



Responsible Investment

Quarterly Report
Q2 2015

Standard Life
Investments

This document is intended for institutional investors and investment professionals only and should not be distributed to or relied upon by retail clients.

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Introduction

Standard Life Investments is committed to being a responsible investor. This quarterly report details engagements our responsible investment team has undertaken throughout the period with various companies, specifically related to environmental, social and governance issues.*

While not an exhaustive list, this report is a comprehensive representation of the various steps taken by Standard Life Investments to ensure it remains an active and responsible steward of our clients' assets.

In addition to details of specific corporate engagements, we have included recent reports written by members of our responsible investment team. The latest research papers provide insight on the pressing issues relating to privacy in a digital age and to challenges facing the automotive sector.

Standard Life Investments is one of the world's leading investment companies, offering global coverage of a broad range of investment instruments and markets. With global assets under management of £245.9 billion as at 31 December 2014, our capabilities span equities, fixed income, real estate, private equity, multi-asset, liability aware and absolute return solutions.

Headquartered in Edinburgh, Standard Life Investments employs over 1,400 talented professionals. As a global investment manager, we maintain a presence throughout the world including Boston, Hong Kong, Paris, London, Beijing, Sydney, Dublin and Seoul.

* Note: A separate governance and stewardship team report on their ESG activities will be produced in their end of year review. See: http://www.standardlifeinvestments.com/governance_and_stewardship/index.html

Foreword



Amanda Young
Head of Responsible
Investment

This quarter continued to be dominated by climate issues, which received considerable media coverage. We have been working with a number of our clients on the complexities of investing in carbon-intensive industries, such as the oil and coal sectors. While we have witnessed a number of high profile asset-owners announce their intentions to move away from intensive carbon industries, this is a complex issue that needs thoughtful consideration. Disinvestment is not a strategy that many of our clients favour. We continue to engage with companies, particularly those in extractive industries, on their carbon management strategies, encouraging them to adopt an effective carbon and risk mitigation strategies. These engagements are outlined in this quarter's report.

The 21st session of the Conference of Parties to the United Nations Framework Convention on Climate Change, or COP21, will be held in Paris from 30 November through to 11 December 2015. COP21 will bring together 40,000 participants to discuss a global agreement on climate change. The aim is to reach a universal, legally binding agreement on climate change for the first time. At the end of last quarter, countries that were able to do so were asked to submit their commitments to carbon reduction through their Intended Nationally Determined Contributions. Many countries and regions have done so, including the US, European Union, Russia and Canada. However, there is still some way to go and current commitments do not appear as strong as many had hoped. We anticipate increased speculation and media attention in the run up to COP21, which will create uncertainty over the strength of any commitments reached at the convention.

The responsible investment team has now published its full series of white papers on the four pillars of the UN Global Compact, with the environment white paper published in June. All of the papers can be found on our website.

We also attended a number of events this quarter, including the University of Cambridge's Investment Leaders Group and the GES Engagement Day. A member of the team was also invited to participate at the international conference – "Intangibles: the European state of art" – under the auspices of the French Ministry of Economics and Finance. The conference focused on how to assess and report on intangible assets.

Lastly, the team continued to engage with companies on a number of issues. These range from broad disclosure matters through to detailed discussion on carbon strategies, risk management systems and mitigation techniques. Details of these activities are outlined in this report.

We hope you find the report of interest. We are keen to ensure our transparency remains high and relevant. We welcome feedback on the content or structure of this report. Please send feedback to us on our team email responsible_investment@standardlife.com

The responsible investment team

Who are we?

The responsible investment team is dedicated to research and analysis of environmental and social issues that have a bearing on Standard Life Investments' client portfolios. We place specific focus on four key areas:

- ▶ employment issues
- ▶ human rights & community issues
- ▶ environmental matters
- ▶ anti-corruption.

The team works closely with our separate governance & stewardship team and seeks to ensure that environmental, social and governance (ESG) considerations are embedded throughout our investment process. Collectively, the team has over 30 years' experience in responsible finance. Further details on our approach and how we engage with investee companies can be found on our website.

The team



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Head of Responsible
Investment



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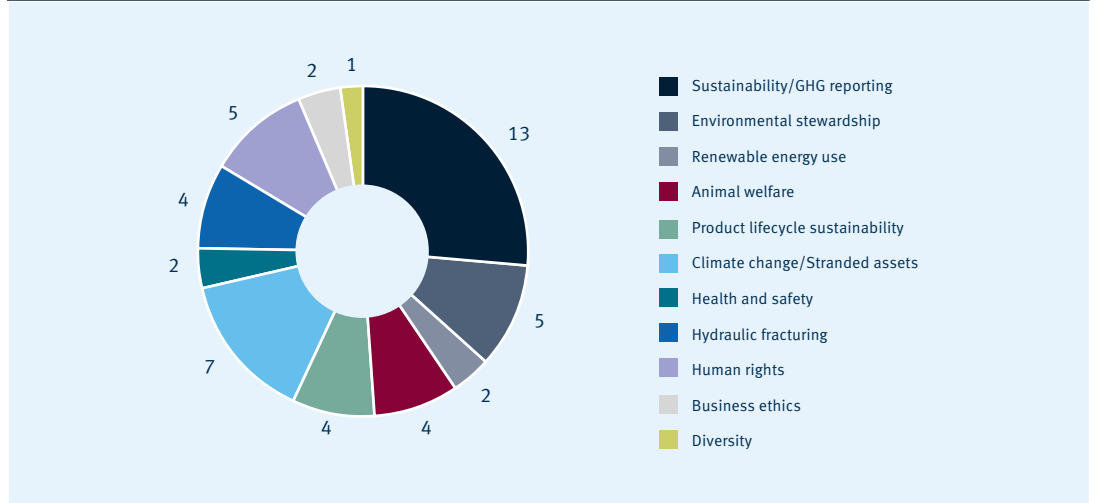
Voting on environmental and social issues

The responsible investment team has worked closely with the governance & stewardship team to develop a policy on voting on all environmental and social resolutions lodged at company AGMs and EGMs. While the governance & stewardship team conducts all voting on our funds, the responsible investment team has the in-depth knowledge and expertise on environmental and social matters. This information is fed into the overall process to ensure we have given due oversight with regard to a company's policies and activities, allowing us to make informed judgments on the validity of any resolutions tabled by a company. To facilitate this, there is a formal process of identifying, assessing and voting on company resolutions.

During the second quarter, we voted on over 30 different company environmental or social resolutions. The chart below illustrates both the number and nature of the various issues we considered. Many of the issues will form part of

our ongoing corporate engagement activities. Further details on our voting record, including the reasons behind our decisions, can be found on our website.

