

PBU - Selskabsdialoger 2021-2022

Tema for dialog

Selskab	Sektor	ESG Rating	Respons	Klimaforandringer	Miljøledelse	Forretningsetik	Menneskerettigheder	Arbejdstagerrettigheder	Sundhed	Selskabsledelse
Adobe Inc	Informationsteknologi		God							
AIA Group Ltd	Finance		God							
Alibaba Group Holding Ltd	Informationsteknologi		Dårlig							
Allianz	Finance		Dårlig							
Amazon.com INC	Forbrugerhandel		Dårlig							
ams-OSRAM AG	Informationsteknologi		Dårlig							
Apple Inc	Informationsteknologi		Dårlig							
Aramark	Forbrugerhandel		Dårlig							
ASML Holding NV	Informationsteknologi		God							
ASOS PLC	Forbrugerhandel		God							
AstraZeneca PLC	Sundhed		God							
AXA SA	Finance		God							
Banco Santander SA	Finance		God							
Bank Central Asia Tbk PT	Finance		God							
Bank of America Corp	Finance		God							
Bausch Health Cos Inc	Sundhed		Tilstrækkelig							
Beiersdorf AG	Forbrugervarer		Dårlig							
BioMerieux	Sundhed		God							
BNP Paribas SA	Finance		God							
Booking Holdings Inc	Forbrugerhandel		Dårlig							
Brenntag SE	Industri		God							
Brookfield Asset Management Inc	Finance		Tilstrækkelig							
Cheniere Energy Inc	Energi		Tilstrækkelig							
China Mengniu Dairy Co Ltd	Forbrugervarer		God							
Cisco Systems Inc/California	Informationsteknologi		God							
Commerzbank AG	Finance		God							
ConocoPhillips	Energi		Tilstrækkelig							
Costco Wholesale Corp	Forbrugervarer		Dårlig							
Croda International PLC	Materialer		God							
CTS Eventim AG & Co KGaA	Forbrugerhandel		God							

ESG Rating: Vurdering af en virksomheds ESG-risikoeksponering og risikostyring sammenlignet med branchen.

Øvre kvartil: Andet kvartil: Tredje kvartil: Nedre kvartil:

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CVS Health Corp	Sundhed	●	God					●	●	●
Daikin Industries Ltd	Industri	●	Tilstrækkelig							●
Danaher Corp	Sundhed	●	Dårlig						●	
Dechra Pharmaceuticals PLC	Sundhed	●	Dårlig						●	
Deutsche Bank AG	Finance	●	Tilstrækkelig	●	●			●		●
Deutsche Boerse AG	Finance	●	Dårlig					●		
Dometic Group AB	Forbrugerhandel	●	Tilstrækkelig	●	●			●		●
Ecolab Inc	Materialer	●	Tilstrækkelig		●				●	
Electrocomponents PLC	Informationsteknologi	●	Dårlig				●	●		●
Encompass Health Corp	Sundhed	●	God	●	●			●	●	●
Endo International PLC	Sundhed	●	Dårlig	●						
Gilead Sciences Inc	Sundhed	●	Dårlig					●		
Givaudan SA	Materialer	●	Tilstrækkelig	●						
GlaxoSmithKline PLC	Sundhed	●	God				●	●		
Grifols SA	Sundhed	●	Dårlig	●						
HDFC Bank Ltd	Finance	●	God	●	●	●		●		●
HelloFresh SE	Forbrugerhandel	●	Tilstrækkelig					●		
Hyundai Motor Co	Forbrugerhandel	●	God	●	●			●		●
Infineon Technologies AG	Informationsteknologi	●	Dårlig	●	●			●		●
Informa PLC	Forbrugerhandel	●	God	●						●
Intel Corp	Informationsteknologi	●	God				●			●
International Flavors & Fragrances	Materialer	●	God	●	●			●		
Intesa Sanpaolo SpA	Finance	●	God	●	●			●		●
JD Sports Fashion PLC	Forbrugerhandel	●	Tilstrækkelig		●		●	●		●
JD.com Inc	Forbrugerhandel	●	Dårlig							●
Jeronimo Martins SGPS SA	Forbrugervarer	●	God	●		●			●	
Johnson & Johnson	Sundhed	●	God		●			●	●	●
KION Group AG	Industrials	●	Dårlig					●		
Koninklijke DSM NV	Materialer	●	God	●	●			●	●	●

