

Engagement report

Philips
Pensioenfonds



Philips - Engagement Summary Report - Jul 01, 2024 to Sep 30, 2024		
Total companies in portfolio:	4.807	
	Number	%
Total company engagements	325	
Number of individual companies engaged	291	6%
Number of companies with multiple engagements	26	9%
(of individual companies where we held multiple engagements over the course of the reporting period)		
Engagements by region*		
Americas	137	42%
EMEA	95	29%
APAC	93	29%
Engagement themes*		
Governance	294	90%
Social	126	39%
Environmental	130	40%
Engagement topics*		
E-Biodiversity	21	6%
E-Climate Risk Management	123	38%
E-Deforestation/Land Use	3	1%
E-Environmental Impact Management	0	0%
E-Operational Sustainability	0	0%
E-Other company impacts on the environment	21	6%
E-Water and Waste	29	9%
G-Board Composition and Effectiveness	144	44%
G-Board Gender Diversity	40	12%
G-Business Oversight/Risk Management	96	30%
G-Corporate Strategy	175	54%
G-Executive Management	88	27%
G-Governance Structure	71	22%
G-Other	28	9%
G-Remuneration	121	37%
G-Sustainability Reporting	61	19%
S-Business Ethics and Integrity	4	1%
S-Community relations	9	3%
S-Diversity and Inclusion	35	11%
S-Health and Safety	19	6%
S-Human Capital Management	80	25%
S-Indigenous Peoples Rights	3	1%
S-Other company impacts on people/human rights	3	1%
S-Other Human Capital Management issues	5	2%
S-Privacy and Data Security	19	6%
S-Social Risks and Opportunities	23	7%
S-Supply Chain Labour Management	15	5%

*Engagements include multiple company meetings during the year with the same company. Most engagement conversations cover multiple topics and are based on our vote guidelines and our engagement priorities found here: <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-priorities>

On August 5th, 2022, BIS increased the level of detail reported on certain engagement topics captured while discontinuing other sub-topics that were seldom used. This provides more relevant information and further transparency to our clients. The report now reflects the improved transparency in any engagement post August 5, 2022.



company_name	Significant Votes from Jul 2024 to Sep 2024	bis_count	bis_regio	sector	engagem	in_person	video_call	conferenc	email	E	S	G	E-Biodiversi	E-Climate	E-Deforesta	E-Environm	E-Operational	E-Other	E-Water	G-Board	G-Board	G-Business	G-Corporate	G-Executive	G-Governan	G-Other	G-Remuner	G-Sustainab	S-Business	S-Community	S-Diversity	S-Health	S-Human	S-Indigeno	S-Other	S-Other	S-Privacy	S-Social	S-Supply						
		ry	n		nt_count			e_call					ty	Risk	tion/Land	ental	Sustaina	company	and	Compositi	Gender	Oversight	Strategy	Management	ce		ation	ility	Ethics	relations	and	Capital	us	company	Human	and Data	Risks and	Chain							
													ty	Management	Use	Impact	bility	on the	Waste	on and	Diversity	/Risk	Management	Structure			Reporting	and	Community	Inclusion	Safety	Management	Peoples	impacts	Capital	Security	and	Labour							
FALABELLA SA		CL	AMER	Consumer	1	0	1	0	0	1	1	1	0	1	0	0	0	1	0	1	0	1	1	0	1	0	0	1	0	0	0	0	1	0	0	0	1	0	0						
COLBUN SA		CL	AMER	Utilities	1	0	1	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
BECLÉ SAB DE CV		MX	AMER	Consumer	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	1	1	1	0	0	1	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0				
SHIN KONG FINANCIAL HOLDING CO LTD		TW	APAC	Financials	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
CHINA GAS HOLDINGS LTD		HK	APAC	Utilities	1	0	1	0	0	1	0	1	0	1	0	0	0	0	0	0	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0			
MTN GROUP LTD		ZA	EMEA	Communic	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	0	1	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	1			
MOBILE TELECOMMUNICATIONS COMPANY KSCP		KW	EMEA	Communic	1	0	1	0	0	1	1	1	1	1	1	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	1	1	1	0	0	0	1	0	0				
SAMSUNG ELECTRONICS CO LTD		KR	APAC	Information	1	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0				
AKBANK TAS		TR	EMEA	Financials	1	1	0	0	0	1	0	1	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
ULTRAPAR PARTICIPACOES SA		BR	AMER	Energy	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	1	0	0	0	0	0	1	0	0	0	0	0	0	0			
CHINA CONSTRUCTION BANK CORP		HK	APAC	Financials	1	1	0	0	0	1	1	1	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
COSAN SA		BR	AMER	Energy	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	1	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
TOTVS SA		BR	AMER	Information	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	1	0	1	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0			
ETIHAD ETISALAT COMPANY SJSC		SA	EMEA	Communic	1	0	0	1	0	1	1	1	0	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	0			
MAHINDRA AND MAHINDRA LTD		IN	APAC	Consumer	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
SUNNY OPTICAL TECHNOLOGY GROUP CO LTD		HK	APAC	Information	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
SK INNOVATION CO LTD		KR	APAC	Energy	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
ECOPETROL SA		CO	AMER	Energy	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
VODACOM GROUP LTD		ZA	EMEA	Communic	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0		
TELEFONICA BRASIL SA		BR	AMER	Communic	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	1	1	0	0	0	0	0	0	1	0	0	0	1	0	0	0		
DEERE & CO		US	AMER	Industrials	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0		
EAGLE MATERIALS INC		US	AMER	Materials	1	0	1	0	0	1	0	1	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
ASHTREAD GROUP PLC		GB	EMEA	Industrials	1	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
RBC BEARINGS INC		US	AMER	Industrials	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SOTERA HEALTH CO		US	AMER	Health Can	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
A O SMITH CORP		US	AMER	Industrials	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
CHAMPION HOMES INC		US	AMER	Consumer	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SEMPRA		US	AMER	Utilities	1	1	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
ROPER TECHNOLOGIES INC		US	AMER	Information	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	
REPUBLIC SERVICES INC		US	AMER	Industrials	1	0	1	0	0	1	1	1	1	1	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	
RAPID7 INC		US	AMER	Information	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	1	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	
NEXTRACKER LLC		US	AMER	Industrials	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
QORVO INC		US	AMER	Information	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	
PROGRESSIVE CORPORATION (THE)		US	AMER	Financials	1	0	1	0	0	1	0	1	0	1	0	0	0	0	0	1	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
PREMIER INC		US	AMER	Health Can	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	
PALANTIR TECHNOLOGIES INC		US	AMER	Information	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	1	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
PAGERDUTY INC		US	AMER	Information	1	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
OPTION CARE HEALTH INC		US	AMER	Health Can	1	0	1	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
SOUTHWEST AIRLINES CO		US	AMER	Industrials	1	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
STERICYCLE INC		US	AMER	Industrials	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SYNAPTICS INCORPORATED		US	AMER	Information	1	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SYSCO CORPORATION		US	AMER	Consumer	1	0	1	0	0	1	1	1	0	1	0	0	0	0	0	1	1	0	1	0	1	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	1	1		

