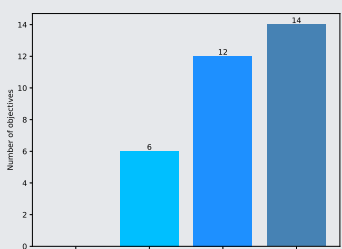
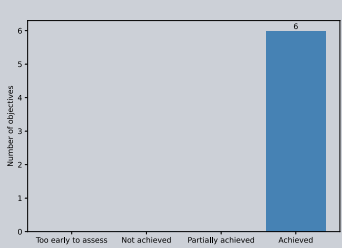
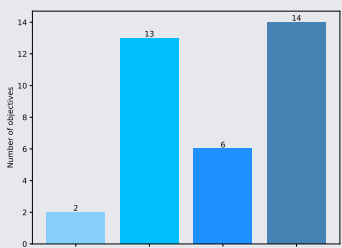


# Thematic dialogues in 2024

Our goal is to promote value creation and reduce risk at the companies we invest in through active ownership. For our thematic dialogues, we engage with companies on material sustainability risks based on our expectation documents. Our engagement approach is informed by the materiality of the issue as well as an assessment of our ability to influence the company, including the size of our investment and previous dialogue with the company. We prioritise issues that can affect the companies' ability to operate and create value. Typically, we select groups of companies in industries exposed to specific sustainability risks or opportunities.

