

Engagement Report 2024

BarmeniaGothaer Asset Management AG

Engagement Report BarmeniaGothaer Asset Management AG 2024

BarmeniaGothaer Asset Management AG is committed to driving positive change. We believe that engaging investee companies in constructive dialogue is essential. Engagement focuses on how sustainability risks may affect our company operations as well as the society. Our engagement approach includes engaging with our external managers as well as with investee companies through an external service provider ISS. Since 2022, we have worked with ISS which facilitates engagement with investee companies to encourage corporate disclosure of efforts taken to manage or mitigate environmental and social risks connected to their business activities. These engagements rest on two approaches:

Norm-based Engagements: Engagements are mainly triggered by ESG controversies. From the ISS 2024 Engagement Report, the key themes that the Norm-Base Engagement focused on were: human rights, whereby the key engagement topics were indigenous rights and the right to an adequate standard of living. Union rights was the dominant labour rights theme, followed by workplace discrimination (gender and/or racial). The majority of environment-focused engagement topics were related to corporate management of incidents of pollution (air, water, and/or soil) and environmental impact. Within the area of anti-corruption, key engagement themes included bribery and anti-competitive behaviour.

The following table provides an overview of major engagement themes in 2024.

Table 1: Major engagement themes in 2024 (individual engagements may cover multiple themes)

UN Global Compact Principles	Norm Area	Topic Area
1-2	 Human Rights	Indigenous rights Adequate standard of living
3-6	 Labour Rights	Union Rights Workplace discrimination (gender and/or racial)
7-9	 Environment	Pollution (air, water, and/or soil) Environmental Impact
10	 Anti-Corruption	Bribery Anti-competitive behaviour

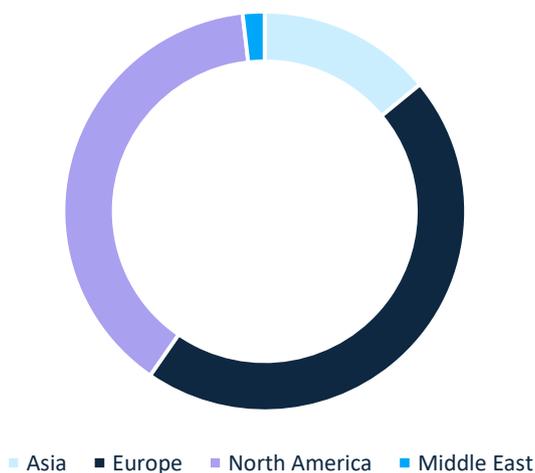
Thematic Engagements: ISS also facilitates themed engagements. These are linked to four sustainability themes – climate change, Biodiversity, Water and Gender Equality. These engagements are conducted within a two year period.

Engagement dialogues are initiated through letters to companies, sent by ISS ESG on behalf of participating investors. Dialogue may be conducted in writing or through calls and meetings, facilitated by ISS ESG. Some companies require repeated follow-ups to respond. Should the company remain unresponsive, enquiries are escalated to the CEO and the Board. Once every effort has been made to engage both Investor Relations and a company’s Executive Management, the feasibility of engagement is re-evaluated.

Engagement Statistics

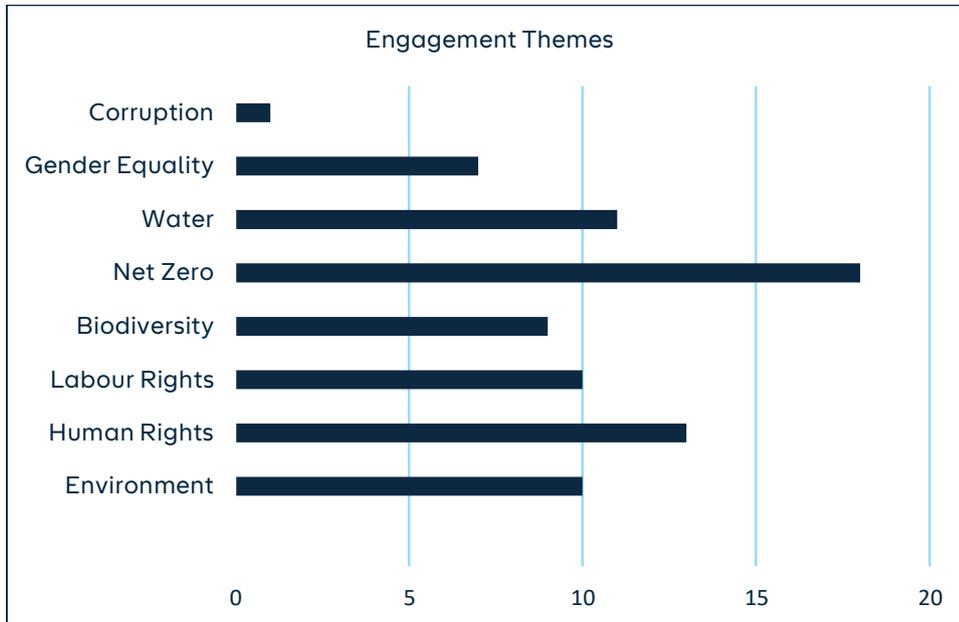
Issuers engaged through ISS – 57

Geographical Location (Domicile)



