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Good	1	2023
Tianqi Lithium Corp. (China, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	1	2025
Tofas Turk Otomobil Fabrikasi AS (Turkey, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2024
Tosoh Corp. (Japan, 2023)	TSP - Net Zero Transition	Themes	Poor	Poor	2	2023
TotalEnergies SE (France, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	0	2023
Toyota Motor Corp. (Japan, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	0	2023
Tyson Foods, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Poor	0	2022
Uber Technologies, Inc. (United States of America, 2024)	TSP - Sustainability and Good Governance	Themes	Standard	Poor	0	2024
UBS Group AG (Switzerland, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Standard	1	2022
Umicore SA (Belgium, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	2	2025
Unilever Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
United Airlines Holdings, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024
United Parcel Service, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Poor	Standard	1	2023
UnitedHealth Group, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes	Standard	Standard	2	2024

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Vale SA (Brazil, 2025)	TSP - Human Rights and Transition	Themes	Standard	Good	3	2025
Valeo SE (France, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Standard	1	2024
Valero Energy Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	None	1	2023
Veolia Environnement SA (France, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Vestas Wind Systems A/S (Denmark, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025
VINCI SA (France, 2023)	TSP - Net Zero Transition	Themes	Excellent	Standard	4	2023
Vistra Corp. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Good	Good	2	2023
Vodafone Group Plc (United Kingdom, 2024)	TSP - Human Capital Management	Themes	Good	Good	1	2024
voestalpine AG (Austria, 2023)	TSP - Net Zero Transition	Themes	Standard	Poor	2	2023
Volkswagen AG (Germany, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Volvo Car AB (Sweden, 2024)	TSP - Scaling Circular Economies	Themes	Standard	Good	1	2024
Wal-Mart de México SAB de CV (Mexico, 2024)	TSP - Human Capital Management	Themes	Standard	Good	1	2024
Walgreens Boots Alliance, Inc. (United States of America, 2024)	TSP - Human Capital Management	Themes			2	2024
Walmart, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	2	2022
Walmart, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Waste Management, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Good	Good	2	2023
Wheaton Precious Metals Corp. (Canada, 2025)	TSP - Human Rights and Transition	Themes	Standard	Standard	3	2025
Whirlpool Corp. (United States of America, 2025)	TSP - Scaling Circular Economies	Themes	Standard	Standard	0	2025
Woolworths Group Ltd. (Australia, 2022)	TSP - Biodiversity and Natural Capital	Themes	Good	Good	2	2022
Xcel Energy, Inc. (United States of America, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	1	2023

Company Name	Issue	Focus Area	Progress	Response	Milestone	Engage Since
Xiaomi Corp. (China, 2025)	TSP - Scaling Circular Economies	Themes	Standard	None	1	2025
Yara International ASA (Norway, 2023)	TSP - Net Zero Transition	Themes	Standard	Standard	2	2023
Yum! Brands, Inc. (United States of America, 2022)	TSP - Biodiversity and Natural Capital	Themes	Standard	Standard	0	2022
Ørsted A/S (Denmark, 2025)	TSP - Human Rights and Transition	Themes	Good	Good	3	2025