Summary of voting resolution subjects



Thematic commentary

Privacy in the digital age

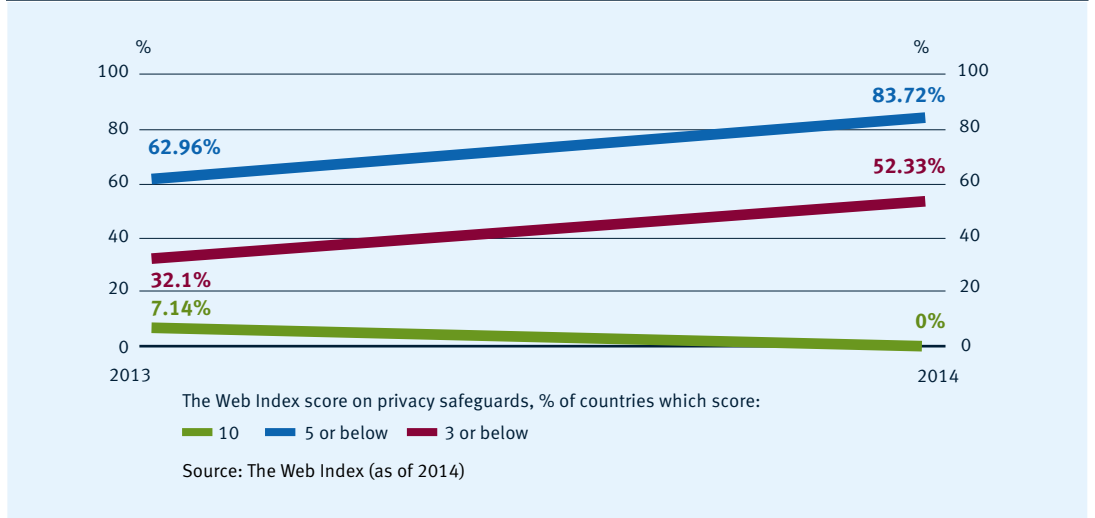
While the right to privacy has been a bedrock of human rights for many years, our understanding of the concept is changing in the connected world. Telecommunications have reshaped our economies and societies, bringing tremendous benefits in terms of economic development and the advancement of democracy. The self-regulatory and borderless nature of the digital space has been a strong catalyst to the internet revolution. However, as telecommunications have redefined how businesses operate and society organises, regulatory oversight will be needed to increase transparency, protect human rights and sustain inclusive development in the digital age. A key question for investors will be: what are the costs and benefits of this trend?

Regulation – nascent but evolving

According to the annual study conducted by the Web Index, between 2013 and 2014 the percentage of countries where legal safeguards against surveillance were weak or non-existent was reported to have increased from 63% to 83% (see Chart 1).

Recent blatant cases of government surveillance and censorship using digital technologies, such as those that occurred during the Arab Spring, and Edward Snowden's revelations of the Prism surveillance programme in the US, have provoked indignation from citizens and organisations across the international community. It has also had an impact on businesses and their license-to-operate in foreign countries.

Chart 1: Legal safeguards against surveillance



In 2013, the UN General Assembly passed a resolution titled “The Right to Privacy in the Digital Age” that urges member states to reinforce privacy protection. This resolution is non-binding and thus mainly symbolic. However, it provides a clear signal that increased regulation is necessary to recognise and protect digital rights.

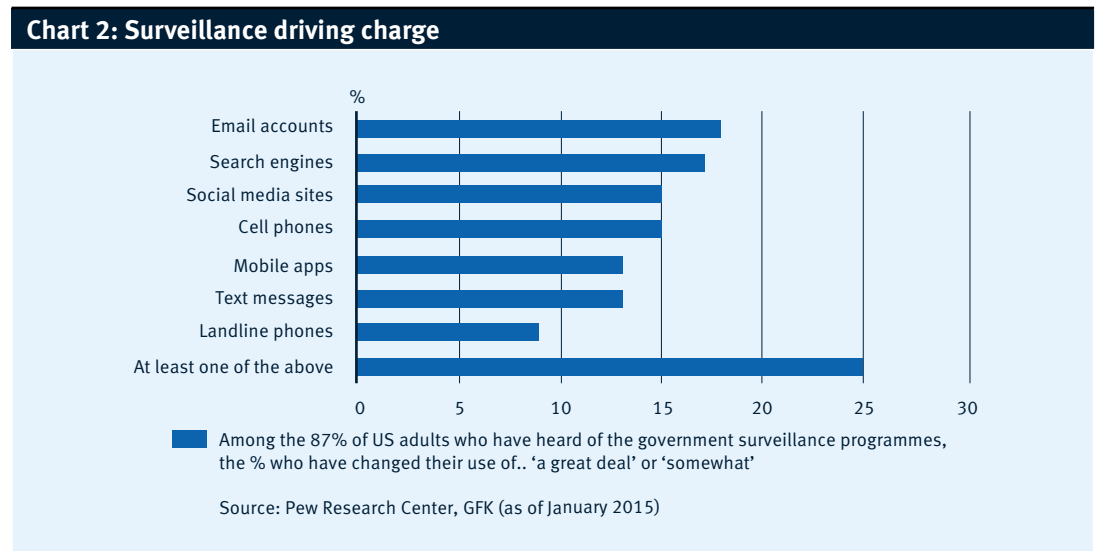
Future government regulation on digital rights will have to deal with several challenges. Big data is now one of the main resources in the corporate digital space, with often complex and opaque monetisation models. Internet companies have largely taken advantage of the absence of a clear definition of personal information and the lack of public awareness on how personal data are collected and used. Governments appear to have acquired a double role as both protector and the main threat in relation to citizens’ privacy. The tension between national security concerns and individual freedoms, such as the right to privacy, is a major issue in the definition of a transparent regulatory framework.

In Europe, the new EU Data Protection Law, which replaces the current directive dating back from 1995, should frame privacy rights and data

protection in a stricter manner. It will affect all companies collecting or using personal data from EU citizens, with potential fines that could amount to 2% – 5% of their global revenues.

Historically, the US has taken a lighter approach to privacy issues, largely based on self-regulation, in order to encourage innovation. However, the outcry provoked by revelations from whistleblowers, notably Edward Snowden, is gradually shifting attitudes towards technology companies and social media. A recent report published by Pew Research Centre examined American’s digital privacy-related perceptions and behaviour post-Snowden (see Chart 2). The study shows that 34% of those who were aware of the surveillance programmes have taken at least one step to hide or shield their information from the government. Further, 25% of those who are aware of the surveillance programmes say they have changed how they use various technological platforms ‘a great deal’ or ‘somewhat’.

The increase of society’s awareness of privacy issues and the growing number of cyber-attacks have encouraged the US government to take more action.



In a landmark decision, the US Congress passed the Freedom Act in May 2015. This will replace the Patriot Act and introduces new privacy requirements that in practice prevent mass data collection.

Early this year, the Obama administration enacted the Consumer Privacy Bill of Rights that sets basic safeguards on the way data is collected and used. It should bring US regulation closer to the future European law and help maintain bilateral agreements. This includes the Safe Harbour scheme, which enables many US companies to transfer data easily between the two continents.

Impacts on companies

This concerted effort by governments to redefine the ground rules for the management and sharing of personal data through the internet is likely to have profound implications for the digital sector, which has hitherto thrived outside of traditional corporate regulation. Many of these companies will face increasing compliance and operational costs, as well as higher reputational risks. It is clear that cyber-security risks and privacy issues will redefine the relationship between companies, governments and society. Some countries are already advancing data localisation as a way to regain control over the digital space.

