

# Shropshire County Council

## Q2 2020

The purpose of the **reo**® (responsible engagement overlay) \* service is to engage with companies held in portfolios with a view to promoting the adoption of better environmental, social and governance (ESG) practices. The **reo**® approach focuses on enhancing long-term investment performance by making companies more commercially successful through safer, cleaner, and more accountable operations that are better positioned to deal with ESG risks and opportunities.

### Engagement in review

The annual general meeting (AGM) season for most public companies worldwide faced significant challenges from the COVID-19. With mass gatherings discouraged or banned in many parts of the world, in-person AGMs could not be held. We spoke with companies about their contingency plans, with options including delaying or postponing the meeting, moving to a hybrid (part physical, part virtual) AGM, or where permitted, a virtual online-only AGM. Our engagement sought to ensure shareholder participation in meetings was not severely impaired.

The pandemic affected shareholder rights in a number of other ways during the voting season, including limited disclosure, shorter AGM notice periods and withdrawal of dividend payments. It also triggered widespread executive pay cuts, pausing of share buyback programmes and heightened investor scrutiny of environmental and social factors.

On climate change, the voting season marked the first time we implemented our new climate-related voting guidelines, which seek use of our vote to drive stronger climate change management practices at companies in high-impact industries. We also saw some increased activity on climate-related shareholder proposals, particularly in the US.

### Climate policy advocacy Down Under

#### Engagement collaboration

In April 2020, we participated in an initiative, led by HSBC and coordinated by BMO and AMP Capital, to engage with companies in the Australian extractives industry on their climate policy advocacy positions. This follows the debate in the country since 2018, when the industry was accused of lobbying against key climate change and low carbon energy policies.

In April, we sent out letters addressing to the chairpersons of 11 extractive companies, all of which are members of industry associations known to lobby against climate policies, to set out our expectations of board-level governance on all types of lobbying activities. We emphasised that not only should boards oversee all direct interactions with policymakers, but there should also be scrutiny on how their companies' views are represented through the industry associations. We encouraged these companies to conduct regular assessments and to disclose how the climate goals in the Paris Agreement are reflected in their lobbying activities.

We have also received feedback from those companies producing fossil fuel commodities. We have observed reluctance from these companies to tackle climate advocacy issues, which we believe comes from either their lack of robust energy transition strategy, or their active roles at industry associations that were accused by the media of lobbying against climate policies. As a result, our future engagement will focus on aligning these businesses to the ambition of limiting global warming to well below 2-degree Celsius as defined in the Paris Climate Agreement.

### Responsible practices in the pharmaceutical industry

#### Engagement collaboration

In April 2020, we decided to join a collaborative investor initiative – co-ordinated by Achmea Investment Management – focusing on responsible practices in the pharmaceutical industry during the COVID-19 pandemic. Although we are encouraged by many pharmaceutical companies' responses, we have been concerned by reports suggesting that there are companies which are not necessarily prioritising equitable access to therapeutics and vaccines.

This investor initiative is underpinned by six high-level principles, including ensuring that employees are safe and healthy, and that their well-being is looked after; developing and providing affordable worldwide access to health products; collaborating and sharing relevant data with governments, peers and academia; and ensuring that in the long-term R&D processes sufficiently address infectious diseases.

### High risks in the meatpacking industry

#### Engagement collaboration

Meat processing plants have emerged as frequent hotspots for the transmission of COVID-19 in the United States and other countries, including Brazil, Germany and the UK. In the U.S. alone, the Center for Disease Control and Prevention has identified numerous cases among workers in over 200 meat and poultry processing facilities across 33 states. These outbreaks have resulted in widespread criticism of working conditions at the plants where employees often work long hours in extremely cramped conditions where physical distancing is almost impossible.

We, therefore, co-signed a public investor statement (available at [https://www.iccr.org/sites/default/files/page\\_attachments/investorstatementoncovid19riskstomeatsectorworkerswsg\\_06\\_15.20.pdf](https://www.iccr.org/sites/default/files/page_attachments/investorstatementoncovid19riskstomeatsectorworkerswsg_06_15.20.pdf)) that highlights risks to workers in the industry due to the pandemic along with recommendations to safeguard all stakeholders, importantly workers, and by extension, their families and communities. The statement was endorsed by 118 investors with \$2.3 trillion in combined assets.

