



Overview engagements H2 2019

Overview engagements H2 2019

a.s.r. seeks a constructive dialogue and engagement with companies about relevant Environmental, Social and Governance (ESG) practices, in accordance with the standards outlined in the a.s.r. Socially Responsible Investment (SRI) Policy. This engagement dialogue knows three forms:

1. Engagement with the purpose of monitoring a company's on-going sustainability, which takes place regularly and specially with a.s.r. largest holdings;
2. Engagement with the purpose of influencing the behavior of a company or sector where ESG issues have been identified; and
3. Public engagements together with policymakers, government, regulatory bodies, sector organizations and/or other stakeholders to implement and enhance sustainability practices.

1. Engagement with the purpose of monitoring

a.s.r. seeks contact with companies for the purpose of gathering ESG information and uses this input in the decision-making process or to trigger engagement for influence. This is an integral part of information exchange with our largest shareholdings.

2. Companies under engagement for influencing

Engagement for influencing focusses on specific and current environmental and social themes. The engagement can be focused on a sector as a whole or on individual companies.

Governance engagements

Company	Reason for Engagement	Objectives	Status
Novartis*	Novartis is facing corruption allegations in different countries and issues with data manipulation. The engagement focusses on establishing policy and assurance to prevent future controversies from happening. Also high medicine prices in the Netherlands are on the agenda. The company has made commitments to pro-actively report on any potential integrity issues, thereby taking further steps towards eliminating the Global Compact breach.	Elimination of breach	Progress
		Risk management systems in place	Successfully closed
		Policy	Successfully closed
		Transparency	Progress
		Stakeholder dialogue	Successfully closed

* In order to expand and enhance the engagement for influencing activities, a.s.r. embarked in a partnership with Robeco's Governance & Active Ownership department starting 2016. This enhanced engagement program is based on the remediation of UN Global Compact (UNGC) controversies in relation to human rights, labour rights, environment and ethical behaviour. Engagements in partnership with Robeco are indicated in this document with *

Environmental engagements

Climate Action

Company	Reason for Engagement	Objectives	Status
BASF*	Climate 100+ is an initiative to engage with the world's largest GHG emitters to improve their governance on climate change, reduce emissions and improve climate related disclosures. BASF has set CO2 targets and has committed to report according to TCFD guidelines. The engagement will focus on integrating environmental and social externalities in product assessments and climate related lobbying practices.	Actions to reduce GHG emissions	Progress
		Climate risk management	Progress
		Governance framework on climate related issues	Progress
		Enhanced disclosures	Neutral

Automotive industry

The automotive industry has been facing several controversies over the last years on – amongst others- manipulating data on emissions and fuel consumption. Furthermore, the business model of the auto industry is being challenged by new developments such as the demand for non-fossil ways of transport and increasing regulatory and technological risks. We believe that the business models of car makers will significantly change over the next decade due to, amongst others, mobility becoming a service, the increase of shared mobility solutions and the potentially wide-ranging use of batteries. a.s.r. currently engages 4 automotive companies, on different criteria:

Company	Reason for Engagement	Objectives	Status
Bayerische Motoren Werke (BMW)*	BMW has been identified as one of the European car producers that actively lobbies against more stringent GHG reduction targets. During the second half of 2019 the company has improved its efforts to discuss climate related issues. The company is encouraged to start reporting on scope 3 emissions.	Effective product quality management systems	Progress
		Impeccable product quality performance	Progress
		Forward looking product development	Progress
		Responsible lobbying	Neutral
		Innovative business model	Progress
Daimler*	Daimler has committed to switch to a carbon-neutral energy supply in 2022. No other changes to be reported in H2.	Effective product quality management systems	Neutral
		Impeccable product quality performance	Progress
		Forward looking product development	Progress
		Responsible lobbying	Neutral
		Innovative business model	Neutral
Ford Motor*	By developing 2°C scenario analyses, Ford is a frontrunner in its sector. It is encouraged to improve transparency on progress and review on this will be done mid 2020 as new climate reporting is being polished.	Effective product quality management systems	Progress
		Impeccable product quality performance	Progress
		Forward looking product development	Neutral
		Responsible lobbying	Neutral
		Innovative business model	Neutral
		Risk management systems in place	Successfully closed
		Policy	Successfully closed
		Transparency	Progress
Stakeholder dialogue	Progress		