Reputation is a key asset in the digital space, where an enterprise's value may largely be driven by the number of views or clicks. The benefits that the internet has brought to the world are indisputable. However, digital companies can no longer hide behind socioeconomic benefits and must now take responsibility to ensure the safe use of their products. Rebuilding reputations and customers' trust involves providing greater disclosure by companies on their business model, including data management practices. It will also involve empowering internet users and customers to control their personal information.

We have started a research and engagement initiative on data protection and privacy. Details of our approach and what we expect from companies will be published in next quarter's report.



Automotive vehicles: real world testing

Background

A study by the International Council on Clean Transport found that diesel vehicles emit over seven times more nitrogen oxide (NOx) emissions under real driving conditions compared to the stated emissions under testing. Research by think-tank Transport & Environment found that fuel-efficiency figures were overstated by on average 38% compared to on-the-road data.

There is evidence of poor business practices in testing, with the use of loopholes such as driving on an unrealistically smooth surface and taping car doors and windows to achieve stated standards. Consequently, the intention to cut NOx emissions by 85% between Euro 3 (2000) and Euro 6 (2015) has not been achieved in practice. This is a challenge for heavily populated and industrialised economies that struggle with air pollution and its related health consequences.

What is changing?

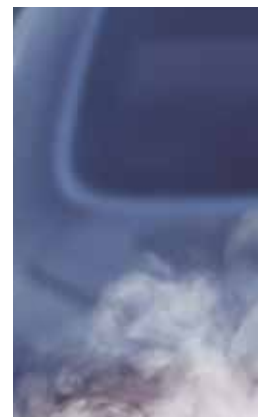
On Tuesday 19 April, the European Commission voted in favour of implementing 'real world' emissions testing procedures. The move will introduce Real Driving Emissions alongside Worldwide Light Vehicle Test Procedures (WLTP). This will replace the New European Driving Cycle (NEDC) lab test. The new test procedures are expected to come into force in September 2017.

Diesel vehicles are the main cause of NOx air pollutants and the 2015 Euro 6 standards place significant limits on this source of emissions. The Euro 6 limits aim to cut NOx emissions from diesel engines by 56%, from 180mg/km under Euro 5 to 80mg/km. This limit would bring NOx standards for diesel vehicles in line with petrol vehicles. It comes, however, at a cost.

What are the implications?

There are three options for cutting diesel NOx emissions, detailed below.

- ▶ EGR (Exhaust Gas Recirculation). This is a process whereby a portion of the engine's exhaust gas is recirculated back into the engine cylinder in order to improve the efficiency of the vehicle and reduce NOx emissions.



- ▶ SCR (Selective Catalytic Reduction). SCR involves a catalyst containing urea to convert NOx to nitrogen and water.
- ▶ LNT (Lean NOx Trap). A NOx absorber or NOx trap stores NOx and reduces it to nitrogen over a catalyst.

We have spoken to several auto parts suppliers who have confirmed that the technology is available to meet real-world emission testing procedures. However, these technologies will come at a cost, for which automotive manufactures will need to plan.

Some commentators have questioned the outlook for diesel vehicles. Diesel's share of European car sales peaked in 2011 and stood at 52% in Q1 of 2015. There has been a fall in diesel's share of the car mix in Spain and

France. In London, plans have been announced to impose a £12.50 charge on cars in the congestion zone that fail to meet new pollution standards. We will continue to monitor changes to vehicle fuel pricing policy and diesel zoning in the European market.

Triggers

We have identified three triggers that could make the market change its mind about the materiality of real-world testing procedures. First, the announcement of a new testing procedure implementation timeline and adjustments to existing emission limits (both expected); second, ongoing developments in EU cities and changes to governments' domestic air quality targets, including fuel price and taxation policies; lastly, the outcomes from the climate negotiations at the Conference of Parties 21 in Paris in November 2015.



Collaborative engagement and events

UK Sustainable and Investment Finance Association (UKSIF) Edinburgh

We participated in the annual UKSIF event, held at the Royal Society of Edinburgh. We took part in a panel discussion on the theme of stranded assets, climate negotiations and the divestment campaign. Our contribution was to explain what stranded assets mean to investors and how asset owners can understand and manage the risks associated with these assets. We also shared our insights from the numerous interactions we have had with coal companies.

International Conference “Intangibles: the European State of Art”

We took part in a conference organised by Oddo Securities under the auspices of the French Ministry of Economics and Finance, aimed at discussing how to assess and report on intangible assets. We sat on the panel on human capital where we highlighted some specifics of the UK labour market, as well as explaining Standard Life Investments’ approach to assessing human capital and how we engage on labour issues.

RI Europe 2015

In early June, we attended the RI Europe 2015 Conference in London. The event was a good opportunity to discuss and share perspectives on current hot topics in the SRI world, including fossil fuel divestment, corporate tax management, green infrastructure, green bonds and impact investing.

20th International Corporate Governance Network (ICGN) Annual Conference

Along with our governance & stewardship team, we participated in the ICGN 20th Annual Conference. We joined fascinating discussions around the role of financial markets in a globalised world, global governance reform, the responsibility and functioning of company boards, and the governance of ESG issues. We appreciated the quality of the conversations and the opportunity to discuss the issues with investors with different perspectives from all round the world. Standard Life Investments was one of the main sponsors of the conference.



Canadian Pensions and Benefits Institute Annual Conference

Amanda Young was a key speaker at this year's Canadian Pensions and Benefits Institute Annual Conference, held in New York. Her presentation focused on responsible investment and the changes that are taking place in our industry. In particular, she covered a European asset manager's view of the state of the responsible investment market, as well as key trends such as stranded assets and carbon disinvestment.

FTSE ESG Advisory Committee

Amanda is also a member of the FTSE ESG Advisory Committee. During the quarter, she attended a board meeting to discuss the FTSE ESG indices and the actions around enhancing the use of responsible investment methodologies.

UKSIF Board Meeting

As a member of UKSIF board, Amanda attended an annual meeting at which a number of UK industry initiatives were discussed. The board provides oversight of the group's strategy.

Principles of Responsible Investment (PRI) Steering Group on listed equities

Amanda was asked to be on the PRI Steering Group on listed equities, the first meeting of which took place during the quarter. The group discussed the Work Plan, which aims to outline examples of best practices as to how ESG is integrated into the equity investment process.

Global Engagement Summit (GES) Engagement Day

Lastly, we offered our views on ESG criteria in fund manager selection and engagement. The discussion also included how to assess whether managers embed ESG analysis into investment activities, and how these managers' engagements with investee companies are aligned with asset owners' views. We highlighted that Standard Life Investments seeks a collaborative approach with asset owners. We referenced the PRI framework on the relationship between two parties, which focuses on how expectations are created and applied in our relationships with fund managers, including the need for ongoing review.