Going forward, we will aim to continue our dialogue with the companies on their response to the pandemic and, importantly, any structural changes to production lines and processes necessary to address long-standing concerns regarding working conditions.

### Mental health in the workplace

#### Engagement collaboration

The COVID-19 outbreak has not only tested the resilience of companies' contingency planning, but it has also ultimately seen a significant level of stress and upheaval placed on the workforce. Ensuring that companies are fully considering the effect of the COVID-19 crisis on its workforce has been a core engagement topic of recent months.

As part of a collaborative effort, we co-signed a letter to the constituents of the FTSE100 (100 largest UK listed companies) urging them to protect the mental health of their employees during the unprecedented working environment caused by the pandemic. We have requested that companies consider developing a mental health action plan for all employees. This may include additional training for managers, increased job flexibility and clear guidance for reaching help, coupled with monitoring the use of assistance programmes to ensure the message is being heard.

## Joining forces through investor networks

### Engagement collaboration

This quarter, we further strengthened our collaborative approach by joining a number of international investor networks based in North America that facilitate collaborative engagement between global investors and companies on a variety of ESG topics. We became a Steering Committee member of the Investor **Alliance for Human Rights** ('the Alliance'), an international investor coalition based in New York focused on advancing the implementation of the UN Guiding Principles for Business and Human Rights amongst investors and companies. The Steering Committee consists of global investor representatives and human rights experts, and advises the Alliance on strategy setting and activities. In that context, we participated in a strategy session to determine the Alliance's strategic focus for the next few years.

We also became an affiliate member of the **Interfaith Center on Corporate Responsibility** ('ICCR'), a long-established global network of institutional investors aimed at collectively leveraging equity ownership to engage companies, policymakers and standard-setters on ESG risks ranging from climate change, water stewardship and public health, to human rights, labour rights and business ethics. The close to 300 ICCR members represent faith-based organizations, socially responsible asset management companies, unions, foundations, and other responsible investors working alongside a global network of NGO and business partners to advance the common good. Finally, we joined the **Racial Justice Investing coalition**, a group of investors primarily based in the U.S. focused on integrating a racial justice lens into their investment and engagement activities. The group has worked on providing resources and guidance to the investor community on how investors can meaningfully commit to action on addressing systemic racism within our own institutions and the companies we invest in.

## Helping transform governance practices in Japan

### Engagement collaboration

We have been engaging with Japanese companies, regulators and other market participants to improve governance practices in the country for over 15 years. In addition to actively voting our shares in companies and engaging with them, we have led a couple of successful collaborations.

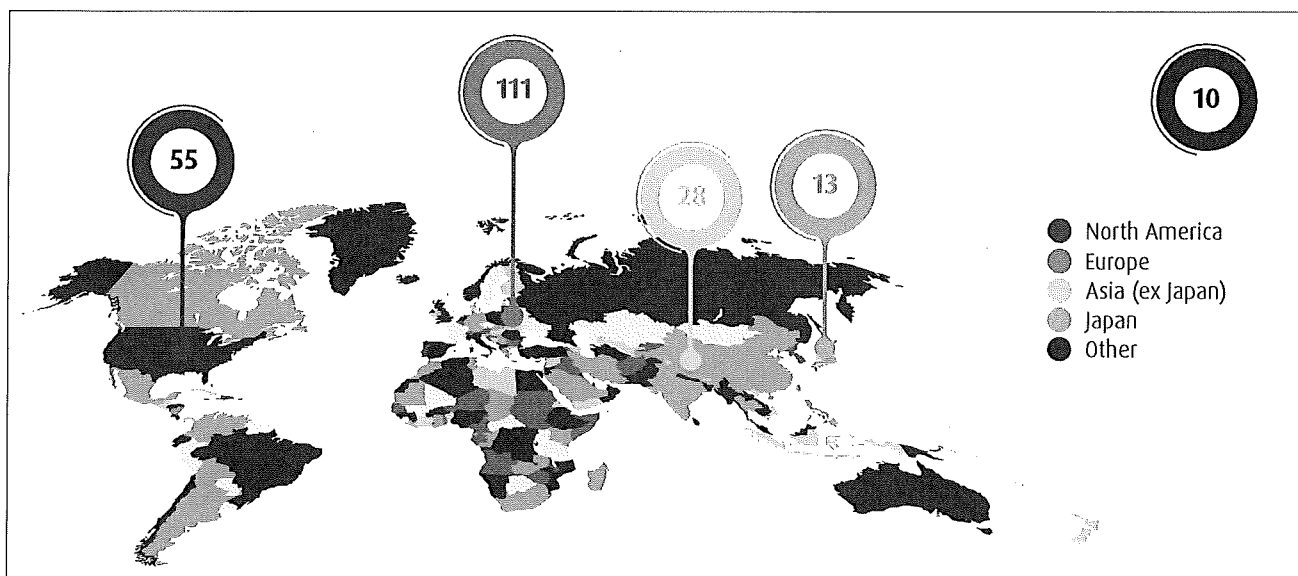
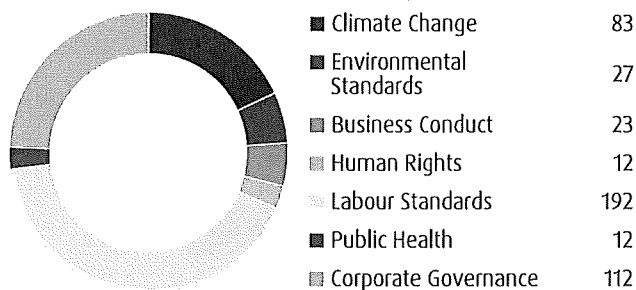
Over the years we saw some progress; however, it was slow and limited to a few companies and Japan continued to lag standards seen in other developed markets. The tide has, however, turned. Governance reforms proposed by Prime Minister of Japan, Shinzo Abe, and the actions of the Government Pension Investment Fund, the world's largest pension fund, to scale up its stewardship expectations have been critical to support investors' push for better governance.

