

Engagement Report

as at March 2021

2018:

Since August: Supporting the New Plastics Economy of the **Ellen Mac Arthur Foundation**.

September: ESG Portfolio Management becomes **UN PRI Signatory**.

October: Christoph Klein becomes member of the **DVFA Sustainable Investing Commission**.

2019:

January: ESG Portfolio Management becomes **FNG member**.

Since February: Discussions with **KfW** to achieve a better SDG assessment by relevant ESG rating agencies. As we have seen little progress, despite good communication, we sold our positions.

Since February: Signatory of the **Montreal Carbon Pledge**.

February: ESG Portfolio Management becomes **CDP investor signatory**.

March: Co-Signatory of open letter to index providers on **controversial weapon exclusions** (lead signatory: Swiss Sustainable Finance).

Since March: supporting the **tailing dam disclosure initiative** of the Church of England (pension board).

Since April: member of the UN PRI initiative **responsible sourcing of cobalt** (subgroup: engaging with Infineon).

April – July: Applying for the **FNG designation** for sustainable funds. In November our funds (SDG Evolution Flexibel and Mayence Fair Value Bond Fonds) received the designation with three starts each (the maximum award).

May: Asking **Vonovia** to comment on high rental costs and price increases. Despite good communication and progress **we sold our positions** given Vonovia's average ESG rating.

May: Demanding **Deutsche Post** to use less sub-contractors as working conditions and service quality in the parcel distribution worsen. As we received no response, we **voted against the management and sold all positions**.

Since July: Asking **Kellogg Co.** to develop and publish a packaging strategy to reduce the usage of plastic. As we got no response, we **started a PRI collaboration**. Several investors are supporting us (total AuM ca. USD 60 bn). After several internal discussions we conducted a conference call with Kellogg Co. in March and November 2020. Kelloggs' head of sustainability and IR experts attended. We **will continue with this engagement**.

Since July: Asking **Alstom** (high ESG and SDG quality) to issue a new bond. After good communication with the management, we got a decent allocation and our desired maturity when Alstom issued at October 8th 2019.

September: We asked **Orsted** to end the usage of coal plants. The communication was helpful but the last closure will happen in several years. **We sold our positions.**

October: We asked **Iberdrola** to end the usage of nuclear plants. The communication was helpful but the last closure will happen in 2035. As we have a 0% power generation from nuclear policy we **cannot invest here**.

November: We **joined the CA100+** initiative asking the most relevant companies to work harder to reduce CO2 emissions.

December: We asked **DS Smith** to use less water and to perform more recycling. We are waiting for response and will contact again.

December: We asked **General Mills** to use less palm oil, beef and plastic packaging. We are waiting for response and will contact again.

December: We asked **Henkel** to use less palm oil and plastic packaging and to improve the disclosure on raw material sourcing. We started a constructive dialogue.

December: We asked **Deutsche Lichtmiete AG** to improve the disclosure on ESG and SDG and to achieve an MSCI ESG rating. After good communication with the company we are optimistic. In end of 2020 we are still waiting.

December: We asked **Hylea AG** to improve the disclosure on ESG and SDG and to achieve an MSCI ESG rating. After good communication with the company we are optimistic we continue the dialogue.

December 2019: We asked **Mowi ASA** to use less water and to perform more water recycling. In January 2020 Mowi issued a green bond to finance a water recycling plant. We happily bought this bond for both funds.

December: We asked **Vestas** to sell more products into EM to generate more positive impact globally. After good communication we are optimistic.

December: We asked **Icade** to invest more in green buildings and to reduce CO2 emissions of their existing property. As we did not receive a response, we **sold our entire positions**.

December: We asked **EIB** to achieve a better SDG assessment by relevant ESG rating agencies. We got little response and **sold our holdings**.

2020:

February: We asked **Hylea** again to improve the communication and to get an ESG rating. Subsequently we **reduced our positions**.

March: We asked **Frosta AG** to get an ESG Rating. As the CEO strictly refused we **did not invest**, although we like the company and the sustainable products. As the CEO is the major shareholder we do not expect any change.

March: We asked **Abo Wind** to get an ESG Rating and to improve their report regarding ESG KPIs and SDG impact. We did not receive sufficient feedback, **voted against the management and sold all shares**.

April – July: Applying for the **FNG label** for sustainable funds. In November our funds (SDG Evolution Flexibel and Mayence Fair Value Bond Fonds) received the designation with three starts each (the maximum award).

June: As **Hylea** did not respond to our questions, we sold all positions.

September: We had our second PRI collaboration call with **Kellogg Co.** Kelloggs explained their updated plastic reduction plans, search for alternative materials and their cooperation with recycling companies. We will continue with this intensive and constructive engagement.