Sector and asset class reports



Mark Munro
Investment Specialist
– Credit Team

Investment case: John Lewis

Due to its partnership model, John Lewis does not have listed equity. Further, when it recently issued publicly traded bonds, it chose not to be rated by any of the credit rating agencies. After our credit team conducted its own internal research, we quickly concluded that John Lewis was a good long-term investment opportunity for our funds, representing one of our top picks within retail – a sector that has not been without its challenges.

There were numerous factors behind our positive view. John Lewis has strong and consistent like-for-like growth, with an investment grade balance-sheet. Importantly, the company is also well positioned to capture demand from the upper end of the market through its retail division and its Waitrose food outlets.

The responsible investment team's input has also been an important factor in our deliberations. Through the team's close interaction with John Lewis on a wide range of ESG issues, the assessment was reached that it was a leader in its class. This was particularly true regarding its sustainability when sourcing produce, an area that is integrated into the core of its business strategy. When we combined both strands of the research, we concluded John Lewis was not only a prime candidate for our ethical bond offering, but also for our wider range of corporate bond funds.



Sustainability engagement

During the second quarter of 2015, we engaged with a wide variety of companies regarding environmental and social issues. Below we give a snapshot of these engagements. Further details of these interactions, in addition to a summary of all company meetings, can be found below.

Engagement snapshot

Company	Topics discussed
Anglo American	We questioned the company on the integration of environment into fossil fuel demand forecasting
Associated British Foods	We considered the ethical issues along the supply chain
AXA	We discussed emerging risks and digitalisation strategy
Barclays	We highlighted the conduct risks facing the company and digitisation of the bank
BHP Billiton	The company is undergoing a restructure and we assessed the implications for ESG risk
BP	We discussed the company's strategy around climate change risks and the company's approach to safety
Britvic	We considered the company's progress to meeting its calorie content reduction target
Chevron	We questioned the company on the human rights controversy in Ecuador and discussed climate change risks
EDF	We discussed the company's low carbon strategy and reviewed nuclear safety issues
Engie (GDF Suez)	We discussed the company's power generation perspectives including low-carbon strategy
General Dynamics	We discussed the company's exposure to controversial weapons
Glencore	The focus of our discussion was on health and safety and business ethics
Heathrow Airport	The focus was on noise and air pollution management
Ingenico	We questioned the company on its approach to material ESG risks, including supply chain, business ethics and cybersecurity
International Personal Finance	We considered the company's new code of ethics
National Express	We examined the company's approach to its employees
National Grid	National Grid detailed the various health and safety steps it is taking
Orpea	We discussed quality and safety management and labour relations
Repsol	We discussed safety management and the company's approach to human rights
Rio Tinto	We questioned the company on its thermal coal strategy
Roche	We questioned the company on its approach to access to medicine
Royal Bank of Scotland	We considered the restructure of the bank and robustness of its IT processes
Royal Dutch Shell	We discussed the company's strategy around climate change risks and its operations in Nigeria
Shire	We discussed the group's current approach to taxation
Soco International	We voted against the chairman following a lack of company transparency
SSE	We questioned the company on its strategy on power generation, including conventional and renewables
Swedish Match	We considered the changing regulatory environment for snus in Europe and the US
Umicore	We examined the company's exposure to real-world testing procedures

We use a matrix approach to identify the companies with which we engage. This approach considers a number of criteria, including: internal mandates, specific client mandates and company performance. The key below offers details of the drivers for engagement with individual companies. We outlined this in more detail in our quarterly report during the first quarter. Additionally, further information on our approach to engagement can be found at:

http://www.standardlifeinvestments.com/sustainable_and_responsible_investing/engagement.html

Anglo American	
<p>Engagement driver:</p> <ul style="list-style-type: none"> ● Internal mandate ● Client mandate 	<p>Anglo American is a diversified mining company with global operations.</p> <p>We met with Anglo American to discuss the theme of stranded assets, with particular reference to its coal operations. We met with representatives from its strategy and environment teams.</p> <p>We were keen to understand the extent to which climate change, environmental regulation, and competitions from renewables are integrated into fossil fuel demand forecasting.</p>
<p>Engagement topic:</p> <ul style="list-style-type: none"> ▶ Human Rights ▶ Labour ▶ Environment 	<p>Anglo American’s commodity research team is currently conducting scenario analysis to investigate the impact of climate regulation on its portfolio. We commend the company for considering the risks and opportunities across the whole portfolio and will monitor publication of the results.</p> <p>The company expects increasing environmental regulation to benefit sales in copper as there is a growth of electrification. Anglo American further expects platinum demand to increase for use by catalytic converters and fuel cell vehicles. Anglo American has purchased a Hyundai ix35 fuel cell car and is investing in charging infrastructure in London. At present, more platinum is required for a fuel cell car than conventional vehicle with catalytic converters although this difference is expected to reduce with scale and innovation.</p> <p>Anglo American has coal assets in South Africa. The company explained the implications of changes in black economic empowerment regulation for its portfolio.</p> <p>We welcome the work done by Anglo American to assess the risk for changing regulation and positioning the portfolio accordingly.</p>

Associated British Foods (ABF)

Engagement driver:

● Internal mandate

Engagement topic:

▶ Labour

ABF is a British multinational food processing and retail company.

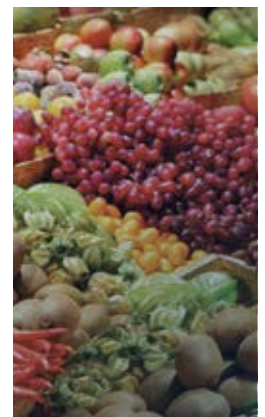
We recently met with the company to discuss its wider approach to management of environmental and social matters. However, we wanted to explore its approach to ethical trade in more detail.

We met with senior executives at ABF to discuss the company's approach to supply chain management, in particular its participation in the Ethical Trading Initiative (ETI). ABF and its subsidiary, Primark, have made significant progress in managing ethical issues along its supply chain. ABF is now viewed as a leader in the sector by the ETI, a not-for-profit set up to improve conditions in the garment supply chain.

ABF has been criticised in the past for poor supply chain practices. We asked how the company had dealt with past media campaigns against it and whether this had changed its practices. It confirmed that these accusations were found to be falsified. However, it did encourage ABF to enhance its practices. We believe the company has taken significant action to ensure higher standards along the supply chain.

The meeting provided insight into continued challenges for the garment industry, but we felt confident that ABF has sufficient oversight and processes in place to manage these issues. The company has ensured significant auditing resources are in place on the ground to identify areas of weak practice and works with suppliers to achieve improvements, often resulting in efficiency gains.

We felt comfortable with ABF's progress but will continue to monitor the supply chain issues it faces to ensure continued oversight.



AXA SA

Engagement driver:

- Internal mandate

Engagement topic:

- ▶ Human Rights
- ▶ Labour

AXA is a global insurance company that also provides related financial services. It offers life and non-life insurance, savings and pension products, and asset management services.

We discussed with the company how it is taking into account emerging risks, including long-term climate change, demographic and health-related risks. In particular, we questioned AXA on the issuance of excess mortality bonds and the market for cat bonds.