We are glad to report that the 2020 AGM season alone saw over 30 companies that we had previously engaged with reach onethird board independence. These include some of Japan's largest companies such as **Nippon Telegraph & Telephone, Recruit Holdings, NTT Docomo** and **Mitsubishi Corp.** Our work is far from done and we will continue our active ownership efforts in the country.

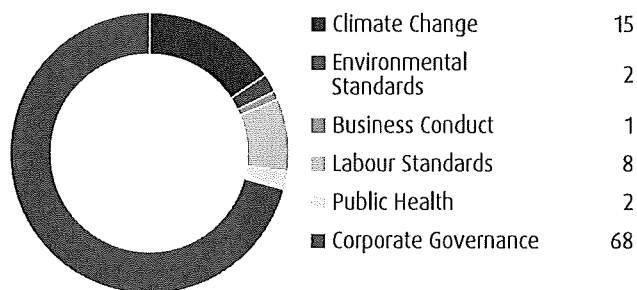
## Companies engaged this quarter

Companies Engaged	Milestones achieved	Countries covered
217	96	32

## Companies engaged by region

Companies engaged by issue <sup>\*\*\*</sup>

## Milestones achieved by issue



\* *reo*<sup>\*</sup> is currently applied to £150bn (\$186billion / €170billion) of assets as at 31st March 2020.

\*\* Companies may have been engaged on more than one issue.

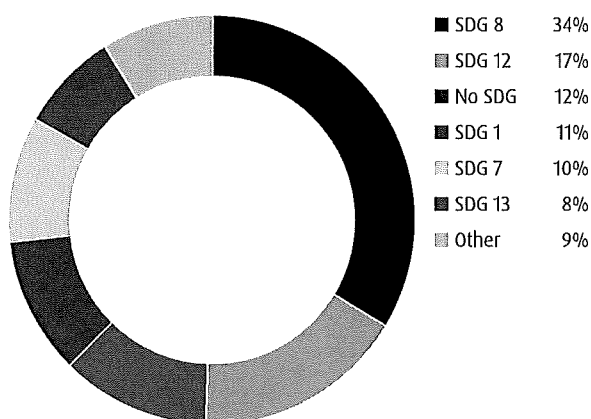
\*\*\* This report has been compiled using data supplied by a third-party electronic voting platform provider. The statistics exclude ballots with zero shares and re-registration meetings. Meetings/ballots/proposals are not considered voted if: ballots have been rejected by voting intermediaries (e.g. where necessary documentation (such as Powers of Attorney, beneficial owner confirmation, etc.) was not in place); instructed as "Do not vote" (e.g. in share-blocking markets); or left uninstructed. This document is for professional advisors only and should not be circulated to other investors. Past performance should not be seen as an indication of future performance. Stock market and currency movements mean the value of, and income from, investments in the Fund are not guaranteed. They can go down as well as up and you may not get back the amount you invest.