Status	Topic	# of companies	Objective	Progress										
Started in 2024	Basic materials dialogue	18	Engage with mining companies operating in areas of heightened water-stress. The dialogue will focus on effective water resources management within the context of physical climate change risk and social implications around use.	<table border="1"> <caption>Progress for Basic materials dialogue</caption> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>78</td> </tr> <tr> <td>Not achieved</td> <td>0</td> </tr> <tr> <td>Partially achieved</td> <td>0</td> </tr> <tr> <td>Achieved</td> <td>0</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	78	Not achieved	0	Partially achieved	0	Achieved	0
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Too early to assess	78													
Not achieved	0													
Partially achieved	0													
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Ongoing	Human rights due diligence in conflict-affected and high-risk areas	38	Engage companies with operations and other business relationships in conflict-affected and high-risk areas on the topic of enhanced due diligence. Understand whether companies undertake enhanced human rights due diligence and risk assessments proportionate to the level of risk. Encourage companies to enhance and report on their human rights policies, processes, risks, and impacts.	<table border="1"> <caption>Progress for Human rights due diligence</caption> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>39</td> </tr> <tr> <td>Not achieved</td> <td>24</td> </tr> <tr> <td>Partially achieved</td> <td>44</td> </tr> <tr> <td>Achieved</td> <td>80</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	39	Not achieved	24	Partially achieved	44	Achieved	80
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Anti-corruption in infrastructure	18	Engage with a selection of companies in infrastructure-related sectors across multiple and/or high-risk markets to understand their corruption risk assessment and mitigation processes and oversight. Encourage strengthened anti-corruption frameworks and greater transparency with regard to these processes.	<table border="1"> <caption>Progress for Anti-corruption in infrastructure</caption> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>20</td> </tr> <tr> <td>Not achieved</td> <td>2</td> </tr> <tr> <td>Partially achieved</td> <td>0</td> </tr> <tr> <td>Achieved</td> <td>14</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	20	Not achieved	2	Partially achieved	0	Achieved	14	
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Tax governance and control	18	Engage a cross-sector group of companies to encourage improved tax disclosures, focusing on disclosure of tax governance and control frameworks.	<table border="1"> <caption>Progress for Tax governance and control</caption> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>5</td> </tr> <tr> <td>Not achieved</td> <td>6</td> </tr> <tr> <td>Partially achieved</td> <td>3</td> </tr> <tr> <td>Achieved</td> <td>4</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	5	Not achieved	6	Partially achieved	3	Achieved	4	
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Ongoing														
	Responsible AI in the technology and consumer sectors	15	Engage technology companies that play a key role in developing AI systems and models, and consumer companies that are using them. Convey our view on responsible AI, understand their governance structures and risk management systems and encourage them to conduct due diligence and manage risks to business, people and society, as appropriate.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>15</td></tr> <tr><td>Not achieved</td><td>13</td></tr> <tr><td>Partially achieved</td><td>9</td></tr> <tr><td>Achieved</td><td>8</td></tr> </table>	Category	Count	Too early to assess	15	Not achieved	13	Partially achieved	9	Achieved	8
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	Responsible AI in healthcare	11	Engage with the pharmaceuticals and health care services sectors on the topic of responsible AI. Convey our view on responsible AI, understand their governance structures and risk management systems and encourage them to conduct due diligence and manage risks to business, people and society, as appropriate.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>20</td></tr> <tr><td>Not achieved</td><td>0</td></tr> <tr><td>Partially achieved</td><td>2</td></tr> <tr><td>Achieved</td><td>10</td></tr> </table>	Category	Count	Too early to assess	20	Not achieved	0	Partially achieved	2	Achieved	10
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	Tax advisers	7	Engage a cross-sector group of companies, as well as professional tax advisory firms, to learn about best practices and red flags with regard to the use of external tax advisers. Where weaknesses in company practices are identified, encourage strengthened tax governance and oversight.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>0</td></tr> <tr><td>Not achieved</td><td>5</td></tr> <tr><td>Partially achieved</td><td>2</td></tr> <tr><td>Achieved</td><td>5</td></tr> </table>	Category	Count	Too early to assess	0	Not achieved	5	Partially achieved	2	Achieved	5
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	Mining in sensitive areas	11	Engage mining companies exposed to areas with high biodiversity value or Indigenous Peoples' territories. Convey our expectations on biodiversity and ecosystems, including on stakeholder engagement and free prior and informed consent. Understand better the sustainability-related risks and opportunities faced by mining companies. Encourage the companies to manage and disclose how they approach these risks and opportunities.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>25</td></tr> <tr><td>Not achieved</td><td>5</td></tr> <tr><td>Partially achieved</td><td>3</td></tr> <tr><td>Achieved</td><td>27</td></tr> </table>	Category	Count	Too early to assess	25	Not achieved	5	Partially achieved	3	Achieved	27
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	Environmental risks and opportunities in global food systems	13	Engage food-producing companies to understand the physical and transition risks they face as a result of their dependencies and impacts on the natural environment. Encourage companies to manage and disclose how they approach these risks and opportunities, with a focus on implementation of more sustainable agricultural practices in their operations and supply chains.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>0</td></tr> <tr><td>Not achieved</td><td>3</td></tr> <tr><td>Partially achieved</td><td>4</td></tr> <tr><td>Achieved</td><td>32</td></tr> </table>	Category	Count	Too early to assess	0	Not achieved	3	Partially achieved	4	Achieved	32
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	Corruption risk industrials	8	Engage with a group of industrial companies on the topic of anti-corruption to understand whether the companies have in place robust processes for board oversight of anti-corruption, corruption risk assessments and mitigation, including related to public procurement processes. Encourage greater transparency with regard to these processes.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>0</td></tr> <tr><td>Not achieved</td><td>4</td></tr> <tr><td>Partially achieved</td><td>5</td></tr> <tr><td>Achieved</td><td>7</td></tr> </table>	Category	Count	Too early to assess	0	Not achieved	4	Partially achieved	5	Achieved	7
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Concluded	Child safety online	13	Engage companies in the telecommunications sector on their child rights policies and due diligence to understand how they manage risks and adverse impacts, convey our expectations on children's rights, and encourage the companies to conduct child rights impact assessments aligned with leading practice.	<table border="1"> <tr><th>Category</th><th>Count</th></tr> <tr><td>Too early to assess</td><td>5</td></tr> <tr><td>Not achieved</td><td>3</td></tr> <tr><td>Partially achieved</td><td>5</td></tr> <tr><td>Achieved</td><td>26</td></tr> </table>	Category	Count	Too early to assess	5	Not achieved	3	Partially achieved	5	Achieved	26
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<p>Forest risk commodities in consumer goods</p>	<p>12</p>	<p>Engage companies purchasing commodities linked to deforestation. Encourage them to implement best practices in their management of deforestation and ecosystem conversion risk in these value chains. Areas of focus include no-deforestation and no-conversion policies, use of internationally recognised certification schemes, implementation of traceability measures, and programmes to engage with suppliers and stakeholders.</p>	 <table border="1"> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>0</td> </tr> <tr> <td>Not achieved</td> <td>0</td> </tr> <tr> <td>Partially achieved</td> <td>6</td> </tr> <tr> <td>Achieved</td> <td>42</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	0	Not achieved	0	Partially achieved	6	Achieved	42
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<p>Working arrangements in food delivery and transport companies</p>	<p>8</p>	<p>Engage with food delivery and transport companies on their human capital management. Understand the companies' strategy and management of risks and opportunities related to how they structure their workforce. Understand their approach to regulatory developments and lobbying on this topic. Encourage them to adopt policies and approaches that are in line with international labour conventions and the UNGPs.</p>	 <table border="1"> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>0</td> </tr> <tr> <td>Not achieved</td> <td>6</td> </tr> <tr> <td>Partially achieved</td> <td>12</td> </tr> <tr> <td>Achieved</td> <td>14</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	0	Not achieved	6	Partially achieved	12	Achieved	14
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<p>Water utilities dialogue</p>	<p>3</p>	<p>Engage with UK water utilities to understand their exposures and management of key environmental risks. Areas of focus included water pollution, leakage, environmental impacts, long-term resilience of the networks and water supply, and expected effects changes to the regulatory regime.</p>	 <table border="1"> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>0</td> </tr> <tr> <td>Not achieved</td> <td>0</td> </tr> <tr> <td>Partially achieved</td> <td>0</td> </tr> <tr> <td>Achieved</td> <td>6</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	0	Not achieved	0	Partially achieved	0	Achieved	6
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<p>Sustainable fisheries</p>	<p>14</p>	<p>Engage with companies in the fisheries value chain, including both upstream and downstream actors, to understand their approach to sustainability. The dialogue has a specific focus on transparency and traceability to increase understanding of how companies manage the risk of overfishing.</p>	 <table border="1"> <thead> <tr> <th>Category</th> <th>Number of objectives</th> </tr> </thead> <tbody> <tr> <td>Too early to assess</td> <td>2</td> </tr> <tr> <td>Not achieved</td> <td>13</td> </tr> <tr> <td>Partially achieved</td> <td>6</td> </tr> <tr> <td>Achieved</td> <td>14</td> </tr> </tbody> </table>	Category	Number of objectives	Too early to assess	2	Not achieved	13	Partially achieved	6	Achieved	14
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