We also discussed with the company its digitalisation strategy and the impact this would have on its activities and workforce.

In general, we were encouraged to hear about the products the company has developed regarding micro-insurance and impact investing.



Barclays

Engagement driver:

- Internal mandate

Engagement topic:

- ▶ Labour
- ▶ Ethics

Barclays is a universal bank that offers a range of services, including personal banking, corporate banking and wealth and investment management.

We last engaged with Barclays in the fourth quarter of 2014. During that engagement we questioned the bank on the various conduct costs it was facing and encouraged a cultural change within the business.

During our recent meeting, we questioned the group on the development and implementation of its 'Transform' programme, which includes a citizenship plan that is focused on cultural change. Barclays is now in the third year of the programme and we believe it has taken positive steps to implement its citizenship plan, an element of the programme focused on promoting positive culture within the bank.

Barclays has an Operational and Reputational Risk Committee, which meets quarterly and reports to the board. It has oversight of Barclays' citizenship plan including identifying conduct, reputational and operational risk. The plan has applied a range of measures, including employee training, which encourages all employees to consider reputational and operational risk as part of the decision-making processes – the 'Citizenship Lens'.

Other areas of the citizenship plan have progressed positively, such as contribution to growth, which includes new and renewed lending to SMEs and households, growth in the number of apprenticeships and support in raising finance for business and government.

We are comfortable with the steps that Barclays has taken to implement its plan. However, we have encouraged the group to offer greater detail and examples of how the 'Citizenship Lens' is applied as part of its business operations.

We also highlighted that the bank continues to face a number of potential conduct costs and regulatory pressures, which could have a negative impact upon its 'Transform' programme.

We questioned what steps the bank is taking in the digitisation of its services and its approach to cyber security. Barclays has taken a number of steps to support customers using digital services and now provides a growing number of online products. We believe that the bank is working to address cyber security threats and has recently appointed the former director of Europol's European Cyber Crime Unit to support it in meeting this challenge.

We highlighted that morale across the banking sector appears low. We questioned what impact this is having on Barclays' attraction and retention of employees, and highlighted that its employee turnover rates are currently rising.

The group acknowledges this, but believes action such as 'Citizenship Lens' are going some way to address this.

We will continue to monitor Barclays' progress on the issues raised and re-engage with the bank as its 'Transform' programme progresses.

BHP Billiton

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Labour
- ▶ Environment

BHP Billiton is a diversified natural resource company, operating in a range of business lines, including coal, iron ore, gold, titanium, nickel, copper and petroleum.

BHP Billiton's SRI roadshow included a presentation from the Head of Health, Safety and Environment.

We questioned the company about its health & safety performance in 2015. The company has experienced an increase in fatal incidents and is undertaking an internal investigation to uncover the drivers. BHP Billiton outlined the health & safety management processes it has put in place. We will continue to monitor the company's safety performance.

BHP Billiton is undergoing a major restructure and the ESG risk profile will change following the demerger of South32. The company provided an overview of the governance of sustainability under the new structure.

We questioned the company about climate resilience post-demerger, where it will be less diversified and have a greater exposure to oil. We welcome the news that the company has assessed the portfolio impact under internally consistent long-term scenarios, which consider geopolitics, macroeconomics, climate change and technological innovation. We encouraged the company to disclose details and outcomes of the scenario analysis conducted on the portfolio under shock events.

BP

Engagement driver:

- Internal mandate
- Client mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

BP is an oil, gas and petrochemicals company. It explores for and produces oil and natural gas, refines, markets, and supplies petroleum products, generates solar energy, and manufactures and markets chemicals.

We met with BP last year as part of its SRI roadshow.


We recently questioned the company on its exposure to climate change risks and asked what its strategy was to improve resilience to oil price variations and climate change. We were encouraged by the steps taken by BP to forecast impacts of low carbon scenarios on fossil fuel demands. We encouraged the company to highlight how these projections were integrated in the strategy, including operations in high costs and high environmental risks projects, notably oil sands.


We discussed the company's process and occupational safety results and the steps taken by it to improve performance among its contractors.

We had a follow-up call to discuss social and human rights issues. We encouraged BP to further demonstrate how human rights were integrated in internal control and investment decisions.


Britvic

Engagement driver:

 Internal mandate

 Client mandate

Engagement topic:

 Human Rights

Britvic is a beverage company with sales in UK, France, Ireland and internationally. Britvic's key own brands include Robinsons, Tango and J2O. The company also distributes PepsiCo's Pepsi and 7UP in the UK.


We participated in a meeting with Britvic's CFO, questioning the company's progress towards meeting its target to reduce the calorie content of its portfolio by 20% by 2020. We welcome the update that the company is on track to meet the target. We commend the company on responding to consumer taste and health awareness and de-listing with-sugar versions of Robinsons and Fruitshoot in the UK.


Pepsi has decided to stop using aspartame in Pepsi Max and switch to sucralose in the US. We discussed the driver of this move and implications for the UK portfolio.

Chevron


Engagement driver:

 Internal mandate

 Client mandate

 Performance based engagement

Engagement topic:

 Human Rights

 Labour

 Environment

 Ethics

Chevron is an integrated energy company with operations around the world, producing and transporting crude oil and natural gas. Chevron also refines, markets, and distributes fuels, and is involved in chemical operations, mining operations, power generation and energy services.

We questioned the company on how it planned to enhance resilience to carbon risks and oil price variations. We encouraged it to provide greater disclosure on its assessment of carbon risks, including the carbon price used for carbon-intensive projects.

We discussed the company's health & safety policy and were encouraged by the latest process and occupational safety results.

We encouraged the company to improve its reporting on human rights and community issues, especially given the controversy faced in Ecuador.

Électricité de France (EDF)

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

EDF produces, transmits, distributes, imports and exports electricity. The company utilises nuclear power and coal and gas to provide electricity for French energy consumers.

We previously met with the company in 2013 to discuss nuclear energy projects in the UK.

We recently discussed the group's new strategy and reorganisation following the arrival of a new CEO. We welcomed the new objective taken on the expansion of the renewable portfolio. The company offered insights on its strategy regarding energy management services, mainly through Dalkia.

We held in-depth discussions relating to its nuclear activities, including Hinkley Point C in the UK, the Grand Carénage in France, where EDF seeks to extend the life of the nuclear reactors, and safety issues encountered on the EPR in Flamanville. We will keep monitoring closely these various issues that could have quite significant operational and financial impacts for the firm.

Engie (GDF Suez)

Engagement driver:

- Internal mandate
- Client mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment

GDF Suez, now called Engie, is a French group that offers a full range of electricity, gas and associated energy and environment services throughout the world.

We discussed the company's new strategy and reorganisation, enshrined in the name change. We were encouraged by Engie's commitment to expand its renewable portfolio and grow its energy management services division. We welcomed the CEO's (Gérard Mestrallet) public support for a meaningful agreement in Paris and the need for global carbon pricing mechanism.

We questioned the company on the future of its subcritical coal assets inherited from International Power. We encouraged Engie to provide more details on its strategy around coal internationally.