## Engagements and Sustainable Development Goals (SDGs)

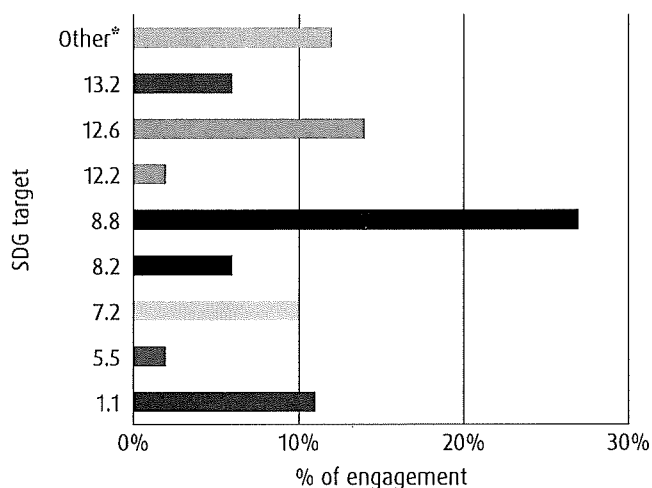
The 17 Sustainable Development Goals (SDGs) were developed by the UN and cross-industry stakeholders with a view to providing a roadmap towards a more sustainable world.

We use the detailed underlying SDG targets to frame company engagement objectives, where relevant, as well as to articulate the positive societal and environmental impacts of engagement. Engagements are systematically captured at a target level, to enable greater accuracy and achieve higher impact.

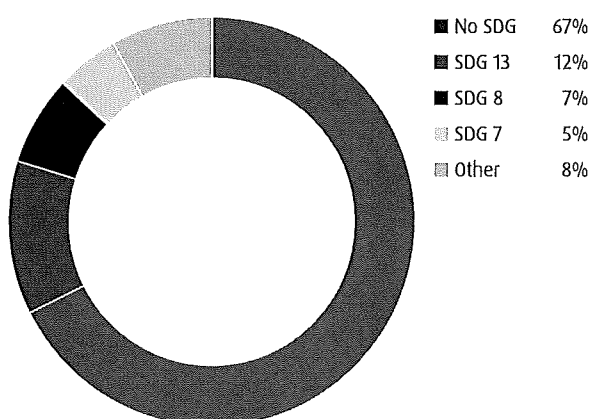
Engagement: SDG level



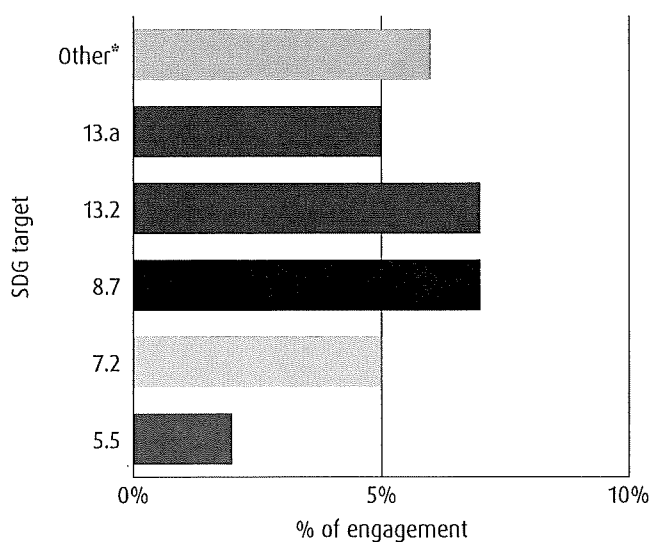
Engagement: SDG target level



Milestone: SDG level



Milestone: SDG target level



\*Other represents SDG targets less than 2% of the relevant SDG Goal.

# Priority Companies and Your Fund

The table below highlights the companies on BMO's annual priority engagement list with which we have engaged on your behalf in the past quarter and which you currently hold within your portfolio. Priority companies are selected through a detailed analysis of client holdings, proprietary ESG risk scores, engagement history and the BMO Responsible Investment team's judgement and expertise. Each priority company has defined engagement objectives set at the beginning of each year. Engagement activity levels for priority companies are more intensive than for companies where we engage more reactively. For full details of our engagements with companies please refer to the online *reo*® client portal.