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Kontoor Brands Inc	Forbrugerhandel	●	God					●		
Kweichow Moutai Co Ltd	Forbrugervarer	●	Dårlig					●		
LG Chem Ltd	Materialer	●	Tilstrækkelig		●				●	
Linde PLC	Materialer	●	Tilstrækkelig	●	●				●	
Lloyds Banking Group PLC	Finance	●	God	●	●		●	●		●
L'Oreal SA	Forbrugervarer	●	Tilstrækkelig	●	●			●		●
Lundin Mining Corp	Materialer	●	God				●	●		
Mastercard Inc	Informationsteknologi	●	Dårlig					●		
McDonald's Corp	Forbrugerhandel	●	God			●		●	●	●
Medtronic PLC	Sundhed	●	Dårlig	●						
Meituan	Forbrugerhandel	●	God		●			●		●
Merck & Co Inc	Sundhed	●	God						●	
Microsoft Corp	Informationsteknologi	●	God			●	●	●		
Mohawk Industries Inc	Forbrugerhandel	●	God		●			●		
Moncler SpA	Forbrugerhandel	●	God					●		
Mondelez International Inc	Forbrugervarer	●	God		●		●	●	●	
NAVER Corp	Informationsteknologi	●	God	●		●	●	●		●
Nestle SA	Forbrugervarer	●	God	●					●	
NetApp Inc	Informationsteknologi	●	God	●				●		
NextEra Energy Inc	Forsyning	●	Dårlig	●						
NIKE Inc	Forbrugerhandel	●	Dårlig					●	●	
Nokia Oyj	Informationsteknologi	●	Dårlig	●						
Norfolk Southern Corp	Industrials	●	Dårlig	●						
Novo Nordisk A/S	Sundhed	●	God						●	
NVIDIA Corp	Informationsteknologi	●	God				●	●		●
NXP Semiconductors NV	Informationsteknologi	●	Tilstrækkelig				●			
PayPal Holdings Inc	Informationsteknologi	●	Tilstrækkelig					●		
Ping An Insurance Group Co of China	Finance	●	God	●				●		●
Principal Financial Group Inc	Finance	●	God					●		●

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PTT PCL	Energi	●	God				●			●
RELX PLC	Industrials	●	God							●
Restaurant Brands International Inc	Forbrugerhandel	●	Tilstrækkelig	●					●	●
Rio Tinto	Materialer	●	God	●		●	●	●		●
Roche Holding AG	Sundhed	●	God	●	●				●	
Samsung Electronics Co Ltd	Informationsteknologi	●	Tilstrækkelig		●					●
SAP SE	Informationsteknologi	●	God	●				●		
Schneider Electric SE	Industrials	●	Tilstrækkelig	●	●			●		●
Scout24 SE	Informationsteknologi	●	God					●		
Shell PLC	Energi	●	God	●	●	●	●			●
Shenzhou International Group	Forbrugerhandel	●	Dårlig					●		
Sherwin-Williams Co/The	Materialer	●	Tilstrækkelig		●				●	
Siemens Healthineers AG	Sundhed	●	God					●	●	
Smurfit Kappa Group PLC	Materialer	●	God	●	●			●		●
Taiwan Semiconductor Manufacturing	Informationsteknologi	●	God	●	●	●		●		●
Target Corp	Forbrugerhandel	●	Dårlig						●	
TeamViewer AG	Informationsteknologi	●	God					●		
Tecan Group AG	Sundhed	●	God	●	●	●		●		●
Tencent Holdings Ltd	Informationsteknologi	●	God	●		●				●
Thermo Fisher Scientific Inc	Sundhed	●	God	●		●	●	●	●	●
thyssenkrupp AG	Materialer	●	Dårlig					●		
Uber Technologies Inc	Industrials	●	Tilstrækkelig	●				●		●
Umicore SA	Materialer	●	Tilstrækkelig	●	●			●	●	●
Unilever PLC	Forbrugervarer	●	God				●	●	●	●
UnitedHealth Group Inc	Sundhed	●	God			●		●	●	
Veolia Environnement SA	Forsyning	●	Tilstrækkelig	●						
Verallia SA	Materialer	●	Tilstrækkelig	●	●			●		●
Waste Connections Inc	Industrials	●	God	●	●			●		●
Weir Group PLC/The	Industrials	●	Dårlig						●	
Wolters Kluwer NV	Industrials	●	God			●		●		●
Yum! Brands Inc	Forbrugerhandel	●	Dårlig						●	