We discussed the issues encountered by Engie around nuclear safety in Belgium and drought-affected hydro in Brazil. We will continue to closely monitor the issues that have had significant operational and financial impacts.

Glencore

Engagement driver:

- Internal mandate
- Client mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Glencore is a diversified mining company, operating in metals and minerals, energy products and agricultural products.

Glencore held an SRI presentation for industry analysts at which Standard Life Investments held a one-on-one meeting with the CEO, Chairman of Health and Safety, Environmental and Communities (HSEC) Committee, Head of Sustainability, Head of Safety and Head of Community Relations.

In the presentation, Glencore outlined its ESG performance and strategy. A particular focus of the discussion related to Glencore's management of climate change.

In the meeting, we questioned Glencore about its health & safety performance and country risk. The number of fatalities decreased in 2014; however, there remains a focus on certain 'high risk' assets. The company held its second annual fatality prevention summit in 2014.

We welcome Glencore's approach to safety lesson sharing across the group. The company explained the escalation process in the event of an incident and the roll-out of its SafeWork initiative.

The CEO provided feedback from a recent trip to operations in Prodeco, Columbia. The company has received criticism from a Swiss NGO over these operations and the trip provided an opportunity for the NGO and a group of Swiss residents to gain answers to their questions. We encourage Glencore to collaborate with established NGOs going forward.

Anti-bribery and corruption risks are assessed as part of internal audit. We commend the company on the improvements in transparency on its grievance mechanism in the 2014 Sustainability Report. In particular, Glencore has expanded the channels available to employees to lodge grievances to include anonymous lines.

We encourage the company to conduct and report on anti-bribery and corruption risk across the group using NGOs such as Transparency International.



Heathrow Airport

Engagement driver:

- Internal mandate
- Client mandate

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Heathrow owns and operates Heathrow Airport. We met with representatives from the environment team and risk management.

We asked Heathrow how social and environmental aspects are assessed as part of corporate risk and about the governance of sustainability at the company.

Heathrow has set a range of goals to 2020. We commend the company on its level of ESG reporting, including quantitative indicators relating to noise, climate change, safety and air pollution.

Heathrow outlined steps it has taken to reduce noise pollution. There were 18,725 noise complaints issued to Heathrow in 2013. Heathrow monitors flight paths and restricts take-offs and landings at night time. We discussed the merits of using Continuous Descent Approach (CDA) to minimise noise. Heathrow reports 87% average CDA compliance per quarter in 2013.

We questioned how complaints are processed and responded to. We commend the work done by Heathrow to consult with local communities, and trail strategies and routes to minimise noise levels.

Air pollution, particularly NO_x, is high up on the political agenda. 70% emissions are from aircraft activity, including take-offs, landings and taxiing. Heathrow has set a target to reduce ground-based NO_x by 5% by 2020 (from 2009). We discussed ways in which this target can be achieved.

We encouraged the company to disclose more details on how it can manage noise and air pollution and to work closely with the airlines to find solutions to these challenges.

Standard Life Investments will have a follow-up meeting with Heathrow to discuss health & safety management.



Ingenico Group

Engagement driver:

- Internal mandate

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Ethics

Ingenico provides solutions for electronic payment transactions, including hardware, software and services across all channels (point-of-sale, mobile and online).

We questioned the company on its ESG approach and the main risks identified. In particular, we discussed its approach to business ethics and supply chain management. We were encouraged by the first steps taken by the company to formalise its approach around these issues.

We also discussed some of the social drivers for payment solutions in emerging markets, such as financial inclusion. Another key issue is the company's approach to cybersecurity, which is at the core of its business. We will keep monitoring the progress made in the formalisation of Ingenico's approach to corporate responsibility.

International Personal Finance (IPF)

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Labour
- ▶ Ethics

IPF is a provider of home and digital loans with over 2.5 million customers across Europe.

We have had a number of meetings with IPF, including in the third quarter of 2014. During our meetings, we have questioned what regulatory pressures the group faces and encouraged transparency in its lending processes.

We recently discussed the new code of ethics that IPF has introduced. The code was initially launched among senior leaders within the group, followed by a series of learning sessions for employees. The group's Reputation and Regulatory Committee has oversight of the code.

We were encouraged by the introduction of the code; however, we highlighted that there are a number of areas where it could develop. These include: making the code mandatory for agents, as well as linking the code with other policies that are in place, such as its code for suppliers.

We understand that IPF's code is in the early stages and we will continue to engage with the group regarding how the code can be applied across various parts of its operations.

National Express (NEX)

Engagement driver:

- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Ethics

NEX is a leading transport provider delivering services in the UK, Continental Europe, North Africa, North America and the Middle East.

We previously met NEX during the second quarter of 2014, where we encouraged the firm to take a number of steps to support its employees operating school bus services in the US.

Following a recent meeting with the Chairman, we have decided to vote against a resolution calling on NEX to commission a third-party review of its employee and health & safety practices, tabled by the Teamsters Union. NEX has improved practices and increased its levels of disclosure since our previous meeting. As such, a further request for an independent review would be unduly burdensome upon the company.

NEX reported that an independent review carried out by TNS in the US (with a 57% employee response rate) found that 91% of employees stated they enjoy work and 86.5% stated they had a right to join a union. A new method has been applied to measuring health & safety, which shows an 8% decline in harm.

We were encouraged by this third-party report; however, we highlighted that health & safety practices in the US are not consistent with group-wide levels. We have consequently recommended that steps are taken to remedy this.

Our research found that NEX is 34% unionised, which is far higher than the average membership rate in the US (11.1% according to the US Bureau of Labour Statistics). The US Department of Transport gives NEX an average carrier safety rating, which is slightly higher than those achieved by comparative companies.

Following the meeting, we have also written to the Chairman reiterating the areas where we would like to see progress. These include: the application of ISO standards; increasing the scope of the assurance carried out as part of the ARA to include employee and health & safety data; and considering the application of sustainable reporting initiatives, such as the GRI or AA1000 reporting standards.

We were encouraged by the steps taken by NEX subsequent to our 2014 meeting and we will seek further engagement with the company to assess its progress against the areas discussed.

National Grid

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Labour
- ▶ Environment

National Grid is an international electricity and gas company based in the UK and northeastern US.

We engaged with the company to discuss a number of social and environmental issues that have been raised with regard to its operations, particularly in the US.

National Grid detailed a number of steps that it is taking to ensure that the appropriate environmental and social impacts are considered prior to and during the operation of its services. These include the application of environmental impact assessments (EIA) prior to and during projects. The EIA also considers impacts upon biodiversity, a factor we have commended. The group also conducts extensive engagement with affected communities, which includes the use of various communication channels to advise customers of its activities.

National Grid is also investing in measures to combat extreme weather conditions. This includes support to customers and the protection of key assets. The company has experienced extreme conditions over the past year, including severe cold in the US and floods in the UK.

We believe that National Grid is taking a proactive approach to both managing its environmental impacts and engaging with and supporting affected communities.

Orpea

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Ethics

Orpea operates nursing homes. The company serves older clients in all stages of dependency through its facilities located throughout France and other European countries.

