

ENGAGEMENT REPORT

STATEMENTS, VOTES, DIALOGUES

The SfC - Shareholders for Change
network's activities in 2024



SHAREHOLDERS
for CHANGE

KEY

ABS	Alternative Bank Schweiz (Switzerland)
BKC	Bank für Kirche und Caritas eG (Germany)
EB-SIM	EB - Sustainable Investment Management (Germany)
Ecofi	Ecofi, Groupe Crédit Coopératif (France)
Ethos	Ethos. Swiss Foundation for Sustainable Development (Switzerland)
Ethius	Ethius Invest (Switzerland)
Etica	Etica Sgr, Gruppo Banca Etica (Italy)
fair-finance	fair-finance Vorsorgekasse (Austria)
FFE	Fondazione Finanza Etica (Italy)
Fondazione Cariplo	(Italy)
Forma Futura	Forma Futura Invest Inc. (Switzerland)
FPF	Friends Provident Foundation (UK)
Fundación	Fundación Finanzas Éticas (Spain)
GLS	GLS Investment Management (Germany)
Inyova	Inyova AG (Switzerland)
Meeschaert	Meeschaert Asset Management (France)
Ökoworld	Ökoworld Lux S.A. (Luxembourg)
Phitrust	Phitrust SA (France)
Sanso Longchamp	Sanso Longchamp AM (France)
WHEB	WHEB Asset Management (UK)

CHALLENGING COMPANIES IN CHALLENGING TIMES



Ugo Biggeri
President of SfC -
Shareholders for Change

2024 marked another significant year for our shareholder engagement network. After consolidating our governance structure in 2023 with a three-member Board, we have continued to uphold our core identity: a network that remains agile, unbureaucratic, and focused on impactful engagement with companies and institutions.

This year, our engagement activities reached new heights. Our 20 members engaged with 172 companies and one institution across multiple sectors and regions, using a range of strategies from shareholder activism to critical shareholding. While our approach remains rooted in long-term collaborative dialogue, we are not hesitant to escalate engagements when necessary.

One of the key themes of 2024, as in previous years, was our focus on “orphan issues”—topics that are insufficiently addressed in mainstream investor engagement. Our network addressed issues such as ‘energy poverty’ in Spain or the investment in nuclear weapons by financial institutions. We have engaged not only listed companies, but also unlisted, small companies, as well as asset managers and ESG rating agencies.

And we haven’t been afraid to engage with institutions such as the European Commission, where we are fighting to keep weapons out of the definition of sustainable investment.

Climate-related issues remained at the forefront, representing 36% of our total engagements. We challenged major corporations on their decarbonisation strategies, transport emissions, and the continued financing of fossil fuels.

In 2024, we also expanded our collaborations with NGOs, campaigns, and other responsible investment networks. Our engagement with companies like Endesa on energy poverty and Adidas on labor rights reflects the importance of working in close cooperation with grassroots organisations.

Our network has further grown. We welcomed three new members: EB-SIM, Fondazione Cariplo, and Ökoworld. Our presence in European media and financial discussions has continued to expand, reinforcing our role as a pioneering force in shareholder engagement.

As we move forward, our commitment remains unchanged: to push for transparency, accountability, and sustainable business practices. In an increasingly complex corporate landscape, our ability to remain flexible, strategic, and impact-driven will be our greatest strength.

172 COMPANIES AND ONE INSTITUTION ENGAGED IN 2024

A total of 172 companies (of which 15 asset managers) and one institution (the European Investment Bank) have been engaged in 2024. The most recurring issues of SfC members' questions, resolutions or votes have been related to climate/environment (36%), ESG policy (21%), governance/remuneration (19%) and human rights/worker rights (15%). 78% of engaged entities are based in Europe, especially in France, Germany, the UK and Switzerland. 18% are based in the USA. 25% belong to the Banking/Finance sector, 24% to the Consumer goods sector, 12% to the Capital goods sector, 11% to the Oil&Gas/Energy sector, including utilities and renewable energy producers. These figures include all forms of engagement by SfC members (see *below*).

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY ISSUE IN 2024 (IN %)

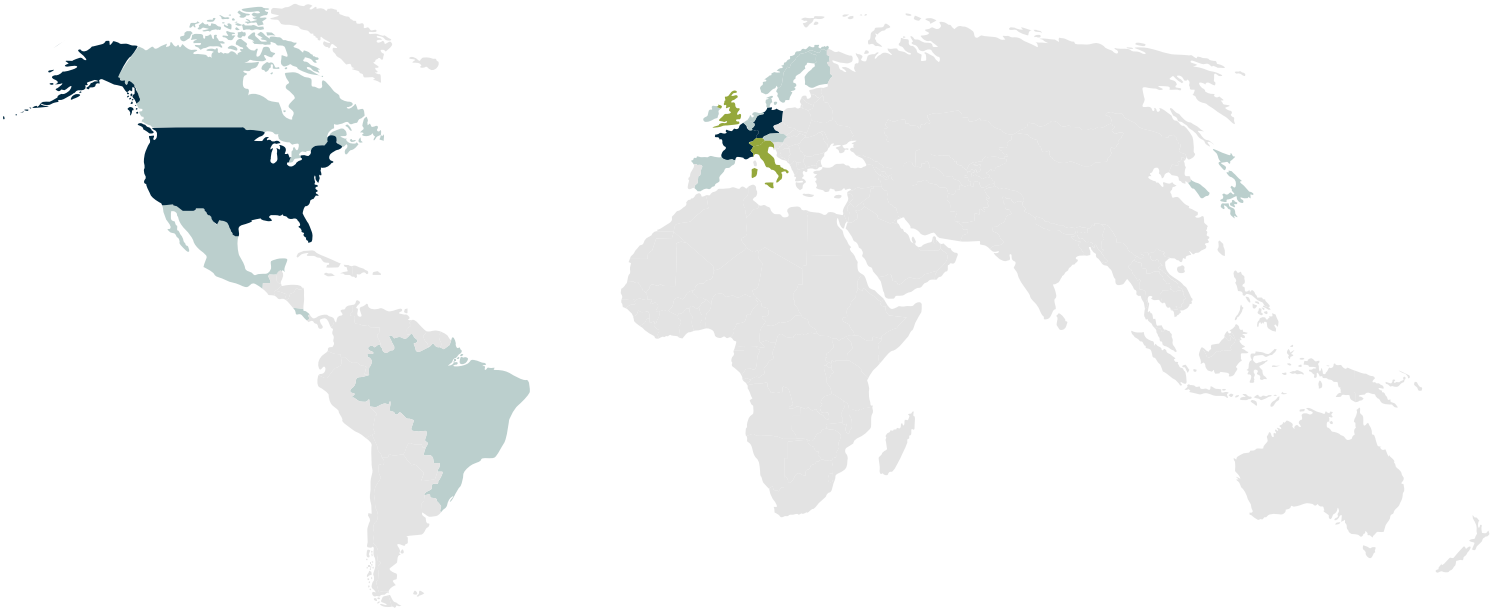


BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY COUNTRY IN 2024 (IN %)

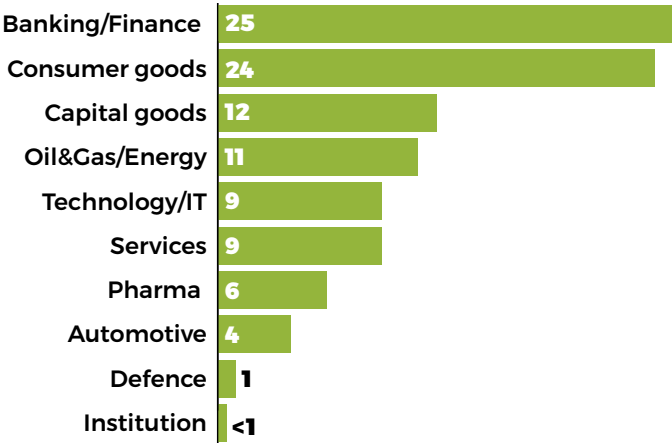
GERMANY	20%
FRANCE	18%
USA	17%
SWITZERLAND	8%
ITALY	6%
UK	6%
NETHERLANDS	4%
SWEDEN	4%
SPAIN	3%
BELGIUM	2%
DENMARK	2%
AUSTRIA	2%
BRAZIL	2%
CANADA	2%
FINLAND	2%
IRELAND	2%
MEXICO	<1%
COSTA RICA	<1%
JAPAN	<1%
LUXEMBOURG	<1%
NORWAY	<1%
SOUTH KOREA	<1%



172  **COMPANIES**
1  **INSTITUTION**
 engaged in 2024



BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY SECTOR IN 2024 (IN %)



197 ENGAGEMENT INITIATIVES IN TOTAL IN 2024

(some companies have been engaged more than once, on different issues)

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY STATUS IN 2024 (IN %)



46%
ONGOING



33%
COMPLETED



21%
NEW ENGAGEMENT

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY ESTIMATED ACHIEVEMENT IN 2024

From 2021 we measure the estimated achievement of our engagement with entities (companies and institutions), based on their readiness to answer our questions and their willingness to make more information available or to commit to specific objectives within defined time horizons.