Social engagements

Company	Reason for Engagement	Objectives	Status
Facebook*	Objective of this engagement is sound governance on social and human rights impacts of new developments in the tech sector such as Artificial Intelligence (AI). This engagement has recently started so no progress can be reported at this stage.	Human rights practices	Neutral
		Product stewardship	Neutral
		Human capital management	Neutral
			Neutral

Labour rights – living wages

As recognized by, amongst others, the ILO and OECD, living wage is a fundamental human right. Under the Platform Living Wages Financials (PLWF) a.s.r., together with other Dutch financials assess and engage investee companies on the topic of living wage. The methodology for assessment (developed by Mazars) focusses on policies and mitigation measures in place to identify and act on living wage gaps in the supply and production chain.

Platform Living Wages Financials			
Garment and Footwear			
Adidas	The GAP	Gildan	ABF/Primark
M&S	Esprit	Asos	Anta
H&M	Puma	Asics	PVH
Nike	Lojas Renner	Abercombie & Fitch	VF Corp
Inditex	Zalando	Burberry	Hanesbrands
LVMH	Home Depot	TJX Companies	Hermes
Hugo Boss	Ralph Lauren	Li & Fung limited	American Eagle
Coats Group	Kering	Fast Retailing	Next Retail
Kontoor			
Retail			
Ahold Delhaize	Casino Guichard- Perrachon	Metro A.G.	Carrefour
Tesco			
Food & Agri	Food & Agri	Food & Agri	Costco
Barry Callebaut	Nestle	Mondelez	The Coca Cola Company
Unilever	Olam	The Hershey Company	Starbucks
J.M Schmucker Company	Lindt & Spruengli	Kraft Heinz	

Overview of previously closed engagements

Closed engagements		
Glencore*	Human rights	Successfully closed in 2017
Anglo American*	Human Rights and related Labour Rights	Successfully closed in 2016
ENI SpA	Human Rights and Environment	Engagement closed in 2016 / Positions sold
GlaxoSmithKline*	Corruption	Successfully closed in 2016
Rio Tinto*	Human Rights and related Labour Rights	Successfully closed in 2016
VINCI SA*	Labour Rights	Successfully closed in 2016
Total SA	Human Rights	Successfully closed in 2014
China Petroleum & Chemical*	Human Rights	Successfully closed in H1 2018
General Motors*	Human Rights	Successfully closed in H1 2018
G4S*	Human Rights	Unsuccessfully closed in H1 2019/ Positions sold
BHP Billiton*	Environment	Successfully closed in H1 2019
Volkswagen*	Environment	Successfully closed H1 2019

3. New public policy engagements

Collaborative Investor Network on Intensive Animal Farming

a.s.r. has joined the FAIRR Initiative. FAIRR is a global network of investors addressing ESG issues in protein supply chains. By joining FAIRR we aim to ensure that the material investment risks from intensive farming are better recognized, measured and managed throughout the global food industry. FAIRR actively researches these supply chains, in collaboration with NGOs and knowledge institutes. Also, they take the lead in engagements addressing prominent issues, such as the environmental impact of meat sourcing.

Global Investor Statement to Governments on Climate Change

A group of institutional investors, including a.s.r., representing \$37tn in assets, joined Greta Thurnberg at COP25 in Madrid in calling for more ambition and national contributions, for example through ending fossil fuel subsidies or putting a meaningful price on carbon. As owners of companies, this group of investors are increasingly pushing towards decarbonization and transparency (for example through the TCFD and Science-Based Target methodologies) while building energy transition investment offerings for clients.

Investor Expectations on Climate Change for Airlines and Aerospace companies

Aviation is a carbon-intensive mode of transportation and is projected to grow rapidly in the 21st century. a.s.r. joined this PRI collaboration to encourage airlines and aerospace companies to develop standards and practices to position themselves for the transition to a low- carbon economy and to manage their climate related risks.

Investor Statement to Support the UN Women's Empowerment Principles

There has been increasing awareness that the achievement of gender equality is a prerequisite for sustainable development. The purpose of this statement is to encourage companies to sign the Women's Empowerment Principles. This set of 7 principles, established by the UN Global Compact and UN Women, aims at helping companies create and implement effective equality initiatives that benefit workers, management, society and shareholders. As a signatory of the UN Global Compact, a.s.r. endorses these principles as well.

ASR Nederland N.V.

Archimedeslaan 10
3584 BA Utrecht

www.asrnederland.nl