September: We asked **Henkel** to use 100% recycled paper for their packaging. Furthermore, we asked to reduce GHG emissions to meet the Paris targets.

Since September: Christoph Klein teaches **ESG seminars for Moody's Analytics**.

October: We asked **Alstom** to reduce GHG emissions to meet the Paris targets.

October: We asked **General Mills** to reduce the usage of palm oil, beef and plastic packaging. Also, to limit GHG emissions further to meet the Paris targets.

October: We asked **Schneider Electric** to reduce GHG emissions further to meet the Paris targets.

October: We asked **Sims Ltd.** to reduce GHG emissions further to meet the Paris targets and to issue a Green Bond.

November: Christoph Klein is elected to the **CFA ESG Technical Committee**

November: We participated in a PRI Collaboration Engagement call with **Mondi**. We asked Mondi to reduce plastic packaging further.

December: We asked **Vestas** to increase the share of female directors closer to 50%. As we did not receive any response and detected controversies regarding labour management and human rights, we **sold the entire positions in all funds**.

December: We asked **Scatec Solar** to enhance business ethics and practices in appointing a responsible board member and to perform regular audits in this field. We also asked for improving their whistleblower programme and employee training.

December: We asked **Mowi ASA** to reduce water stress further and to actively report about the progress in this dimension.

2021:

January: We asked **Svensca Cellulosa AB** to reduce their carbon emissions further to become Paris 1.75 aligned.

January: We asked **Bell Food** to reduce their carbon emissions further to become Paris 1.75 aligned. We also asked them to reduce plastic packaging and to reduce the consumption of fresh water by actively using alternative sources.

January: We asked **Orkla ASA** to improve their product safety and quality standards and to reduce their carbon emissions further.

January: We asked **Lundbeck A/S** to improve their ethical standards, whistleblower protection and employee training and also to grow more in developing countries to increase the access to healthcare.

January: We asked **Rockwool A/S** to reduce GHG emissions. We also asked them to reduce toxic emissions and waste as much as possible. Furthermore, we asked to improve corporate governance and labour management practices.

January: We asked **Gecina SA** to improve their labour management practices and to reduce GHG emissions further to become Paris 1.75 aligned.

January: We asked **BNP Paribas SA** to improve their human capital development and to enhance access to finance in developing countries. Furthermore, we asked for strategies and investments in technology to detect potential indirect exposure to modern slavery.

February: We asked **Atos SE** to reduce their exposure to the weapons industry and to reduce GHG emissions further to become Paris 1.75 aligned.

February: We asked **7C Solarparken** to get a coverage by IMUG, MSCI ESG and right. based on science.

February: We asked **Gilead Sciences** to improve their product safety and quality standards and to reduce their carbon emissions further to become Paris 1.75 aligned.

February: We asked **General Mills** again to use less palm oil, beef and plastic packaging. We are still waiting for a response and are now considering to sell.

February: We asked **Xylem** to further reduce their emissions to make them compatible with the Paris 1.75 degree target and to increase their commitment to biodiversity.

February: We asked **Edwards Lifescience** to raise their product quality and safety standards and further reduce GHG emissions to be compatible with the Paris 1.75 degree target.

February: We asked **Nextbike** to provide more sustainability data and obtain ESG ratings. We received a constructive response on strategies and targets.

February: We asked **Telia** to further reduce its emissions to make it compatible with the Paris 1.75 degree target and to increase data security.

February: We asked **Close Brothers** to increase its SDG impact and strengthen its commitment to biodiversity.

February: We asked **Adidas** to explain possible controversies on child labour and animal welfare (furs). We are still waiting for a response and are now considering a sale.

February: We asked **Huntington** to sign the Equator Principles and to offer more financing in developing countries.

February: We asked **Red Electrica** to further reduce its emissions to be compatible with the Paris 1.75 degree target. We also asked for better protection of whistleblowers.

March: We asked **AcadeMedia** to further reduce their emissions to be compliant with the Paris 1.75 degree target.

March: We have asked **FCR Immobilien** to build more energy-efficient student housing. However, their focus is on commercial buildings in small towns. We are reviewing the SDG Impact.

March: We asked **Alliander** to further reduce their emissions to be compatible with the Paris 1.75 degree target. We also asked them to reduce or eliminate waste.

March: We asked **Givaudan** to increase diversity on its Board of Directors and Supervisory Board and to improve safety standards in the handling of chemicals.

March: We asked **ASML** to increase diversity on its Board of Directors and Supervisory Board.

March: We asked **IBM** to improve workforce planning and employee training, as mass layoffs have had a negative impact on employee satisfaction.

March: We asked **Signify** to seek and exploit more opportunities in cleantech.

March: We asked **Wolters Kluwer** to further reduce its emissions to align with the Paris 1.75 degree target.