We consider the mere disclosure of information as less significant than the commitment to change anything in the company’s strategies. We apply the rating to all forms of engagement. On the basis of this assumption, we developed this evaluation grid:

A	The entity did or committed to do what was requested (with a precise timeline)
B	The entity partly did or committed to do what was requested (with a precise timeline)
C	The entity vaguely did or committed to do what was requested (without a precise timeline)
D	The entity was cooperative and fully disclosed requested information
E	The entity did not want to enter a dialogue or only partly disclosed requested information
NR	The entity hasn't replied yet

According to the evaluation grid, the 197 engagement initiatives with companies and institutions can be classified as follows according to their estimated achievement:

A	9%
B	12%
C	21%
D	24%
E	16%
NR	18%

15 ASSET MANAGERS ENGAGED IN 15 ENGAGEMENT INITIATIVES IN 2024

Besides engaging directly with companies, some Shareholders for Change members also engage asset managers, as will be further explained below. In 2024, 15 asset managers were engaged

in 15 different cases, mainly in the USA and Germany.

The most recurring issues for this form of engagement were ESG policy (60%).

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES WITH ASSET MANAGERS BY ISSUE IN 2024 (IN %)

ESG policy	60%
Governance/remuneration	40%

In 2024, Sfc members were involved in a total of 197 engagement activities (182 with companies and institutions and 15 with asset managers).

HOW WE ENGAGE

01
**SENDING LETTERS,
 E-MAIL, CALLS**

02
**IN-PERSON
 MEETING
 WITH COMPANY**

03
**DIRECT
 PARTICIPATION
 IN AGM**

ENGAGEMENT STRATEGY



CRITICAL SHAREHOLDING

SfC members adopt two different styles of engagement:

Shareholder activism with companies and institutions that, normally, are already part of an investing universe selected according to ESG criteria;

Critical shareholding: with companies and institutions that are targeted by NGOs' campaigns or are allegedly involved in serious environmental or social controversies. This latter approach is often implemented in cooperation with NGOs. In 2024, critical shareholding has been the basis for 7 engagement initiatives (4% of total).

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUE	STATUS	ESTIMATED ACHIEVEMENT
Adidas	Germany	Consumer Goods	Fondazione Finanza Etica	Human rights/ Workers rights	Ongoing	C
Endesa	Spain	Oil&Gas/ Energy	Fundación Finanzas Eticas	Energy poverty	Ongoing	B
Eni	Italy	Oil&Gas/ Energy	Fondazione Finanza Etica	Climate	Ongoing	E
Indra	Spain	Defence	Fundación Finanzas Eticas	Controversial weapons	Ongoing	E
Inditex	Spain	Consumer Goods	Fondazione Finanza Etica	Climate	Ongoing	C
Leonardo	Italy	Defence	Fondazione Finanza Etica	Controversial weapons	Ongoing	E
Rheinmetall	Germany	Defence	Bank für Kirche und Caritas - Fondazione Finanza Etica	Controversial weapons	Ongoing	E

CRITICAL SHAREHOLDING WITH ENDESA: DIALOGUE AND ALLIANCES TO ADDRESS ENERGY POVERTY

In 2023, Fundación Finanzas Éticas, along with the Spanish associations Alianza contra la Pobreza Energética (APE) and the Asociación Pro-Derechos Humanos de Andalucía (APDHA), launched a dialogue process with the Spanish energy company Endesa to address **persistent power supply interruptions** affecting various vulnerable neighborhoods in the Spanish city of Granada. The initiative began in April 2023 with an intervention at Endesa's General Shareholders'

Meeting, where the Board of Directors was questioned about specific measures to **prevent** continuous **power outages** in affected areas. However, due to the lack of satisfactory responses, the European network Shareholders for Change (SfC) was engaged to intensify advocacy efforts. Through this international collaboration, dialogue was initiated with ENEL, the Italian multinational that owns 70% of Endesa. This intervention eventually led to direct

discussions with the Spanish company. A collaborative approach proved essential for progress. Between mid-2023 and December 2024, five meetings were held with senior Endesa officials, including those responsible for grid maintenance and corporate responsibility. To enrich the process with an independent technical perspective, **voluntary support** was provided by **two engineers** and professors from the Carlos III University of Madrid. These professionals contributed their expertise to analyze the technical causes cited by the company and participated in field visits to the affected neighborhoods to assess on-the-ground conditions alongside community organizations.

The impact of this coordinated action has been significant. By the end of 2024, the number of families affected by outages had decreased considerably. Although interruptions have not been entirely eliminated (due to factors involving other agents such as public authorities and law enforcement), **effective measures have been implemented** to identify vulnerable individuals and buildings, reducing the severity of the problem and significantly lowering the number of households experiencing continuous power cuts. This outcome highlights the power of shareholder activism to drive concrete change by focusing objectives, prioritizing dialogue over conflict, and fostering collaborations across diverse expertise.

ADIDAS STILL FAR FROM PAYING SUSTAINABLE WAGES IN ASIA, BUT WILLING TO TALK

On 16 May 2024, Fondazione Finanza Etica (FFE), in cooperation with the Clean Clothes Campaign (CCC) and the German Critical Shareholders Association (DKA), attended the Adidas AGM for the first time. During the meeting, FFE asked Adidas to join the **#payyourworkers** initiative promoted by CCC.

The Clean Clothes Campaign is calling for the creation of a guarantee fund to pay severance to workers employed by subcontractors (in countries where there are no social shock absorbers, particularly in South-East Asia). The fund would be financed by a contribution of 0.5% of the Free on Board (FOB) value of the goods: the total cost of the goods when they are

loaded for transport, excluding any subsequent costs such as insurance and transport.

For Adidas, this would mean a contribution of \$26.78 million to the Guarantee Fund. A figure that represents just 0.125% of its 2023 turnover of €21.427 billion.

The company was open to dialogue, but said it could not join the CCC initiative because responsibility for severance payments lies with subcontractors and the countries in which they are based. However, at least informally, in an exchange with critical shareholders on the sidelines of the meeting, the company appeared to be open to considering other solutions.

FUNDACIÓN FINANZAS ETICAS ENGAGES REPSOL: NO COOPERATION FROM THE COMPANY

In May, SfC Spanish member Fundación Finanzas Eticas once again participated in the Repsol

AGM. The Fundación has been participating in the Repsol AGM for many years, together with

Greenpeace and Oxfam. According to a report by the Spanish 'Observatorio Sostenibilidad', **Repsol would be the leading cause of climate change in Spain**. The report shows that the oil company is responsible for 62% of the emissions of all IBEX35 companies. 99% of its profit comes from the extraction, refining and sale of oil and gas, producing 599,000 barrels of oil and gas per day. At the AGM, Fundación asked the company's shareholders and management a number of questions on various issues. First, they asked for a credible plan to achieve decarbonisation by 2030 instead of 2050. Secondly, they asked

the company to take corporate social responsibility seriously and apply due diligence measures to ensure human, labour and environmental rights in all its operations, so that environmental and social disasters (such as the spill of almost 12,000 barrels into the sea off Peru in January 2022) are not repeated. Finally, the Fundación called for greater honesty in communication on sustainability issues, citing the various allegations of misleading advertising that the company has faced. **The Board's answers** were, again, **disappointing**. The engagement will continue in 2025.

ENI CRITICISED FOR POSTPONING DECLINE IN OIL AND GAS PRODUCTION

On 17 May 2024, Fondazione Finanza Etica attended the **annual general meeting** of Italian oil and gas company Eni for the 17th consecutive year. From 2020, it will no longer be possible to physically attend general meetings in Italy. They will be held almost entirely **behind closed doors**. Participation was therefore limited to submitting written questions. These were followed by written answers from the company. The Fondazione Finanza Etica, in collaboration with the organisations A Sud and Un Ponte Per..., submitted more than 80 questions, focusing on three main topics: gas exploration in Palestine; the use of palm oil derivatives in biorefineries; and reaching a «plateau» in hydrocarbon production, after which production should gradually decline. Regarding palm oil derivatives, in particular the so-called «PFAD», the company committed in 2020 to stop using it in its biorefineries by 2023. Instead, Eni will continue to use it as regulations

have changed and the market has evolved. This is despite scientific studies showing that PFADs are worse for the climate than fossil diesel and not much better than crude palm oil (which Eni will stop using in October 2022). As for reaching the **production «plateau»**, Eni had stated in 2020 that it would reach maximum oil and gas production in 2025 and then gradually reduce production. In the meantime, the date for reaching the plateau has been postponed to 2030. So **Eni will be increasing its oil and gas production until 2030**. In a conference call with investors, Eni assured that when the plateau is reached in 2030, the total volumes of oil and gas produced will be the same as in 2025. For the Fondazione Finanza Etica, this is not enough: there is a risk that the additional quantities of emissions produced will be released in a context of further accelerated global warming, causing even more damage.

HOW SFC MEMBERS INTERACT WHEN ENGAGING WITH COMPANIES

SfC - Shareholders for Change engages with companies participating in AGMs, meetings and calls or submitting questions via mail or letter. There are three ways in which SfC members can be involved in engagement activities:

- network-driven engagement;
- engagement led by a single member with the participation of one or more other members (member-driven with explicit support);
- engagement led by a single member on behalf of the whole network but without the explicit, joint participation of any other member.

In the following sections we will explain the three different strategies with some examples. A list of all engagement activities of the network in 2024, specifying the strategies used, is published in the **Appendix I**.