We discussed with the company what it had in place to ensure the 'well-treatment' of patients and reviewed performance indicators. We were encouraged by Orpea's health, safety and quality management systems.

We discussed the company's workforce management, in its recruitment and training.

We questioned the company on the allegations brought by one of its unions that Orpea spied on some of its employees and violated union rights. We will monitor the results of the investigation and engage with Orpea subject to its findings.

Repsol S.A.

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Through subsidiaries, Repsol explores for and produces crude oil and natural gas, refines petroleum, and transports petroleum products and liquefied petroleum gas (LPG). The company retails gasoline and other products through its chain of gasoline filling stations. Repsol recently acquired Talisman.

We previously met with the company's CEO in the first quarter of 2015 to discuss ESG issues and recently attended its Sustainability Day.

The Sustainability Day was a good opportunity to meet with heads of business units and operational divisions. Three main case studies were discussed in-depth: drilling activities; monitoring of suppliers and contractors; and protecting biodiversity and human rights in Peru.

The company appeared very transparent on the incidents encountered in the past and how it responded. We were extremely encouraged by the quality of the discussions and how the company manages the issue presented.

Rio Tinto

Engagement driver:

- Internal mandate
- Client mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Rio Tinto is a diversified mining company with operations in iron ore, aluminium, copper and energy (including thermal coal).

Standard Life Investments engaged with Rio Tinto to discuss the topic of stranded assets and the company's coal strategy. We met with climate and energy specialists at Rio Tinto.

Rio Tinto has thermal coal assets in Australia. 100% of coal production is for the export market and Japan is an important market for Rio Tinto. We questioned the company on how considerations of environmental and climate regulation are factored into coal demand forecasting.

We questioned the company on the resilience of its portfolio in light of future climate regulation. Since coal contributes to less than 4% of company profits, changes in coal demand have limited financial materiality.

We commend the work done to assess future energy mix in light of environmental regulation and we encourage the company to communicate the findings publicly to move the stranded assets debate forward.

Roche

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Ethics

Roche is a global pharmaceuticals company that provides both pharmaceutical and diagnostic products.

We last met the company during the fourth quarter of 2013. The focus of that meeting was to assess the risks of bribery and corruption in China.

We recently questioned Roche on the number of product recalls it has experienced, including a number of Class 1 recalls.

Roche highlighted that steps have been taken to improve product safety and quality. Management systems also follow industry-leading practices, which include the current Good Manufacturing Practices (GMP) and Rx360. Roche's diagnostic and pharmaceutical divisions are also taking steps to harmonise quality systems.

We welcomed these steps and encouraged the company to consider the application of ISO9001 standards across its operations. Roche currently applies the standard to only parts of its operations.

We highlighted that there are a number of merger & acquisitions (M&A) in the sector and questioned Roche's approach in this area, particularly the application of environmental and social assessments of potential acquisitions.

Roche stated that it carries out an assessment of company's environmental and social practices as part of its M&A due diligence. This included the application of Roche's standards post-purchase.

We highlighted Roche's position in the Access to Medicine Report and questioned the group's current strategy to deliver medicines in emerging markets. Roche is currently ranked 12th out of 20 companies assessed in the report. Roche held 10th position in the previous publication of the report.

We were encouraged by the steps detailed by Roche regarding its approach to access to medicine, particularly its strategy to address unmet medical needs in emerging markets and the alignment with the company's overall strategy.

We will continue to monitor Roche and the various changes that are developing within the pharmaceutical sector.



Royal Dutch Shell

Engagement driver:

- Internal mandate
- Client mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Royal Dutch Shell, through subsidiaries, explores for, produces and refines petroleum. The company produces fuels, chemicals and lubricants, and also owns and operates gasoline filling stations worldwide.

We took part in RD Shell SRI Day 2015, and were encouraged by the company's continued commitment to host such events. We were also very encouraged by the quality of the discussions and the access to top management. Along with other investors, we questioned the company's resilience to carbon risk and oil price variation.

We welcomed the work done by Shell in modelling those risks and assessing the impact on its assets. We were also encouraged by the company's health & safety results, including the work undertaken with contractors.

Along with other investors, we conveyed our concerns regarding the resumption of operations in the Arctic given the costs, as well as the operational and environmental risks.

We also discussed the situation in Nigeria, which appears inextricable without political reform.

Shire

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Ethics

Shire develops medicines for patients with rare diseases and other specialty conditions.

We questioned the company on its approach to taxation and highlighted that it appeared before a UK Commons select committee as a result of its tax practices, specifically its operations in Luxembourg.

Shire advised that its approach to tax practices were lawful and that it has fully cooperated with tax regulators.

We questioned Shire on its marketing practices, particularly medicines that can be used to treat BED (Binge Eating Disorder) and highlighted the risks that neurosciences can cause due to mis-marketing and off-label sales (use of product for areas which have not been approved).

Shire highlighted that it takes an active approach in ensuring that its marketing is appropriate and that it consults with a range of care providers to ensure that its medication is used in the correct manner.

We were encouraged by the steps taken by Shire to tackle orphan/rare diseases and the actions being taken to support patients and medical professionals to both diagnose and treat these diseases efficiently.

We will continue to engage with Shire to assess its approach to the various areas raised during our meeting.

Soco International (Soco)

Engagement driver:	Soco is an international oil & gas exploration company.
● Performance based engagement	<p>We have had ongoing engagement with Soco, including a meeting during the first quarter of 2015.</p> <p>We have continued to encourage Soco to take steps to improve its environmental and social standards, particularly in the Democratic Republic of Congo (DRC).</p>
Engagement topic:	<p>We have seen some progress made by the company including an agreement with WWF (World Wildlife Foundation) not to operate in Virunga National Park; the publication of environmental and social policies; and the appointment of the law firm Clifford Chance to investigate allegations of bribery and corruption in the DRC.</p> <p>We have, however, not seen the level of transparency that we would expect from Soco. This is especially the case with the review that is being conducted by Clifford Chance, specifically the speed of this operation and level of transparency provided by the company.</p> <p>As a result, we voted against Soco's Chairman during the company's 10 June AGM.</p>
▶ Human Rights	
▶ Labour	
▶ Ethics	

SSE

Engagement driver:	SSE generates, transmits, distributes and supplies electricity and gas to industrial, commercial and domestic customers in the UK and Ireland.
● Internal mandate	<p>We participated in a meeting with the company's CFO, questioning its strategy regarding thermal generation assets as SSE recorded losses in 2014. We welcomed the cautious position adopted by the company and the plan to expand renewable capacities if market conditions allow. We discussed with SSE the impact of the price freeze on electricity prices.</p>
● Client mandate	
Engagement topic:	<p>We were encouraged by the company's proactive approach on ESG issues. The company was one of the first to publish a human capital report, which we see as best-in-class in the UK.</p>
▶ Environment	

Swedish Match

Engagement driver:

- Internal mandate
- Performance based engagement

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Swedish Match produces snus that is mainly sold in Sweden, Norway and the US. The company also produces matches, lighters and cigars in Brazil and the US.