## Introduction

Name	Sector	ESG Rating	Response to engagement	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Alleghany Corp	Financials	●	Adequate							●
Amazon.com Inc	Consumer Discretionary	●	Poor	●			●	●		●
ANTA Sports Products Ltd	Consumer Discretionary	●	Good							●
Barclays PLC	Financials	●	Good	●				●		●
Bausch Health Cos Inc	Health Care	●	Adequate							●
Cemex SAB de CV	Materials	●	Adequate	●	●					
Chevron Corp	Energy	●	Adequate	●						
China Construction Bank Corp	Financials	●	Adequate	●	●					
DNB ASA	Financials	●	Adequate							●
FMC Corp	Materials	●	Good		●					
General Motors Co	Consumer Discretionary	●	Adequate	●	●					●
Halma PLC	Information Technology	●	Adequate					●		●
Porsche Automobil Holding SE	Consumer Discretionary	●	Adequate	●						●
POSCO	Materials	●	Adequate	●						
Royal Dutch Shell PLC	Energy	●	Good	●				●		●
Wells Fargo & Co	Financials	●	Adequate					●		●

### ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

# Engagements and Your Fund: Red rated

The table below highlights the companies with which we have engaged on your behalf in the past quarter and which you currently hold within your portfolio. The table is split by ESG risk rating. For full details of our engagements with companies please refer to the online **reo**® client portal.

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Alleghany Corp	United States	Financials	✓							●
AngloGold Ashanti Ltd	South Africa	Materials		●		●				
Bandai Namco Holdings Inc	Japan	Consumer Discretionary								●
Bausch Health Cos Inc	United States	Health Care	✓							●
Canadian Natural Resources Ltd	Canada	Energy								●
Centre Testing International Group Co Ltd	China	Industrials								●
China Power International Development Ltd	Hong Kong	Utilities		●						
China Resources Gas Group Ltd	Hong Kong	Utilities								●
China Resources Power Holdings Co Ltd	Hong Kong	Utilities		●						
Dollar General Corp	United States	Consumer Discretionary								
Dollar Tree Inc	United States	Consumer Discretionary								
General Motors Co	United States	Consumer Discretionary	✓	●	●					●
Huadian Power International Corp Ltd	China	Utilities		●						
Huaneng Power International Inc	China	Utilities		●						
JBS SA	Brazil	Consumer Staples		●		●			●	
JPMorgan Chase & Co	United States	Financials		●						●
Magnit PJSC	Russian Federation	Consumer Staples								
Pfizer Inc	United States	Health Care				●			●	●
Porsche Automobil Holding SE	Germany	Consumer Discretionary	✓	●						●
Raia Drogasil SA	Brazil	Consumer Staples							●	
RioCan Real Estate Investment Trust	Canada	Real Estate								●
Tingyi Cayman Islands Holding Corp	China	Consumer Staples		●	●				●	●
Universal Robina Corp	Philippines	Consumer Staples			●					
US Bancorp	United States	Financials								●
Volkswagen AG	Germany	Consumer Discretionary		●		●				●
Waste Connections Inc	United States	Industrials								●
Wells Fargo & Co	United States	Financials	✓							●

## ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

# Engagements and Your Fund: Orange rated

The table below highlights the companies with which we have engaged on your behalf in the past quarter and which you currently hold within your portfolio. The table is split by ESG risk rating. For full details of our engagements with companies please refer to the online **reo**® client portal.

## Introduction

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Air Canada	Canada	Industrials								●
Albermarle Corp	United States	Materials		●		●				●
ANTA Sports Products Ltd	China	Consumer Discretionary	✓					●		●
AO Smith Corp	United States	Industrials								●
AVEVA Group PLC	United Kingdom	Information Technology						●		
Bank Mandiri Persero Tbk PT	Indonesia	Financials								●
Bank of America Corp	United States	Financials								●
Barclays PLC	United Kingdom	Financials	✓	●				●		●
BCE Inc	Canada	Communication Services								●
Canadian National Railway Co	Canada	Industrials						●		●
China Shenhua Energy Co Ltd	China	Energy		●	●		●			●
CIMIC Group Ltd	Australia	Industrials		●		●				
Costco Wholesale Corp	United States	Consumer Staples						●		
Credicorp Ltd	Peru	Financials		●	●					●
Dall Foods Group Co Ltd	China	Consumer Staples		●	●					●
Duke Energy Corp	United States	Utilities		●						
Euras PLC	Russian Federation	Materials						●		
Fiat Chrysler Automobiles NV	United Kingdom	Consumer Discretionary		●						
Glencore PLC	Switzerland	Materials		●						
Japan Exchange Group Inc	Japan	Financials								●
Just Eat Takeaway.com NV	Netherlands	Information Technology						●		
Kirkland Lake Gold Ltd	Canada	Materials		●		●				
M&G PLC	United Kingdom	Financials						●		
Melrose Industries PLC	United Kingdom	Industrials						●		●
Mitsubishi UFJ Financial Group Inc	Japan	Financials		●						●
MMC Norilsk Nickel PJSC	Russian Federation	Materials		●	●					
Severn Trent PLC	United Kingdom	Utilities						●		

### ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

Name	Country	Sector	Priority company	Themes engaged					
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health
Shriram Transport Finance Co Ltd	India	Financials				●			
Top Glove Corp Bhd	Malaysia	Health Care					●	●	

**ESG Risk Rating:**

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●



# Engagements and Your Fund: Yellow rated

The table below highlights the companies with which we have engaged on your behalf in the past quarter and which you currently hold within your portfolio. The table is split by ESG risk rating. For full details of our engagements with companies please refer to the online **reo**® client portal.

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Admiral Group PLC	United Kingdom	Financials								
AIA Group Ltd	Hong Kong	Financials								
Allstate Corp/The	United States	Financials								
Amazon.com Inc	United States	Consumer Discretionary	✓	●			●	●		●
Anglo American PLC	United Kingdom	Materials		●		●				
Aroundtown SA	Luxembourg	Real Estate								●
Auto Trader Group PLC	United Kingdom	Information Technology								
BHP Group Ltd	Australia	Materials		●		●	●	●		●
BHP Group PLC	Australia	Materials								
BP PLC	United Kingdom	Energy		●		●		●		●
British American Tobacco PLC	United Kingdom	Consumer Staples								
CCL Industries Inc	Canada	Materials								●
Cemex SAB de CV	Mexico	Materials	✓	●	●					
Chevron Corp	United States	Energy	✓	●						
China Construction Bank Corp	China	Financials	✓	●	●					
Delivery Hero SE	Germany	Information Technology							●	●
DNB ASA	Norway	Financials	✓							●
Engie SA	France	Utilities		●						
Eni SpA	Italy	Energy		●						●
Experian PLC	Ireland	Industrials								
FMC Corp	United States	Materials	✓		●					
Goldman Sachs Group Inc/The	United States	Financials				●			●	●
Halma PLC	United Kingdom	Information Technology	✓					●		●
Hargreaves Lansdown PLC	United Kingdom	Financials								
Hermes International	France	Consumer Discretionary								
Honda Motor Co Ltd	Japan	Consumer Discretionary								●
Hoya Corp	Japan	Health Care								●

## ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
HSBC Holdings PLC	United Kingdom	Financials		●				●		●
Intertek Group PLC	United Kingdom	Industrials						●		
Johnson & Johnson	United States	Health Care		●	●			●	●	
Lloyds Banking Group PLC	United Kingdom	Financials						●		
McDonald's Corp	United States	Consumer Discretionary						●	●	●
Mizuho Financial Group Inc	Japan	Financials		●						●
Mohawk Industries Inc	United States	Consumer Discretionary								●
Newmont Corp	United States	Materials		●		●				
Novartis AG	Switzerland	Health Care								●
Ocado Group PLC	United Kingdom	Consumer Discretionary								
Parkland Corp/Canada	Canada	Energy								●
Pembina Pipeline Corp	Canada	Energy								●
Persimmon PLC	United Kingdom	Consumer Discretionary						●		
POSCO	South Korea	Materials	✓	●						
Principal Financial Group Inc	United States	Financials								●
Qatar National Bank QPSC	Qatar	Financials		●						
QIAGEN NV	Netherlands	Health Care								●
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples						●		
Royal Bank of Scotland Group PLC	United Kingdom	Financials						●		
Smith & Nephew PLC	United Kingdom	Health Care						●		
St James's Place PLC	United Kingdom	Financials						●		
STERIS PLC	United States	Health Care								●
Suez SA	France	Utilities								●
Sysco Corp	United States	Consumer Staples						●		
Take-Two Interactive Software Inc	United States	Information Technology						●		●
Tencent Holdings Ltd	China	Information Technology								●
Thai Union Group PCL	Thailand	Consumer Staples			●			●		
Tractor Supply Co	United States	Consumer Discretionary								●
Unilever PLC	United Kingdom	Consumer Staples						●		
United Utilities Group PLC	United Kingdom	Utilities						●		
Walmart Inc	United States	Consumer Staples		●				●		
Wilmar International Ltd	Singapore	Consumer Staples		●	●					

#### ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

# Engagements and Your Fund: Green rated

The table below highlights the companies with which we have engaged on your behalf in the past quarter and which you currently hold within your portfolio. The table is split by ESG risk rating. For full details of our engagements with companies please refer to the online **reo**® client portal.