In 2024, the majority (50%) of engagement activities was driven by single members without the explicit support of other members. 47% were driven by single members with the explicit participation of other members and 3% were network-driven.

BREAKDOWN OF TOTAL SFC ENGAGEMENT INITIATIVES BY STRATEGY IN 2024 (IN %)

Single member	50%
Member with support	47%
Network-driven	3%

1. NETWORK-DRIVEN ENGAGEMENT

A network-driven engagement is launched on the basis of research done by the SfC network. In the first six years of SfC's activity, three such researches were published:

- in December 2018, on the fiscal responsibility of European telecommunications companies;
- in July 2019, on the social and environmental risks associated with the sourcing and use of rare metals in certain specific production processes;
- in June 2022, on companies' aggressive capital allocation strategies during the Covid-19 pandemic.

A new research on tax avoidance related risks for the Euro Stoxx 50 companies will be published in 2025.

The first research “[Bad Connection](#)”, exposed the general lack of tax transparency in the European telecommunications sector and led to the engagement of four companies. The engagement was completed in June 2020 with the publication of a report including the most significant engagement [results](#).

The second research, “[Rare metals supply chains](#)”, published by our member Meeschaert Asset Management on behalf of SfC,

evidenced potential social and environmental controversies in the supply chains of rare earths (such as Neodymium and Praseodymium) and rare metals (such as cadmium, cobalt, chromium, lithium, magnesium, palladium, rhodium, etc.).

The research identified 12 companies potentially exposed to risks related to the extraction and use of rare metals and rare earths in the renewable energy, automotive and chemical sectors.

All companies have been engaged by SfC members between 2021 and 2023.

The third research, “[Pandemic extractivism](#)”, co-sponsored by SfC members Etica Sgr, Friends Provident Foundation and fair-finance Vorsorgekasse, analysed a universe of ca. 320 companies, mostly European blue chips with a relatively good ESG profile. The aim was to identify aggressive capital allocation behaviour by companies that received State-aid during the Covid-19 pandemic. The research identified eight companies that received State aid related to the Covid-19 pandemic in 2020, while adopting “aggressive” capital allocation strategies. SfC members have engaged some of these companies between 2022 and 2023.

2. ENGAGEMENT LED BY A SINGLE MEMBER WITH THE PARTICIPATION OF OTHER MEMBERS

In this second engagement strategy, a single member of SfC (lead) launches an engagement project with a company or a group of companies, based on its own research and evaluations and one or more SfC members may join as supporter (normally because they have an interest in the company, e.g. they are invested or plan to invest in future). Supporters may help the lead member drafting letters, propose to add further questions for calls, meetings and mails, participate in calls with companies organised by the lead, attend and vote at AGMs.

Examples of this strategy in 2024 were:

- the engagement with Inditex on transport-related emissions (led by Fondazione Finanza Etica);
- the engagement of Ethos (against CEO/Chairman separation) and Phitrust (against share buyback programs) with TotalEnergies;
- the engagement with Lindt & Sprüngli on child labour (led by Forma Futura);
- the engagement with DAX companies on virtual-only AGMs (led by Ethos);
- the engagement with Orsted on coal-fired power plants (led by Ethius);
- the engagement on BMW's cobalt supply chain (led by Inyova).

FONDAZIONE FINANZA ETICA ASKS INDITEX TO STOP FAST FASHION FLIGHTS. WITHOUT SUCCESS

Spain-based Inditex is one of the world's largest fashion companies, famous for brands such as Zara, Pull & Bear, Massimo Dutti and others. On 9 July 2024, the Italian SfC member Fondazione Finanza Etica (FFE) attended the Inditex AGM in cooperation with SfC members Fundacion Finanzas Eticas, Ecofi, Mandarin Gestion/Meeschaert and in collaboration with the Italian branch of the Clean Clothes Campaign.

SfC members had sent a letter to Inditex in March asking for details of the **emissions caused by transporting clothing by air** and for measurable strategies and targets to reduce them. The company replied but did not provide the requested information. After another letter and an online meeting with the company, which did not produce any significant results, FFE decided to escalate the engagement and

bring the questions to the Annual General Meeting.

The questions raised at the AGM concerned the increase in the use of air transport in recent years. A mode of transport that is more polluting and has a much greater impact on the environment than freight transport. The engagement was based on the research "Flight Fashion" published by the Swiss NGO Public Eye.

In particular, Fondazione Finanza Etica called for greater transparency on Inditex's carbon footprint, asking the company to publish data on its **cargo flights** and emissions. Fondazione also pointed out the need to initiate a rapid and complete phase-out of air fashion, setting clear targets to develop a phase-out strategy. Although **Inditex** has committed to becoming carbon neutral by 2040 and has been open

to dialogue, it **does not consider transport to be a priority** in its **decarbonisation plan**. The company hasn't disclosed any KPIs or forecasts for the coming years.

The answers given at the annual general meeting were once again unsatisfactory. Hence, the engagement will continue throughout 2025 and possibly at the next AGM.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
Inditex	Spain	Consumer goods	FFE	Climate	Ongoing	C

TOTALENERGIES REBUFFS SHAREHOLDERS ON CEO-CHAIRMAN SEPARATION

On 18 April, SfC Swiss member Ethos and a coalition of investors (including SfC French member Sanso Longchamp) coordinated by FIR - Forum pour l'Investissement Responsable (The French Sustainable Investment Forum) filed a **shareholder resolution at TotalEnergies' AGM** calling for an advisory vote on the separation of the roles of Chairman and CEO. The coalition of French and international institutional investors and asset managers represented more than EUR 1.3 billion of TotalEnergies' capitalisation and 0.9% of its share capital - far more than the minimum required by French law (0.5%).

Despite this, the board of directors of TotalEnergies decided not to place the proposed shareholder resolution on the agenda, arguing that the board alone was responsible for deciding on governance issues. For this reason, **Ethos** and several co-filers, faced with what they consider to be an infringement of shareholder democracy, **decided to file an appeal** with the Nanterre Commercial Court to assert shareholders' rights and allow all shareholders to express their views on a material corporate governance issue at the upcoming AGM. Unfortunately, the French Court ruled that the company's behaviour was legitimate.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
TotalEnergies	France	Oil&Gas/ Energy	Ethos	Governance	Completed	E

LINDT & SPRÜNGLI CAUTIOUSLY TACKLES CHILD LABOUR IN SUPPLY CHAIN FOLLOWING FORMA FUTURA'S ESCALATION

In January 2024, a report by SRF (the German-speaking Swiss television) uncovered cases of **child labour on various cocoa plantations** in Ghana, from which also the Swiss chocolate producer Lindt & Sprüngli sources some of its

cocoa. For this reason, SfC's Swiss member Forma Futura decided to send an email to Lindt & Sprüngli, asking for explanations regarding the allegations and more information about the cocoa price paid to farming families, considered

to be too low, particularly in view of Lindt & Sprüngli's record-high profits in 2023. The company answered without addressing the price issue, partly shifting the responsibility to importers, stating that it was seeking dialogue with them and referring to its Farming Programme. According to SFR's report, however, the Programme, which aims to raise awareness on child labour among farming families and villages, wouldn't be widely known by potential recipients. **Forma Futura decided to escalate the engagement** by sending a further letter in collaboration with SfC members Ecofi and Etica Sgr in cooperation with the German NGO Südwind. The response was again unsatisfactory. The company did provide a little more detail on the planned certification of cocoa butter and cocoa, and announced the launch of a 'Living Income' pilot programme from 2025-2027, but avoided any concrete discussion of the issues raised.

In November, Forma Futura visited the company's sustainability team at the company's headquarters in Kilchberg, Zurich. **Lindt & Sprüngli appears to be making progress**, albeit slowly, in addressing child labour in the supply chain, living wages for farmers and fair sourcing of raw materials. Furthermore, the continued expansion of the company's sustainability team is also a positive sign. However, **Forma Futura remains critical** on a number of points. Improvements in pricing policy and supply chain monitoring appear to be the result of increased pressure from competitors and tightening EU regulations, rather than the company's own will. In addition, much of the responsibility for implementing measures to reduce and monitor child labour risks is delegated to suppliers, retailers and certification bodies. Engagement with the company will continue in 2025.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
Lindt & Sprüngli	Switzerland	Consumer goods	Forma futura	Consumer rights/ Workers right	Ongoing	D