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Zalando SE	Forbrugerhandel	●	God	●	●		●	●		●
RWE AG	Forsyning	●	God	●	●			●		●

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Engagement case studies

Company: ASML Holding NV

Country: Netherlands

Sector: Information Technology

Priority Company: -

ESG Risk Rating: 

Response to engagement: Good

Theme: Labour standards

Issue: Diversity and discrimination

SDG:



5.5



8.5

Background

ASML, headquartered in the Netherlands, is a vital player in the semiconductor supply chain, it makes the machines to manufacture semiconductors. Each machine contains over 100,000 parts and costs \$150 million USD. Its main customers include TSMC, Samsung and Intel. It has a near monopoly on extreme ultraviolet lithography technology, which uses advance light to print circuits onto silicon wafers. These EUV machines are required to make the most complex semiconductor chips to power processors. Therefore, downstream semiconductor companies are extremely dependent on ASML.

Action

In our Q1 engagement with the company, we first had a discussion with its CFO, where we discussed the company's ESG strategy, remuneration, diversity, chip shortage and innovation. ASML improved its alignment of executive compensation with specific material ESG metrics to ensure senior-level accountability. To address the ongoing challenge with the chip shortage, it identified four key drivers and set specific goals to increase capacity while remaining conscious workers' labour conditions. The company agrees that diversity is an area where progress is required. Given the inflow of female new hires regressed in 2021, ASML is investigating and conducting root cause analysis to understand how the dynamic will support future hiring & retention plans. On water management, ASML conducted a TCFD analysis in 2020 and added a scenario analysis in 2021. To tackle physical risks associated with the Netherlands and San Diego, ASML plans to disclose further detail in 2023.

Verdict

The company is a clear leader in ESG practices and continues to evolve. However, the company must strengthen its efforts on diversity; its current target of women in leadership positions is weak compared to peers. We urged the company to set ambitious targets at the Board of Management, where it has currently no females and in its broader workforce to build up the talent pipeline. We followed up with best practices examples and recommendations on workforce diversity, supply chain transparency, water management and conflict minerals to help ASML bolster its ESG leadership position.

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

Top quartile:  GREEN Second quartile:  YELLOW Third quartile:  ORANGE Bottom quartile:  RED

Engagement case studies

Company: Rio Tinto Ltd

Country: Australia

Sector: Materials

Priority Company: ✓

ESG Risk Rating: 

Response to engagement: Good

Theme: Human Rights

Issue: Indigenous Rights

SDG:  10.2

Background

Rio Tinto are one of the largest mining companies in the world, extracting a range of commodities in six continents. Multiple mining assets are situated on land traditionally owned or used by indigenous Peoples, leading to many mining sites being near culturally significant sites. This is a particular challenge in Australia, where weak state protection of cultural heritage sites and poor application of Rio Tinto's human and indigenous rights due diligence processes led to the company's destruction of several significant aboriginal rock shelters in Juukan Gorge in 2020.

Action

We have had frequent and ongoing engagements with the company in relation to this specific catastrophe and their reaction, which included the CEO and several senior executives resigning and the chair stepping down. Throughout 2020 we discussed the company's remediation and succession plans. We also voted against their Remuneration Report at the 2021 AGM due to malus and clawback provisions not being sufficiently applied to the former CEO's compensation, and against the Chair of the Sustainability Committee due to their accountability for the failure in governance and risk management that led to the incident. Our recent engagements have focused on how the company is implementing widespread reforms on how they manage projects, engage communities, and ensure indigenous representation in decision making. We also sent the company our expectations on indigenous Rights in the extractives sector and discussed them in light of the company's plans to launch country-specific indigenous advisory groups that advise management teams on all indigenous affairs.