Engagement by geography

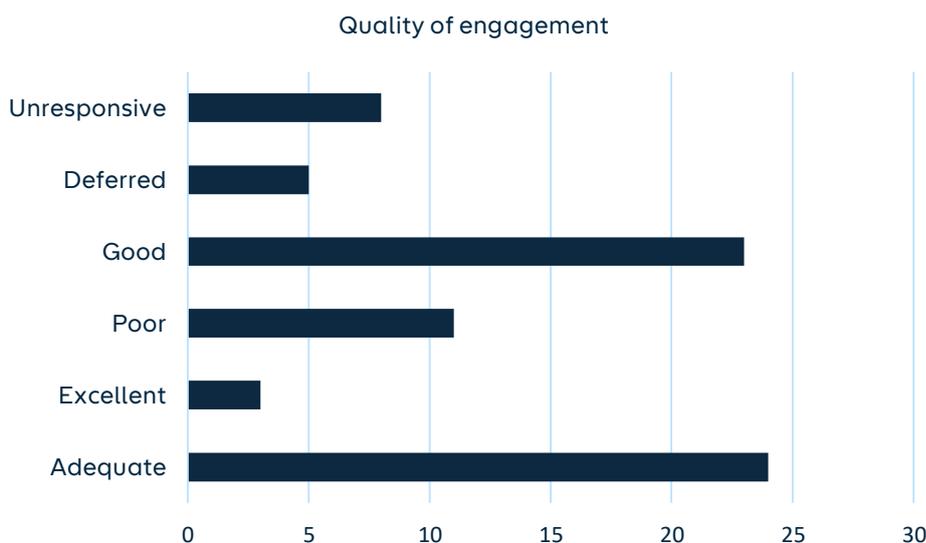
The geographical distribution of engagement activities reflects where issuers represented from our Portfolio are domiciled which is mainly Europe, North America, Asia and Middle East.



Engagement Outcomes (ISS)

Information provided by the company through the course of the engagement dialogue is assessed against the goals. ISS ESG also assesses the company's quality of participation in the engagement. Where the goals have been fulfilled and the controversy – or the risk thereof – is assessed to have been resolved, the engagement is closed. If there is insufficient information to determine whether the goals have been fulfilled, the engagement may be suspended pending developments in the controversy or the disclosure of further information by the company, and may subsequently be extended. Alternatively, where there is a poor outlook for the achievement of goals for the engagement, the dialogue may be discontinued.

The quality of participation was as follows:

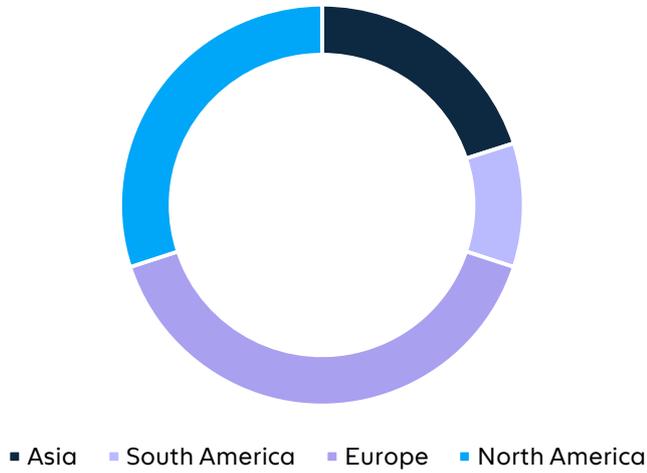


NOTE: Quality of participation definitions: **Excellent:** The company has replied and substantially addressed all elements of the questions. **Good:** The company has replied and addressed most elements of the questions. **Adequate:** The company has replied, but only partially addressed the questions posed. **Poor:** The company has replied but did not address the questions posed. **Deferred:** The company has replied, acknowledging the enquiry, but has requested more time to respond and/or transferred the responsibility to another function in the company. **None:** The company has not replied. **Ongoing dialogues:** Mainly for Thematic Engagements. **Escalation:** For Thematic Engagements where the first contact was made but no response was received from the company, ISS has escalated the issue by contacting a higher level.

Engagement with Issuers performed by External Managers:

BarmeniaGothaer Asset Management AG encourages its external managers to conduct engagement with issuers in the invested portfolios. In 2024 our external managers engaged several issuers on different topics as shown below.

Geographical Location



Topics of Engagement

Engagement Themes