ETHOS, DSW AND SFC URGE DAX COMPANIES TO RETHINK VIRTUAL AGMS

In October 2024, the Swiss SfC member Ethos Foundation, together with DSW (Germany's leading association for private investors), Better Finance(European Federation of Investors and Financial Services Users) and the SfC network, has launched a **new engagement campaign** calling on Germany's largest listed companies to **stop holding virtual-only general meetings** and to instead opt for a hybrid model (in-person and virtual). Together, the promoters represent more than €350 billion in assets under management. At the end of October, letters were sent to the ten largest DAX - the index of the forty largest companies on the Frankfurt stock exchange - companies that have held virtual-only AGMs

since COVID-19. The companies in question are Allianz, Beiersdorf, BMW, Deutsche Bank, Deutsche Börse, E.On, Infineon Technologies, Mercedes-Benz Group, Merck and Siemens. Specifically, the letter urges the chairperson of the boards of directors and supervisory boards to reconvene their shareholders in person for the 2025 AGM, failing which the signatories might vote against the statutory approval that will be required to continue with a virtual-only format. The aim of the campaign is therefore to **initiate a constructive dialogue** with the target companies on the choice of format for their future AGMs. The reason behind the engagement campaign is that the AGM is an essential part of shareholder

democracy. It is often the only time of the year when shareholders can not only meet the management of the company of which they are co-owners, but also ask questions, submit ideas

and proposals, and speak openly in front of the other shareholders. The engagement with the ten companies is not rated in this report (NR) because it started at the end of 2024.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
Allianz	Germany	Banking/Finance	Ethos	AGM format	Ongoing	NR
Beiersdorf	Germany	Consumer goods	Ethos	AGM format	Ongoing	NR
BMW	Germany	Automotive	Ethos	AGM format	Ongoing	NR
Deutsche Bank	Germany	Banking/Finance	Ethos	AGM format	Ongoing	NR
Deutsche Börse	Germany	Banking/Finance	Ethos	AGM format	Ongoing	NR
E.ON	Germany	Consumer goods	Ethos	AGM format	Ongoing	NR
Infineon Technologies	Germany	Technology/IT	Ethos	AGM format	Ongoing	NR
Mercedes-Benz	Germany	Automotive	Ethos	AGM format	Ongoing	NR
Merck KGaA	Germany	Healthcare/Pharma	Ethos	AGM format	Ongoing	NR
Siemens	Germany	Capital goods	Ethos	AGM format	Ongoing	NR

INYOVA ESCALATES ENGAGEMENT WITH BMW ON CONTROVERSIAL SUPPLIER IN MOROCCO

In November 2023, a number of environmental and labour rights concerns arose in relation to BMW's cobalt supply chain at a **mine** operated by Managem, a Moroccan raw materials company. A team of investigative journalists accused the Managem of **releasing large quantities of arsenic into the environment**, of not complying with international standards for the protection of workers in the mine and of actively taking action against critical trade unions. At the end of January 2024, SfC members Inyova, BKC and Fondazione Finanza Etica contacted BMW asking for clarification. BMW responded quickly, assuring that it had launched investigations and commissioned two independent external audits.

As BMW's statement following the results of the audits, on 10 May 2024, was considered unsatisfactory, Inyova spoke on behalf of SfC at the BMW AGM on 15 May.

In particular, Inyova asked what were the main lessons learned from the controversy and to what extent these lessons had led to concrete changes in supply chain management; whether there had been any cooperation during the audits with the NGOs and journalists who had uncovered the contamination; and whether it could be definitively ruled out that the arsenic contamination came from the mining operation. **The company's answers** during the AGM **were, again, not-satisfactory**. The engagement will therefore continue.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
BMW	Germany	Automotive	BKC/Inyova	Climate, Human and Worker rights	Ongoing	E

3. ENGAGEMENT LED BY A SINGLE MEMBER ON BEHALF OF THE WHOLE NETWORK

In this third engagement strategy, a single member of SfC launches an engagement project with one or more companies, based on its own research and evaluations, on behalf of all SfC members without an explicit support or joint effort of any other member. The results of the engagement and the acquired know-how are shared with all members.

This form of engagement is adopted, in particular, in pioneering engagement initiatives, with companies/issues that are still not well known in the financial sector: the so-called «orphan issues». Examples of this strategy in 2024 were:

- The engagement with Netflix (led by Inyova)
- The engagement with Vivendi (led by Phitrust)

RESOLUTION ON DIVERSITY AND INCLUSION TABLED AT NETFLIX AGM

The lack of strong diversity and inclusion policies, coupled with allegations against a board director allegedly tolerating abusive behavior by a top manager, raised serious governance concerns at Netflix. For this reason, SfC Swiss member Inyova, along with ICCR member **The Benedictine Sisters of Mount St. Scholastica**, filed a shareholder proposal aimed to amend the company’s Code of Ethics, to be voted on at the company’s AGM. Netflix had already updated its publicly disclosed Code of Ethics before Inyova’s resolution. However, it still did not sufficiently cover key issues like non-discrimination, equal opportunities and **zero**

tolerance towards harassment as well as a robust whistleblower protection. Inyova’s proposed amendments were aimed at expanding the topic “Inclusive & Respectful Work Environment” and requiring the company to report to shareholders on how the Board of Directors checks and verifies board member compliance with the amended Code of Ethics, also outside of their roles in Netflix. The resolution was supported by approximately 6% of the company’s shareholders and therefore did not pass. In 2025, Inyova resubmitted a slightly adapted version of the resolution.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
Netflix	USA	Technology/IT	Inyova	Governance	Ongoing	NR

PHITRUST AGAINST THE DEMERGER OF VIVENDI

In December 2023, Vivendi announced a **new spin-off project** consisting of the listing of the Canal+ branch on the London Stock Exchange, the Havas branch on Euronext Amsterdam, and its publishing activities through a holding (named Louis Hachette Group) on the Paris Euronext Growth market.

The proposed operation did not provide any certainty as to the value of the future group of listed companies and did not respect equity between shareholders. Indeed, the whole operation was **a way for the Bolloré group to increase its control** over Vivendi’s assets without buying any more shares and bypassing the application of AMF (French Financial Markets Authority) protection rules (mandatory public offer for the remaining capital once the threshold of 30% of capital or voting rights is exceeded).

Vivendi’s proposed demerger was targeted by the French **SfC member Phitrust** which **publicly**

campaigned for investors to vote against the spin-off resolutions. First, they had a one-on-one meeting with Vivendi’s IR and legal directors to share all the issues raised by the deals. They then published a press release explaining their position against the spin-offs and held a webinar for French professional investors.

At Vivendi’s AGM, on 9 December 2024, **Phitrust reiterated its opposition by speaking at the meeting**. Unfortunately, the AGM approved the demerger of the group with a very high approval rate (over 97%), partly due to both the voting recommendations of the major proxy advisors (ISS and Glass Lewis) and the voting power of the Bolloré family (29.9%).

Phitrust’s concerns about the share price were justified. Indeed, on 23 January, the combined market capitalisation of the four stocks (Vivendi, Canal+, Havas, Louis Hachette) was 14% lower than on the day of the IPO (16 December).

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
Vivendi	France	Services	Phitrust	Governance	Completed	E

4. ENGAGEMENT WITH ASSET MANAGERS

Besides engaging directly with companies, some Shareholders for Change members also engage asset managers.

SfC's Austrian founding member fair-finance invests part of its assets in funds managed by external asset managers. For this reason, the company engages asset managers on specific

issues. In 2024 the focus was on a number of sensitive issues regarding ESG policy in which some companies included in the (externally managed) funds portfolios were allegedly involved: nuclear energy, tax avoidance, controversial weapons, fossil fuels, human rights violations, money laundering, animal testing, etc.

FUNDS	COUNTRY	SECTOR	ENGAGEMENT LEADER	STATUS	ESTIMATED ACHIEVEMENT
Apollo Nachhaltig High Yield Bond	Austria	Banking/finance	fair-finance	ongoing	C
Erste Responsible Bond EM Corp	Austria	Banking/finance	fair-finance	ongoing	C
Raiffeisen-Nachhaltigkeit-EM-Aktien	Germany	Banking/finance	fair-finance	ongoing	C
Salm Salm Nachhaltig. Wandelanleihen	Germany	Banking/finance	fair-finance	ongoing	C
Swisscanto (LU) Equity Fund Sustainable	Switzerland	Banking/finance	fair-finance	ongoing	C
Sycomore Selection Credit	France	Banking/finance	fair-finance	ongoing	C
Uninstitutional Global Convertible Sustainable	Germany	Banking/finance	fair-finance	ongoing	C

Also SfC French member Sanso Longchamp invests part of its assets in funds managed by external asset managers and engages these latter on a number of issues.

In 2024 Sanso Longchamp completed engagement initiatives with six asset managers. All of them have been engaged on their voting policy.

ASSET MANAGERS	COUNTRY	SECTOR	ENGAGEMENT LEADER	STATUS	ESTIMATED ACHIEVEMENT
Baillie Gifford	UK	Banking/finance	Sanso Longchamp	Completed	D
BlackRock	USA	Banking/finance	Sanso Longchamp	Completed	D
J.P. Morgan AM	USA	Banking/finance	Sanso Longchamp	Completed	
State Street Global Advisors	USA	Banking/finance	Sanso Longchamp	Completed	D
T Rowe Price	USA	Banking/Finance	Sanso Longchamp	Completed	D
Wellington Management	USA	Banking/finance	Sanso Longchamp	Completed	D

Also SfC German founding member Bank für Kirche und Caritas engages asset manager. In

2024, BKC completed two engagement initiatives on ESG policy.