## Introduction

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
3i Group PLC	United Kingdom	Financials								
Antofagasta PLC	Chile	Materials								
Aptiv PLC	Ireland	Consumer Discretionary								
Archer-Daniels-Midland Co	United States	Consumer Staples		●						
Ashtead Group PLC	United Kingdom	Industrials								
Associated British Foods PLC	United Kingdom	Consumer Staples			●		●			
AstraZeneca PLC	United Kingdom	Health Care							●	
Aviva PLC	United Kingdom	Financials								
BAE Systems PLC	United Kingdom	Industrials								
Bank of Nova Scotia	Canada	Financials								●
Barratt Developments PLC	United Kingdom	Consumer Discretionary								
BASF SE	Germany	Materials		●	●					
Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary								
British Land Co PLC/The	United Kingdom	Real Estate								
Brookfield Asset Management Inc	Canada	Financials								●
BT Group PLC	United Kingdom	Communication Services								
Bunge Ltd	United States	Consumer Staples		●	●					
Bunzl PLC	United Kingdom	Industrials								
Burberry Group PLC	United Kingdom	Consumer Discretionary								
Cameco Corp	Canada	Energy		●		●				
Canadian Imperial Bank of Commerce	Canada	Financials				●				●
Centrica PLC	United Kingdom	Utilities								
Clicks Group Ltd	South Africa	Consumer Staples				●				●
Coca-Cola HBC AG	Switzerland	Consumer Staples								
Cognex Corp	United States	Information Technology								●
Compass Group PLC	United Kingdom	Consumer Discretionary								
CRH PLC	Ireland	Materials								

### ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Croda International PLC	United Kingdom	Materials								
Daimler AG	Germany	Consumer Discretionary		●						
DCC PLC	Ireland	Industrials								
Diageo PLC	United Kingdom	Consumer Staples								
Fast Retailing Co Ltd	Japan	Consumer Discretionary								
Ferguson PLC	United Kingdom	Industrials								
Flutter Entertainment PLC	Ireland	Consumer Discretionary								
Franco-Nevada Corp	Canada	Materials								●
George Weston Ltd	Canada	Consumer Staples								●
GlaxoSmithKline PLC	United Kingdom	Health Care							●	●
Hikma Pharmaceuticals PLC	Jordan	Health Care								
Idemitsu Kosan Co Ltd	Japan	Energy		●		●				
Imperial Brands PLC	United Kingdom	Consumer Staples								
Informa PLC	United Kingdom	Consumer Discretionary								●
InterContinental Hotels Group PLC	United Kingdom	Consumer Discretionary								
ITV PLC	United Kingdom	Consumer Discretionary								
J Sainsbury PLC	United Kingdom	Consumer Staples								
JD Sports Fashion PLC	United Kingdom	Consumer Discretionary								
Jerónimo Martins SGPS SA	Portugal	Consumer Staples								●
Johnson Matthey PLC	United Kingdom	Materials								
Kasikornbank PCL	Thailand	Financials								●
Kerry Group PLC	Ireland	Consumer Staples			●					●
Kubota Corp	Japan	Industrials								●
Kyushu Railway Co	Japan	Industrials								●
Land Securities Group PLC	United Kingdom	Real Estate								
Legal & General Group PLC	United Kingdom	Financials								
Loblaw Cos Ltd	Canada	Consumer Staples		●			●		●	●
London Stock Exchange Group PLC	United Kingdom	Financials								
Meggitt PLC	United Kingdom	Industrials								
Mettler-Toledo International Inc	United States	Health Care			●					●
Mondi PLC	United Kingdom	Materials								
Mowi ASA	Norway	Consumer Staples								●
National Grid PLC	United Kingdom	Utilities								
Newcrest Mining Ltd	Australia	Materials		●		●				
Next PLC	United Kingdom	Consumer Discretionary								
Panasonic Corp	Japan	Consumer Discretionary			●					
Pearson PLC	United Kingdom	Consumer Discretionary								

#### ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

Name	Country	Sector	Priority company	Themes engaged						
				Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health	Corporate Governance
Polymetal International PLC	Cyprus	Materials								
Prudential PLC	United Kingdom	Financials								
RELX PLC	United Kingdom	Industrials								
Renault SA	France	Consumer Discretionary								
Rentokil Initial PLC	United Kingdom	Industrials								
Rio Tinto Ltd	United Kingdom	Materials								
Rio Tinto PLC	United Kingdom	Materials								
Royal Dutch Shell PLC	Netherlands	Energy	✓							
RSA Insurance Group PLC	United Kingdom	Financials								
Sage Group PLC/The	United Kingdom	Information Technology								
Schroders PLC	United Kingdom	Financials								
Segro PLC	United Kingdom	Real Estate								
Shimadzu Corp	Japan	Information Technology								
Sime Darby Plantation Bhd	Malaysia	Consumer Staples								
Smiths Group PLC	United Kingdom	Industrials								
Smurfit Kappa Group PLC	Ireland	Materials								
Spirax-Sarco Engineering PLC	United Kingdom	Industrials								
SSE PLC	United Kingdom	Utilities								
Standard Chartered PLC	United Kingdom	Financials								
Standard Life Aberdeen PLC	United Kingdom	Financials								
Sumitomo Mitsui Financial Group Inc	Japan	Financials								
Suncor Energy Inc	Canada	Energy								
SVB Financial Group	United States	Financials								
Tata Consultancy Services Ltd	India	Information Technology								
Taylor Wimpey PLC	United Kingdom	Consumer Discretionary								
Teck Resources Ltd	Canada	Materials								
Teleperformance	France	Industrials								
Tesco PLC	United Kingdom	Consumer Staples								
TOTAL SA	France	Energy								
Umicore SA	Belgium	Materials								
Unibail-Rodamco-Westfield	France	Real Estate								
Vodafone Group PLC	United Kingdom	Communication Services								
Whitbread PLC	United Kingdom	Consumer Discretionary								
Wm Morrison Supermarkets PLC	United Kingdom	Consumer Staples								
Wolters Kluwer NV	Netherlands	Industrials								
WPP PLC	United Kingdom	Consumer Discretionary								
Xylem Inc/NY	United States	Industrials								

**ESG Risk Rating:**

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●



# Milestones and Your Fund

The table below highlights the companies with which we have recorded milestones on your behalf in the past quarter and which you currently hold within your portfolio. Milestones are engagement outcomes which we have identified and is rated on the extent to which it protects or enhances investor value. For full details of our engagements which led to one star milestones please refer to the online **reo**® client portal.

Name	Country	Sector	Priority company	ESG Rating	Themes engaged					
					Climate Change	Environmental Stewardship	Business Ethics	Human Rights	Labour Standards	Public Health
★ ★ ★										
BP PLC	United Kingdom	Energy		●		●				
Royal Dutch Shell PLC	Netherlands	Energy	✓	●	●					
TOTAL SA	France	Energy		●	●					
Vistra Energy Corp	United States	Utilities		●	●					
★ ★										
Chipotle Mexican Grill Inc	United States	Consumer Discretionary		●	●					
Citigroup Inc	United States	Financials		●	●					
Duke Energy Corp	United States	Utilities		●	●					
Enel SpA	Italy	Utilities		●	●					
Freeport-McMoRan Inc	United States	Materials	✓	●	●					
Goldman Sachs Group Inc/The	United States	Financials		●	●					
HSBC Holdings PLC	United Kingdom	Financials		●	●					
Mettler-Toledo International Inc	United States	Health Care		●		●				
Microsoft Corp	United States	Information Technology		●	●					
Smurfit Kappa Group PLC	Ireland	Materials		●	●					
Sumitomo Mitsui Financial Group Inc	Japan	Financials		●	●					
Westpac Banking Corp	Australia	Financials		●	●					
★										
Suncor Energy Inc	Canada	Energy		●	●					

## ESG Risk Rating:

Rating of a company's ESG risk exposure and risk management compared to industry peers. Source: MSCI ESG Research Inc.

Top quartile: ● Second quartile: ● Third quartile: ● Bottom quartile: ●