Snus is illegal to sell and distribute in the EU but there is a special exception for Sweden and Norway. The World Health Organisation (WHO) acknowledged that the evidence of health consequences of snus is inconclusive. We questioned the company on the latest health information regarding the impacts of snus versus cigarettes.

Swedish Match is setting industry product safety standards and endeavours to reduce the negative effects through the implementation of its GOTHIA TEK standards. The standards set the maximum permissible levels of undesired constituents in the product. The GOTHIA TEK standards are comprehensive and cover the value chain from seed selection, pesticide use, air curing method, pasteurisation and chemical limits.

We questioned the company on changes to the regulatory context relating to the packaging and marketing of snus.

Swedish Match has submitted a Modified Risk Tobacco Product application to the US Food and Drug Administration (FDA) for eight brands of snus. The application is currently being reviewed by the FDA Advisory Board and relates to the health warnings on labelling of the snus product.

Package standardisation has been proposed in Norway. The implementation of plain packaging of snus could have implications for the future brand value of Swedish Match in the country. We discussed the likelihood of the change in regulation and implications for market growth.

Swedish Match has implemented an 'Under 18 no Snus' principle. We questioned the company on its use of online and social media for advertising and we discussed the reputational risks associated with the use of online bloggers.

Swedish Match has a Supplier Code of Conduct and reviews first-tier suppliers against these standards. An independent audit was conducted by AB Sustain in 2014. The audit was part of AB Sustain's Social Responsibility in Tobacco Production programme. This provided the company with useful information about the agronomy of plantations. We will review the results of the audit conducted in 2015.

Finally, we discussed how Swedish Match addressed human rights and environmental risk in the tobacco supply chain. Swedish Match has signed the ECLT (Eliminating Child Labour in Tobacco Growing) pledge of commitment to eliminate child labour in tobacco growing. We welcome the update that the CEO visited a plantation in South Africa this year with the Head of Tobacco. This demonstrates a proactive approach to understanding the risks faced by the supply chain. We note that the company does not have complete transparency of its supply chain and is exposed to human rights issues, such as child labour and biodiversity issues. We recommend that the company continues to work with industry partners, international organisations and governments to promote the elimination of child labour in high risk countries.

Umicore

Engagement driver:

- Internal mandate

Engagement topic:

- ▶ Human Rights
- ▶ Labour
- ▶ Environment
- ▶ Ethics

Umicore is a materials technology company, operating in advanced materials, precious metal products and catalysts.

We questioned the company on its performance against Vision 2015, including a number of environmental and social objectives. The Vision 2020 objectives are being set internally and Standard Life Investments will review the targets when they are published.

We discussed the outlook for automotive catalyst business in light of increasing emission regulation in Europe, the US, China and Japan. An important development for the market is the introduction of real-world testing procedures for the automotive sector. Umicore provided insight into the market and the challenge for car manufacturers to respond to the change.

Umicore has ramped up heavy-duty diesel catalyst production in China. In our view, this presents a particular growth opportunity since China is in the process of moving to China 5 standards (similar to Euro 5) with nationwide implementation in 2018. We expect growing focus on air pollution emissions from vehicles and automotive electrification in the region, both of which Umicore is strategically placed to respond to.

We questioned the company on the implementation of its Conflict Mineral Policy. Umicore has been sourcing cobalt from DRC since 2004. The group has implemented a Code of Conduct that covers 100% suppliers and extends to 'extractive, sourcing, transporting, trading, handling and exporting mineral from conflict-affected and high risk areas'.

The Conflict Mineral Policy covers torture, forced labour, child labour, human rights violations and war crimes. Umicore audits suppliers and uses a third-party, Ecovadis, to assess high risk suppliers.

Supply chain operations in DRC present human rights risks; however, the company has demonstrated a proactive approach to identifying and managing these risks. Umicore confirmed that it has ended contracts with suppliers found to be in breach of the Code and unwilling to make necessary changes following a period of engagement.

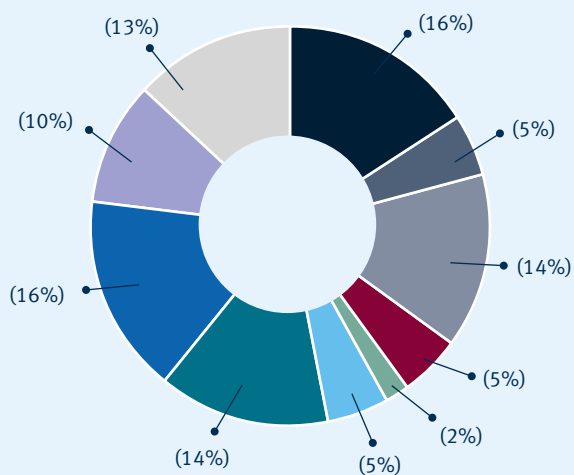
We will continue to monitor developments in Conflict Mineral regulation in Europe and assess the implications for investee companies.

We commended Umicore on the level and depth of reporting on environmental and social issues in the 2014 Annual Report. This represents 'best in class' and demonstrates how seriously the company considers the risks.

Sustainability engagement summary

Company	Human Rights		Labour				Environment			Corruption
	Principle 1: Support and protection	Principle 2: Non-complicity in violations	Principle 3: Right to collective bargaining	Principle 4: Forced & compulsory labour	Principle 5: Abolishing child labour	Principle 6: Discriminatory practices	Principle 7: Precautionary principle	Principle 8: Environmental responsibility	Principle 9: Diffusion of green technology	Principle 10: Addressing corruption issues
Anglo American							•	•	•	
Associated British Foods			•	•		•				
AXA	•		•					•		
Barclays			•							•
BHP Billiton	•						•	•	•	
BP	•	•	•				•	•		•
Britvic	•									
Chevron	•	•	•	•			•	•	•	•
EDF			•					•	•	
Engie (GDF Suez)		•	•				•	•	•	•
General Dynamics	•									•
Glencore	•	•		•	•	•	•	•		•
Heathrow Airport	•						•	•		
Ingenico	•		•	•				•		•
International Personal Finance	•					•				•
National Express			•	•		•				•
National Grid							•	•	•	
Orpea	•		•			•				
Repsol	•		•				•	•		
Rio Tinto	•						•	•	•	
Roche	•		•							•
Royal Bank of Scotland			•							•
Royal Dutch Shell	•	•	•				•	•	•	•
Shire	•		•							•
Soco International	•	•				•	•	•	•	•
SSE							•	•	•	
Swedish Match	•			•	•		•	•		
Umicore							•	•	•	
Total	18	6	15	6	2	6	15	18	11	14

Engagement summary Q2 2015



- Principle 1: Support and protection
- Principle 2: Non-complicity in violations
- Principle 3: Right to collective bargaining
- Principle 4: Forced & compulsory labour
- Principle 5: Abolishing child labour
- Principle 6: Discriminatory practices
- Principle 7: Precautionary principle
- Principle 8: Environmental responsibility
- Principle 9: Diffusion of green technology
- Principle 10: Addressing corruption issues

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