ASSET MANAGERS	COUNTRY	SECTOR	ENGAGEMENT LEADER	STATUS	ESTIMATED ACHIEVEMENT
Plenum Investment	Switzerland	Banking/finance	BKC	Completed	D
Twelve Capital	Switzerland	Banking/finance	BKC	Completed	D

ETICA SGR ENGAGES ASSET MANAGERS AND OTHER INSTITUTIONAL INVESTORS ON NUCLEAR WEAPONS DIVESTMENT

In June 2022, the Italian SfC member Etica Sgr along with the winner of the 2017 Nobel Peace Prize ICAN (International Campaign to Abolish Nuclear Weapons) presented an **Investor Statement** containing investor expectations in advance of the First Meeting of States Parties to the Treaty on the **Prohibition of Nuclear Weapons (TPNW)** and invited investor and investors alliances to sign onto it. The TPNW is the first international agreement to ban a broad range of activities associated with nuclear weapons, including their possession, use, threatened use, development, testing and stockpiling. At the end of 2023, Etica attended the second Meeting of States Parties at the United Nations

headquarters in New York. Etica Sgr and ICAN renewed their commitment to nuclear disarmament through an updated Statement that contained enhanced guidelines for states and a new specific commitment for the signatory financial institutions. In 2024, the Statement was further widened, becoming the **Nuclear Weapons Free Finance Initiative**, open to be signed not only by financial institutions but also by philanthropic foundations and university endowments. More than 100 financial institutions are now supporting the UN Treaty on the Prohibition of Nuclear Weapons, including the SfC members ABS, BKC, Ethius, fair-finance, FFE, Forma Futura, GLS IM.

ASSET MANAGERS	COUNTRY	SECTOR	ENGAGEMENT LEADER	STATUS	ESTIMATED ACHIEVEMENT
Various	Global	Banking/finance	Etica Sgr	Ongoing	B

SFC ENGAGEMENT WITH ESG RATING AGENCIES LED BY BKC AND ETHIUS INVEST

At the annual summer meeting in June 2024, SfC members met with representatives of three major ESG rating agencies – **Moody’s VigeoEiris, MSCI ESG Research and Morningstar Sustainalytics** – to discuss the assessment process of companies involved in ESG incidents and how the three rating agencies integrate controversies into their ESG ratings (a fourth rating agency, ISS ESG, declined to participate in the engagement dialogue). SfC’s engagement, led by Bank für Kirche und Caritas and Ethius Invest focuses, among other things, on the fact that insurance policies issued for **controversial business activities are not systematically included in the ratings** of reinsurance companies and their impact on sustainability is not adequately assessed. The Swiss reinsurance company **Swiss Re** is an example of this shortcoming. A report by the NGO Public Eye in November 2023 revealed that between 2016 and 2022 Swiss Re has insured farmland belonging to agricultural companies in Brazil accused of illegal deforestation, environmental crimes, armed violence and the use of slave labour. For this reason SfC engaged Swiss Re in December 2023 with a letter, asking for clarifications. The engagement was supported by SfC members BKC, GLS IM, Ethius, Forma Futura and Inyova. Moody’s VigeoEiris was the only rating agency that had at least taken up the Swiss Re case before SfC contacted them. They researched

it, included it in their controversy rating and rated it with a severity level that we consider to be a starting point. SfC has urged rating agencies to list controversies in a timely and appropriate manner so that investors can assess and consider the risks involved. And, in the case of controversies, **the agencies should downgrade the rating** significantly. Systematically recording controversial insurance activities and giving them a higher weighting in sustainability ratings can motivate insurance companies to initiate change. By pushing for methodological changes in the sustainability assessment of rating agencies, SfC aims to encourage insurance companies to improve their sustainability performance. Following the initial meeting, several written exchanges took place with both MSCI ESG Research and Morningstar Sustainalytics, through which we received further information on the rating methodology and approach. Moody’s VigeoEiris is no longer active as a sustainability rating agency and therefore the engagement was terminated. The transparency and **willingness for dialogue** shown by the two remaining ESG rating agencies **has been positive in 2024**. In addition, we see as promising Sustainalytics’ announcement that in 2025 it will work to distinguish more clearly and objectively between the impact and risk elements of controversial ratings. SfC engagement dialogue will continue in 2025.

COMPANIES	COUNTRY	SECTOR	ENGAGEMENT LEADER	ISSUES	STATUS	ESTIMATED ACHIEVEMENT
ISS ESG	USA	Banking/ Finance	BKC/Ethius	ESG Policy	Ongoing	E
Moody's	USA	Banking/ Finance	BKC/Ethius	ESG Policy	Completed	D
MSCI	USA	Banking/ Finance	BKC/Ethius	ESG Policy	Ongoing	D
Sustainalytics	Netherlands	Banking/ Finance	BKC/Ethius	ESG Policy	Ongoing	D

5. OTHER LOBBYING AND ENGAGEMENT ACTIVITIES

In 2024, Shareholders for Change was also involved in a number of lobbying and

institutional activities. Some of the most important are described below.

SFC KICKED OUT OF EU DEFENCE INDUSTRIAL INVESTMENT FORUM MEETING

At the end of November, the EU Defence Industrial Investment Forum, "Investing in the EU's defence & security: a new political priority", hosted by the European Commission's Directorate-General for Defence Industry and Space (DG DEFIS) took place in Brussels and online.

The aim was to discuss **how ESG barriers hinder the financing of defence companies** and how these can be removed to encourage banks and investors to invest more in the defence industry. A representative of the **Shareholders for Change** network, Tommy Piemonte, Head of Sustainable Investment Research at SfC German member BKC, **was excluded from the discussion for allegedly 'disrupting the meeting'**, after posing two questions.

The two questions were essentially about why the defence industry and the EU Commission bodies are so keen to label weapons as sustainable and

what measures they intend to take to put the defence industry on a more sustainable path in its activities and behaviour. Tommy Piemonte **was readmitted after more than one hour**. The aim of the meeting seemed to be only to listen to questions and demands that confirmed the EU Commission's intention to remove all obstacles to the financing of the defence industry. For example, it was discussed what hurdles need to be removed so that defence companies with only a small share of sales in controversial weapons such as cluster munitions and anti-personnel mines are no longer excluded on ESG grounds. **All of this is unacceptable for SfC** and, in our view, is not in line with EU values and with existing EU transparency rules, but reflects the current ESG backlash in the EU. For this reason, SfC filed an official complaint with the EU Commission. The engagement will continue in 2025.

GERMANY RECOGNISES SFC AS A VIRTUOUS EXAMPLE OF SHAREHOLDER ENGAGEMENT

In 2024 Shareholders for Change was cited as a **good example of shareholder engagement** in the final report of the Engagement Platform working group of the **German government's** Sustainable Finance Advisory Board.

Investors, through their allocation power, have a special influence on their investment objects and therefore also have a special responsibility towards their portfolio companies in dealing with their voting rights and in dialogue with company management.

As the report points out, this investor power “can be used to achieve sustainability goals while balancing risk and return requirements”.

Conscious voting and collaborative engagement are therefore “proven means of achieving the goals of sustainable finance”.

In order to improve the use of collaborative engagement in Germany, the Engagement Platform working group has examined the barriers and opportunities of collaborative engagement and further developed its recommendations.

SfC was cited as one of «a large number of international collaborative initiatives and coalitions of investors focusing specifically on ESG issues» and among «investor coalitions and joint initiatives targeting governments and government-related institutions».

Among the practical examples of collaborative engagement included in the report is BKC's **successful engagement** with four CAT bonds asset managers between 2018 and 2023, also on behalf of SfC.

6. TRAINING AND NETWORKING

In order to keep members informed about old and new challenges, the issues they are addressing, and the potential role that finance, investors and institutions can play, the SfC network regularly organises webinars, working

groups and learning opportunities for all members. These are also useful in providing members with tools to better approach their engagement and deepen their understanding of the issues.

WEBINARS WITH ALTERNATIVE PROXY ADVISORS

The importance of proxy voting continues to grow, particularly in light of increasing shareholder investment in mutual funds, both actively and passively managed, in the US and the EU. A key issue is the **influence of proxy advisory firms**, which guide institutional investors' voting decisions. These firms have a significant impact on corporate governance, with Glass Lewis and ISS dominating the global market and essentially forming a duopoly. Many funds rely on them to reduce costs and take advantage of economies of scale. However, this heavy reliance gives the firms **significant market power** and raises concerns about potential

conflicts of interest and lack of transparency. In addition, a significant gap has emerged between the pioneers of sustainable investing and the services available to them from proxy service providers, which often have unambitious policies on ESG issues. To address this, SfC is organising a series of **webinars with alternative proxy advisors**. In 2024, we held two webinars with Tumelo and Ethos Services, the operational arm of Swiss SfC member Ethos, which also offers proxy voting services. The webinars will continue into 2025. The project was launched and is coordinated by our UK members WHEB.

WEBINAR WITH ICCR EXPLORING OPPORTUNITIES FOR JOINT ENGAGEMENT

ICCR is a coalition of over 300 global institutional investors representing more than \$4 trillion in managed assets. In November, SfC members met with **ICCR CEO Josh Zinner** in a webinar. For over 50 years, members of ICCR have leveraged their role as shareholders to call for improved performance on critical environmental

and social concerns at some of the world's most powerful companies. The work and history of ICCR was the inspiration for the creation of SfC in 2017. Following the webinar, SfC and ICCR committed to **formalising** their **collaboration** and exploring opportunities for joint engagement projects.

OUR PARTNERSHIP WITH THE UNIVERSITY OF PISA AND THE IMPERIAL COLLEGE LONDON

During 2024, SfC commissioned two students from the University of Pisa and the Imperial College London to **conduct research on how our network** currently **operates** and how individual members approach shareholder engagement. The two researchers interviewed SfC members and gathered information on engagement strategies, the companies engaged and the criteria used to select them.