Verdict

The leadership change appears to have precipitated a wholesale reformation of the company's culture, as demonstrated by the bold step of publishing an independent report on their workplace culture in full. This report revealed widespread issues with sexism and bullying as well as racism. However, engagement with the Chief People Officer showed that the leadership and broader employee base is fully committed to implementing all recommendations in the report and publicly disclosing the results. The company has already started to strengthen their engagement with and awareness of indigenous rights; we believe the wider cultural changes will only assist in this regard and will continue to engage on the transformation.

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

Top quartile:  GREEN Second quartile:  YELLOW Third quartile:  ORANGE Bottom quartile:  RED

Engagement case studies

Company: Shell PLC

Country: United Kingdom

Sector: Energy

Priority Company: ✓

ESG Risk Rating:

Response to engagement: Good

Theme: Climate Change

Issue: Net Zero Strategy at Shell

SDG: 13.2



Background

Royal Dutch Shell (“Shell”) were one of the first companies in the oil and gas sector to set a net zero target and remain a global leader in the field. However, their approach still has room for improvement, especially on the subjects of capex alignment, absolute emissions reductions and reliance on nature-based solutions (NBS) to offset emissions.

Action

We have had frequent and ongoing engagements with the company on the key aspects of their net zero plan, which have seen them gradually increase their level of ambition, aided by the Dutch court’s ruling that they must increase their emissions reduction targets. In several engagements the CEO and specialists have reiterated their belief that their capex spending is aligned with a 1.5C scenario and is leading to their fossil fuel segment shrinking annually overall. However, they continue to resist disclosing a clear methodology for how this assessment is made and their financial reporting still does not fully reflect this assertion.

In addition, despite having intensity targets covering scope 3 emissions they will not lead to absolute emissions reductions in line with a 1.5C scenario. However, Shell has improved its commitments on biodiversity, which include having a net positive impact on biodiversity at new sites and from NBS projects. We welcomed these commitments and encouraged more disclosure of how they measure impacts and progress.

Verdict

Despite being a sector leader and open to engagement, Shell’s climate plans still fall short of alignment with a 1.5C scenario and their resistance on key issues hinders progress. This led us to vote against their climate progress report and for the Follow This resolution on improved climate targets. They have proved willing to update their plans as the policy, regulatory and economic environments change, and stated that they see the current energy crisis as a tailwind for the transition, so we remain hopeful of continued improvements. We will also continue to engage on environmental stewardship issues, especially as nature loss comes to the fore of ESG conversations through the launch of Nature Action 100 and COP15 this year.

ESG Risk Rating:

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

Top quartile: GREEN Second quartile: YELLOW Third quartile: ORANGE Bottom quartile: RED

Engagement case studies

Company: RWE AG	Country: Germany	Sector: Utilities
Priority Company: -	ESG Risk Rating: 	Response to engagement: Good
Theme: Climate Change	Issue: Coal phase out and climate strategy in light of Russia-Ukraine	
SDG:	 7.2  13.2	

Background

RWE is a German utility company engaged in the generation, transmission and distribution of electricity and gas. It is one of the last European utility players with coal mine and power assets. RWE has been impacted by the Russian invasion of Ukraine and the effects on EU energy prices and gas supplies, which is influencing its decarbonisation strategy. RWE has been mandated by the German government to reopen 1.3 GW of closed coal power plants until March 2024.

Action

We had two calls with RWE’s IR team and ESG lead in the last quarter, one focused on the net zero implications of the European energy situation and another on its biodiversity and climate risk approach. On coal phase out, we outlined to RWE our expectations that they set clear plans to phase out reopened coal power plants after 2024 and resubmit their science-based target to be 1.5 degrees aligned once the German government brings forward the coal phase out date. We discussed RWE’s plans to convert some of its coal power stations to biomass and flagged our concerns with sourcing biomass from certain eastern European countries with poor forest management approaches. RWE reassured us that their short-term CapEx targets for renewables are likely to increase, although the geographic focus might move slightly away from the US and UK and towards Germany given the changing policy landscape.

Verdict

RWE has been open to engagement and we have had good access to their experts. In general, we are optimistic that RWE is starting to progress in the right direction on the energy transition. CapEx plans are pivoting the business to renewables, where RWE is becoming a serious player. However, we still believe that areas of the financial planning and accounting require work to be fully 1.5 degree aligned. We aim at engaging with RWE specifically around climate risk reporting, biodiversity management and biomass sourcing going forward.

ESG Risk Rating:

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