The results of the research were presented by the students, Lucrezia Puccini and Georgia Lavelle, at the SfC Summer Meeting in Geneva (June 2024) and at the Winter Meeting (December 2024), which was held online. The **results** were accompanied by a series of **concrete proposals** on how to improve processes within the network. A summary of the research will be made available to members in the first half of 2025.

7. SfC's COOPERATION WITH NGOs

Since its creation, **SfC** and its members have been **cooperating very closely with NGOs**. The first engagement project on tax justice, in 2018, was launched with the cooperation of Tax Justice Network. All critical shareholding initiatives often accompany existing NGOs' campaigns. In 2024, for example, Fundacion Finanzas Eticas' engagement with the Spanish company Endesa (with the participation of Ecofi and Fondazione Finanza Etica) was done in support of the Alianza contra la Pobreza Energética (APE, Association against Energy Poverty) and Asociación Pro Derechos Humanos de Andalucía (APDHA, Association for Human Rights in Andalusia); Fondazione Finanza Etica's engagement with Eni was organised in cooperation with **A Sud** and **Un Ponte Per...**; Fundacion Finanzas Eticas' engagement with Indra is organised every year with the help of Centre Delàs d'Estudis per la Pau and seven other Spanish pacifist organisations and campaigns.

The engagement with German companies is often accompanied by the **German Association**

of Critical Shareholding (Dachverband der Kritischen Aktionärinnen und Aktionäre).

Forma Futura's engagement with Lindt&Sprüngli was developed with the collaboration of **Südwind**, a German organisation that advocates for labour rights and social standards in supply chains around the world. Fondazione Finanza Etica's engagement with the Spanish fast fashion giant Inditex was organised in cooperation with the Clean Clothes Campaign and the Swiss NGO **Public Eye**.

Critical shareholding with defence companies Leonardo and Rheinmetall is organised in cooperation with the Italian pacifist organisation Rete Italiana Pace e Disarmo, while Etica Sgr's engagement on nuclear weapons is developed in close cooperation with ICAN (International Campaign to Abolish Nuclear Weapons).

For SfC, **collaboration with NGOs** and civil society campaigns **is crucial** because, very often, it is the NGOs that first detect potential social, environmental or governance controversies that can become very risky for companies if they are not tackled in time.

8. WHAT HAPPENED INSIDE THE NETWORK IN 2024

NEW BOARD FOR SFC

During the Sfc annual winter meeting held online in December, Sfc members appointed a new board to serve for the next three years. **Ugo Biggeri** (Etica Sgr) and **Alix Roy** (Ecofi) were

re-elected as Chairman and Vice-Chairman respectively. **Andreas von Angerer** (Inyova) was elected for the first time as the third member of the board.

EB-SIM JOINED SFC IN JUNE 2024

In June, EB - Sustainable Investment Management (EB-SIM) joined Sfc becoming its eighteenth ordinary member. EB-SIM is one of the leading asset managers for ethical and sustainable investments and an expert in the field of renewable energy. The company is a subsidiary of **Evangelische Bank** (Evangelical Bank) and has more than €6 billion in assets under management.

EB-SIM has been successfully engaging with the companies in which it invests for many years. In 2023, it supported over 140 joint engagements with ISS ESG and Arbeitskreis Kirchlicher Investoren (Church Investors Working Group), participated in two Carbon Disclosure Project (CDP) engagement campaigns and initiated five individual engagements.

FONDAZIONE CARIPLO BECAME SFC FIRST SUPPORTING MEMBER IN JUNE 2024

In June, Fondazione Cariplo, based in Milan, joined Shareholders for Change as its first supporting member. Fondazione Cariplo is an **Italian banking foundation** with assets under management of over €10 billion and one of the main shareholders of Intesa Sanpaolo, one of the most important banking groups in Italy and Europe. Formally established in 1991, its history dates back to 1816. Fondazione Cariplo is a **philanthropic institution**

that uses its economic, planning and professional resources to promote and support the implementation of projects aimed at the common good, human growth and collective interest. Since its inception, the Foundation has been committed to creating value and opportunities for people and communities by supporting projects in the fields of arts and culture, the environment, scientific research and **social welfare**.

ÖKOWORLD JOINED SFC IN DECEMBER 2024

In December, the asset manager Ökoworld joined Shareholders for Change. Ökoworld is **a pioneer** in the field of **sustainable investment** and has already successfully engaged with companies.

Ökoworld, which will be celebrating its 50th anniversary in 2025, is managing more than €3

billion. Its funds invest worldwide in companies whose products or services have a positive ethical, social and environmental impact on the environment or society.

By joining SfC, Ökoworld wants to expand its engagement activities **fighting for positive changes** in companies.

SUMMER MEETING IN GENEVA

In June, the members of SfC gathered at the headquarters of **Ethos Foundation** in Geneva for the annual summer meeting. During the meeting, SfC members engaged representatives of three of the most important ESG rating agencies – Moody's, MSCI, Morningstar and had

the opportunity to discuss the role of investors in financing the arms industry with James Niven of GABV (Global Alliance for Banking Values). A further session was dedicated to proposing new collaborative engagement and projects to address new orphan issues.

SfC VISIT TO GERMAN MEMBERS

In November, the SfC board visited German SfC members **BKC** and **GLS IM**.

During the visit, the Board members had the opportunity to have inspiring discussions and share experiences with German members on how to strengthen cooperation within the network and promote joint engagement

activities. It was a great opportunity to meet face-to-face and reaffirm SfC shared commitment to working together for a more sustainable and just world.

The board also took the time to visit **Ökoworld**, which was admitted as a new member in December.

SfC IN THE PRESS

Also in 2024 SfC has been present in the **European press** thanks to its engagement initiatives. Here are some of the most important examples of SfC's presence in the media. The temporary expulsion of an SfC member during the November meeting of the EU Defence Industry

Investment Forum was widely reported by Ignites Europe, a publication of the **Financial Times**. In July and November, SfC was featured in **Reuters** for its engagement with Inditex. In October **IPE**, the leading European publication for institutional investors and

pensions funds reported about Ethos, DSW and SfC engagement with DAX companies on virtual-only AGMs. In October, SfC's engagement with ESG rating

agencies, led by BKC and Ethius, was one of the main topics in the Business Briefing Sustainable Investment of **Handelsblatt**, Germany's leading financial newspaper.



Investor group files complaint after being 'kicked out' of EU defence meeting



Exclusive: Inditex boosts fast fashion flights from India to avoid shipping delays



Ethos and DSW push DAX firms to scrap virtual AGMs

By  Luigi Serenelli | 31 October 2024

Ethos has teamed up with its German partner DSW, Shareholders for Change and Better Finance to bring back in-person shareholder meetings

Handelsblatt BUSINESS BRIEFING NACHHALTIGE INVESTMENTS SEITE 2

ESG-Ratings fehlt Entwaldungsanalyse

Unternehmen vieler Branchen verursachen die Vernichtung artenreicher Wälder, selbst Versicherer, wie der Fall Swiss Re zeigt. Investoren fordern von ESG-Research-Agenturen genauere Bewertungen.

TOPTHEMA
12.7.2024 | Nr. 7

WHAT IS SFC-SHAREHOLDERS FOR CHANGE?

SfC – Shareholders for Change is a network for investor engagement dedicated to institutional investors. It was launched on 6 December 2017. At the end of 2024 it had 20 members, managing assets for a total of over €48bn:

Ordinary members:

- Alternative Bank Schweiz (ABS, Switzerland)
- Bank für Kirche und Caritas eG (BKC, Germany)
- EB – Sustainable Investment Management (EB-SIM, Germany)
- Ecofi Investissements, Groupe Crédit Coopératif (France)
- Ethos Foundation (Switzerland)
- Ethius Invest (Switzerland)
- Etica Sgr, Gruppo Banca Etica (Italy)
- fair-finance Vorsorgekasse (Austria)
- Fondazione Finanza Etica (FFE, Italy)
- Forma Futura Invest (Switzerland)
- Friends Provident Foundation (UK)
- Fundación Finanzas Éticas (Spain)
- GLS Investments (Germany)
- Inyova (Switzerland)
- Meeschaert Asset Management (France)
- Ökoworld Lux S.A. (Luxembourg)
- Phitrust (France)
- Sanso Longchamp AM (France)
- Wheb Asset Management (UK)

Supporting members:

Fondazione Cariplo (Italy)

The network's first goal is to engage with companies, countries or institutions, participating in AGMs, submitting letters as well as coordinating meetings and calls, in order to persuade them to improve their social, environmental and governance track record.

SfC focuses on three main issues:

- workers' rights and human rights;
- fiscal practices and tax justice;
- CO₂ emissions and climate change.

More information on:

www.shareholdersforchange.eu

APPENDIX 1

OVERVIEW OF ALL ENGAGEMENT INITIATIVES IN 2024



APPENDIX 1

OVERVIEW OF ALL ENGAGEMENT INITIATIVES IN 2024

DIRECT ENGAGEMENT WITH COMPANIES AND INSTITUTIONS (IN ALPHABETICAL ORDER)

HR/WR = HUMAN RIGHTS/WORKER RIGHTS; CR = CONSUMER RIGHTS

COMPANY	SECTOR	COUNTRY	Climate/Env.	HR/WR	ESG policy	Taxation	CR	Weapons	Governance	STATUS	LEAD	ESTIMATED ACHIEVEMENT	COOPERATION
A.P. Moller - Mærsk A/S	Services	Denmark	●							New engagement	Ecofi	NR	single member
AB InBev	Consumer goods	Belgium	●							Ongoing	Ecofi	A	single member
ABB	Capital goods	Switzerland	●	●						Completed	Forma Futura	D	member driven with support
ACCOR	Services	France	●							Ongoing	Ecofi	B	member driven with support
Adidas	Consumer goods	Germany		●						Ongoing	FFE	C	member driven with support
Ahold Delhaize	Consumer goods	Netherlands	●							Ongoing	Ethos	C	single member
Ahold Delhaize	Consumer goods	Netherlands	●	●						Completed	Forma Futura	B	member driven with support
Air Liquide	Capital goods	France	●							Completed	Ecofi et al.	NR	member driven with support
Akuo Energy	Oil&Gas/ Energy	France			●					Completed	Sanso Longchamp	C	single member
Ålandsbanken Abp	Banking/ Finance	Finland		●						Completed	GLS IM	D	single member
Allianz	Banking/ Finance	Germany							●	New engagement	Ethos	NR	member driven with support
Allianz	Banking/ Finance	Germany							●	New engagement	Forma Futura	C	member driven with support
Alphabet-Google	Technology/ IT	USA				●				Ongoing	Ethos	D	single member
Alstom	Capital goods	France		●						Ongoing	Ecofi	B	single member
Amazon	Services	USA				●				Ongoing	Ethos	B	single member
AMD	Technology/ IT	USA	●							Completed	Sanso Longchamp	D	member driven with support
Apple	Technology/ IT	USA				●				Ongoing	Ethos	C	single member

COMPANY	SECTOR	COUNTRY	Climate/Env.	HR/MWR	ESC policy	Taxation	CR	Weapons	Governance	STATUS	LEAD	ESTIMATED ACHIEVEMENT	COOPERATION
Archer Daniels Midland	Capital goods	USA	●							Ongoing	Ethos	B	single member
ASML	Technology/IT	Netherlands	●	●	●					Completed	Ecofi	A	single member
ASML	Technology/IT	Netherlands		●						Completed	Ethos	A	member driven with support
Assa Abloy AB	Consumer goods	Sweden			●					Completed	GLS IM	D	single member
Assicurazioni Generali	Banking/Finance	Italy			●				●	New engagement	ABS	NR	member driven with support
Assicurazioni Generali	Banking/Finance	Italy	●			●				Ongoing	FFE	B	member driven with support
Aurubis AG	Capital goods	Germany	●							Ongoing	Ecofi	C	single member
Aurubis AG	Capital goods	Germany		●					●	Ongoing	Ethius	E	single member
Barclays	Banking/Finance	UK	●	●						Ongoing	Friends Provident Foundation	C	single member
Baxter International, Inc.	Healthcare/Pharma	USA		●						Completed	GLS IM	D	member driven with support
Beiersdorf	Consumer goods	Germany			●					Ongoing	Ecofi	B	member driven with support
Beiersdorf	Consumer goods	Germany							●	New engagement	Ethos	NR	member driven with support
Beiersdorf	Consumer goods	Germany	●							Ongoing	Inyova	D	single member
BMW	Automotive	Germany		●						Ongoing	BKC/Inyova	E	member driven with support
BMW	Automotive	Germany							●	New engagement	Ethos	NR	member driven with support
BMW	Automotive	Germany	●						●	Ongoing	Inyova	E	single member
Bouygues Telecom	Services	France	●							Ongoing	Ecofi	D	single member
BRF Brazil Foods	Consumer goods	Brazil	●							Ongoing	Ethos	B	single member
Bunge	Capital goods	USA	●							Ongoing	Ethos	B	single member
Burger King France	Consumer goods	France			●					Completed	Sanso Longchamp	E	single member
CAF - Banco de Desarrollo de America Latina	Banking/Finance	Costa Rica			●				●	New engagement	ABS	NR	member driven with support
Canadian National Railway	Services	Canada	●							Ongoing	Ethius	C	single member
Carl Zeiss Meditec	Healthcare/Pharma	Germany	●	●					●	New engagement	Ecofi	NR	single member
Carrefour	Consumer goods	France			●					Completed	Ecofi	B	member driven with support

COMPANY	SECTOR	COUNTRY	Climate/Env.	HR/MWR	ESG policy	Taxation	CR	Weapons	Governance	STATUS	LEAD	ESTIMATED ACHIEVEMENT	COOPERATION
Carrefour	Consumer goods	France	●							Ongoing	Ethos	B	single member
Carrefour	Consumer goods	France	●							Completed	Phitrust	A	member driven with support
Clean Harbors	Services	USA	●							Completed	EB-SIM	D	single member
CNP Assurances SA	Banking/ Finance	France			●				●	New engagement	ABS	NR	member driven with support
Coca-Cola	Consumer goods	USA			●					Completed	Ecofi	D	member driven with support
Coca-Cola	Consumer goods	USA	●							Ongoing	Ethos	C	member driven with support
Colgate-Palmolive	Consumer goods	USA	●							Ongoing	Ethos	C	member driven with support
Compagnie des Alpes	Services	France	●							New engagement	Mandarine Gestion	NR	single member
Compugroup Medical	Healthcare/ Pharma	Germany	●	●	●				●	New engagement	Ecofi	NR	single member
Compugroup Medical	Healthcare/ Pharma	Germany	●						●	Ongoing	Ecofi	A	single member
Coöperatieve Rabobank U.A.	Banking/ Finance	Netherlands	●							New engagement	GLS IM	D	member driven with support
Crédit Logement	Banking/ Finance	France	●							New engagement	Ecofi	NR	single member
CRELAN SA	Banking/ Finance	Belgium	●						●	Ongoing	Ecofi	D	single member
CRH Plc	Capital goods	Ireland	●							Ongoing	Ecofi	B	member driven with support
Danieli & Co	Capital goods	Italy	●							New engagement	Ecofi	NR	single member
Danone	Consumer goods	France			●					Completed	Ecofi	D	member driven with support
Dassault Systemes	Technology/ IT	France						●		Completed	Ethius	E	single member
Deutsche Apotheker- und Ärztebank eG (apoBank)	Banking/ Finance	Germany				●				Completed	GLS IM	E	single member
Deutsche Bank	Banking/ Finance	Germany							●	New engagement	Ethos	NR	member driven with support
Deutsche Börse	Banking/ Finance	Germany							●	New engagement	Ethos	NR	member driven with support
Deutsche Post AG (DHL Group)	Consumer goods	Germany		●						Completed	GLS IM	D	member driven with support
Dover	Capital goods	USA		●	●				●	New engagement	Ecofi	NR	single member
DZ Bank	Banking/ Finance	Germany	●			●		●		Ongoing	BKC	D	single member
E.ON	Consumer goods	Germany							●	New engagement	Ethos	NR	member driven with support

COMPANY	SECTOR	COUNTRY	Climate/Env.	HR/MWR	ESC policy	Taxation	CR	Weapons	Governance	STATUS	LEAD	ESTIMATED ACHIEVEMENT	COOPERATION
EDF	Oil&Gas/ Energy	France			●					Completed	Ecofi	B	member driven with support
Elis	Services	France	●							New engagement	Mandarine Gestion	NR	single member
Elo	Consumer goods	France			●					Ongoing	Ecofi	A	member driven with support
Endesa	Oil&Gas/ Energy	Spain					●			Ongoing	Fundacion	B	member driven with support
Enel	Oil&Gas/ Energy	Italy	●	●					●	Ongoing	FFE	D	member driven with support
Engie	Oil&Gas/ Energy	France	●							Ongoing	Mandarine Gestion	B	single member
Eni	Oil&Gas/ Energy	Italy	●	●					●	Ongoing	FFE	E	single member
Equinor	Oil&Gas/ Energy	Norway			●					Completed	Ecofi	C	member driven with support
ERG SpA	Oil&Gas/ Energy	Italy	●							Ongoing	Ecofi	A	member driven with support
Ericsson	Technology/ IT	Sweden		●						Completed	Ethos	A	member driven with support
Erste Group Bank AG	Banking/ Finance	Austria			●				●	New engagement	ABS	C	member driven with support
ESKER	Technology/ IT	France							●	New engagement	Mandarine Gestion	NR	single member
EssilorLuxottica	Consumer goods	France	●	●	●				●	Completed	Ecofi	C	single member
Essity	Consumer goods	Sweden	●							New engagement	EB-SIM	D	single member
European Investment Bank	Institution	Luxembourg	●							Completed	Forma Futura	C	member driven with support
Facebook	Technology/ IT	USA				●				Ongoing	Ethos	C	single member
GCC	Capital goods	Mexico	●							New engagement	EB-SIM	C	single member
Grupo Kuo	Capital goods	Mexico	●							New engagement	EB-SIM	NR	single member
Hannover Rück SE	Banking/ Finance	Germany	●							Completed	BKC/Ethius	D	member driven with support
Helvetia Holding AG	Banking/ Finance	Switzerland	●							Ongoing	Inyova	D	single member
Henkel AG & Co	Consumer goods	Germany			●					Completed	Ecofi	B	member driven with support
Henkel AG & Co	Consumer goods	Germany					●			Completed	Forma Futura	C	member driven with support
Hera	Oil&Gas/ Energy	Italy	●							Ongoing	Ecofi	B	member driven with support
Hera	Oil&Gas/ Energy	Italy	●	●						Ongoing	Etica Sgr	A	member driven with support

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Hexagon	Technology/ IT	Sweden		●						Completed	Ethos	B	member driven with support
Holcim	Capital goods	Switzerland	●							Ongoing	Ethos	B	single member
Holmen AB	Consumer goods	Sweden	●							New engagement	GLS IM	D	member driven with support
HSBC	Banking/ Finance	UK			●					Ongoing	Ecofi	E	member driven with support
HSBC	Banking/ Finance	UK	●	●						Ongoing	Friends Provident Foundation	C	single member
Iberdrola	Oil&Gas/ Energy	Spain			●					Completed	Ecofi	A	member driven with support
Inditex	Consumer goods	Spain	●							Ongoing	FFE	C	member driven with support
Indra	Defence	Spain						●		Ongoing	Fundacion	E	single member
Infineon Technologies	Technology/ IT	Germany		●						Completed	Ethos	C	member driven with support
Infineon Technologies	Technology/ IT	Germany						●		New engagement	Ethos	NR	member driven with support
Infrastrutture Wireless Italiane SpA	Oil&Gas/ Energy	Italy	●							Ongoing	Ecofi	E	member driven with support
Intel	Technology/ IT	USA	●							Completed	Sanso Longchamp	NR	member driven with support
Intermarché	Consumer goods	France	●					●		New engagement	Ecofi	NR	single member
Iren SpA	Services	Italy	●							Ongoing	Ecofi	A	single member
ISS ESG	Banking/ Finance	USA			●					Ongoing	BKC/Ethius	E	network driven
J Sainsbury	Consumer goods	UK	●							Ongoing	Ethos	B	single member
JBS	Consumer goods	Brazil	●							Ongoing	Ethos	D	single member
KBC Group N.V.	Banking/ Finance	Belgium			●			●		New engagement	ABS	C	member driven with support
Kingspan Group Plc	Capital goods	Ireland	●							Ongoing	Ecofi	A	single member
LEG Immobilien SE	Services	Germany	●							Ongoing	Ecofi	D	single member
Leonardo	Defence	Italy		●				●		Ongoing	FFE	E	single member
Lindt & Sprüngli	Consumer goods	Switzerland	●				●			Ongoing	Forma Futura	D	member driven with support
Lloyds Banking Group	Banking/ Finance	UK	●	●						Ongoing	Friends Provident Foundation	C	single member
Lowe's Cos	Services	USA			●					Completed	Ecofi	E	member driven with support

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McDonald's	Consumer goods	USA				●				Ongoing	Ethos	C	single member
Mercedes-Benz	Automotive	Germany	●	●	●					Ongoing	Ecofi	C	single member
Mercedes-Benz	Automotive	Germany							●	New engagement	Ethos	NR	member driven with support
Merck KGaA	Healthcare/ Pharma	Germany							●	New engagement	Ethos	NR	member driven with support
Michelin	Consumer goods	France	●							Ongoing	Ecofi	C	single member
Mondelez International	Consumer goods	USA	●							Ongoing	Ethos	C	member driven with support
Moody's	Banking/ Finance	USA			●					Completed	BKC/Ethius	D	network driven
MSCI	Banking/ Finance	USA			●					Ongoing	BKC/Ethius	D	network driven
NatWest	Banking/ Finance	UK	●	●						Ongoing	Friends Provident Foundation	D	single member
Nestle	Consumer goods	Switzerland			●					Completed	Ecofi	D	member driven with support
Netflix	Technology/ IT	USA							●	Ongoing	Inyova	NR	single member
New Immo Holding	Services	France		●	●				●	Ongoing	Ecofi	D	single member
Nike	Consumer goods	USA			●					Completed	Ecofi	E	member driven with support
Nokia	Technology/ IT	Finland		●						Completed	Ethos	A	member driven with support
Northland Power INC	Oil&Gas/ Energy	Canada	●							Ongoing	Sanso Longchamp	E	single member
NXP	Technology/ IT	Netherlands		●						Completed	Ethos	A	member driven with support
Omer Decugis	Consumer goods	France		●						Completed	Mandarine Gestion	A	single member
Orange	Services	France		●						Ongoing	Ecofi	C	single member
Orano	Oil&Gas/ Energy	France		●	●	●		●		Ongoing	Ecofi	C	single member
Orsted	Oil&Gas/ Energy	Denmark	●	●						Completed	GLS/Ethius/ Inyova	D	member driven with support
Partners Group Holding AG	Banking/ Finance	Switzerland			●				●	New engagement	ABS	E	member driven with support
PepsiCo	Consumer goods	USA	●							Ongoing	Ethos	C	member driven with support
Procter & Gamble	Consumer goods	USA			●					Completed	Ecofi	A	member driven with support
Procter & Gamble	Consumer goods	USA	●							Ongoing	Ethos	D	member driven with support
PSA/Stellantis	Automotive	France							●	Ongoing	Phitrust	E	member driven with support

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Publicis	Services	France	●							Ongoing	Inyova	E	member driven with support
Reckitt Benckiser Group PLC	Consumer goods	UK			●					Completed	Ecofi	A	member driven with support
Redeia Corporacion SA	Oil&Gas/ Energy	Spain	●							New engagement	Ecofi	NR	single member
Renault	Automotive	France	●	●						Completed	Ecofi	B	network driven
Repsol	Oil&Gas/ Energy	Spain	●							Ongoing	Fundacion	E	single member
Rheinmetall	Capital goods	Germany						●		Ongoing	FFE	E	member driven with support
Roche	Healthcare/ Pharma	Switzerland							●	Completed	Forma Futura	B	member driven with support
Rockwool International	Capital goods	Denmark			●					Completed	Ecofi	C	member driven with support
Royal Bank of Canada	Banking/ Finance	Canada	●	●					●	New engagement	Ecofi	NR	single member
Samsung SDI Co., Ltd.	Technology/ IT	South Korea		●						Completed	GLS IM	D	single member
Sartorius	Healthcare/ Pharma	Germany	●		●					Ongoing	Ecofi	C	single member
Savencia	Consumer goods	France	●						●	New engagement	Ecofi	NR	single member
Siemens	Capital goods	Germany							●	New engagement	Ethos	NR	member driven with support
Siemens Healthineers	Healthcare/ Pharma	Germany			●					Ongoing	Ecofi	E	member driven with support
Siemens Healthineers	Healthcare/ Pharma	Germany	●							Completed	GLS IM	E	single member
Smurfit Kappa Group PLC	Capital goods	Ireland			●					Completed	Ecofi	E	member driven with support
Solvay	Capital goods	Belgium	●	●						Ongoing	FFE	D	member driven with support
Sonova Holding	Healthcare/ Pharma	Switzerland			●		●			Ongoing	Ethius	D	member driven with support
Starbucks	Consumer goods	USA				●				Ongoing	Ethos	C	single member
Stellantis	Automotive	Netherlands	●				●		●	New engagement	Ecofi	NR	single member
Sustainalytics	Banking/ Finance	Netherlands			●					Ongoing	BKC/Ethius	D	network driven
Svenska Cellulosa AB (SCA)	Consumer goods	Sweden	●							New engagement	GLS IM	D	member driven with support
Svenska Handelsbanken AB Class A	Banking/ Finance	Sweden			●				●	New engagement	ABS	NR	member driven with support
Swiss Life	Banking/ Finance	Switzerland	●							Completed	Ethos	B	member driven with support

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Swiss Re	Banking/ Finance	Switzerland		●						Ongoing	Ethius Invest	E	member driven with support
Swiss Re	Banking/ Finance	Switzerland	●							Ongoing	Inyova	D	single member
Takeda Pharmaceutical Company Limited	Healthcare/ Pharma	Japan					●			New engagement	GLS IM	NR	single member
Terna SpA	Oil&Gas/ Energy	Italy	●							Ongoing	Ecofi	A	member driven with support
Tesco	Consumer goods	UK		●						Completed	Ecofi	E	member driven with support
ThyssenKrupp	Capital goods	Germany						●		Completed	FFE	D	member driven with support
ThyssenKrupp nucera	Capital goods	Germany	●							Ongoing	Ecofi	B	single member
TotalEnergies	Oil&Gas/ Energy	France						●		Completed	Ethos	E	member driven with support
TotalEnergies	Oil&Gas/ Energy	France	●							Completed	Mandarine Gestion	E	member driven with support
TotalEnergies	Oil&Gas/ Energy	France	●					●		Completed	Phitrust	D	member driven with support
Unilever	Consumer goods	UK		●						Completed	Ecofi	C	member driven with support
Unilever	Consumer goods	UK	●							Ongoing	Ethos	C	member driven with support
United Rentals	Services	USA	●							Completed	Sanso Longchamp	E	single member
UPM-Kymmene Oyj	Consumer goods	Finland	●							New engagement	Ecofi	NR	single member
Vail Resorts	Services	USA		●						Completed	Ecofi	E	member driven with support
Vinci SA	Capital goods	France	●							Ongoing	Ecofi	E	single member
Vivendi	Services	France						●		Completed	Phitrust	E	single member
Votorantim	Capital goods	Brazil	●							New engagement	EB-SIM	NR	single member
WPP	Services	UK	●							Ongoing	Inyova	D	single member
Zurich Insurance Group	Banking/ Finance	Switzerland	●							Ongoing	Inyova	B	single member



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