Blackrock Investment Stewardship Engagement Priorities

Each year we prioritize our work around engagement themes to encourage sound governance practices and deliver sustainable long-term financial performance for clients. Our approach emphasizes direct dialogue with companies.

Board Quality and Effectiveness - Quality leadership is essential to performance. Board composition, effectiveness, diversity and accountability remain top priorities

Strategy Purpose and Financial Resilience - A purpose driven long-term strategy, underpinned by sound capital management, supports financial resilience

Incentives Aligned with Value Creation - Appropriate incentives reward executives for delivering sustainable long-term value creation

Climate and Natural Capital - Climate action plans with targets advance the transition to a low carbon economy. Managing natural capital dependencies and impacts through sustainable business practices

Company Impacts on People - Sustainable business practices create enduring value for all key stakeholders

Read more about our engagement priorities and key performance indicators here: <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-priorities>

Read more about our engagements in our annual stewardship report and our voting spotlight report: <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history>

Blackrock Investment Stewardship Engagement Topic Overview

On August 5th, 2022, BIS increased the level of detail reported on certain engagement topics captured while discontinuing other sub-topics that were seldom used.

This provides more relevant information and further transparency to our clients. The report now reflects the improved transparency in any engagement post August 5, 2022

Governance	Board Composition & Effectiveness Skills, Diversity, Independence, Mix of tenures/ Refreshment strategy, Presence of appropriate committees, Attendance, Over-commitment, External evaluation and Board dynamics	Board Gender Diversity Gender diversity, gender diversity targets, recruitment, board diversity succession planning	Business Oversight/Risk Management Process for identifying, monitoring, disclosing, managing key risks, Responsiveness to shareholders on material risks to the business Handling of past and current controversies (business track record). Process for assessing robustness of risk disclosure	Corporate Strategy Board and Management attention to, and oversight of, strategic direction, Capital Management (how company ensures proper capital issuance and allocation), Articulation of purpose-driven strategy and plan to achieve it, Culture/ employee connection to purpose, Articulation of M&A opportunities	Executive Management CEO and C-Suite succession planning, Management turnover/sudden departures, Management track record & oversight of strategy, Quality of management (right people in terms of skill sets and experience to execute the strategy)
Social	Community Relations Community Relations, Social License to Operate	Diversity and Inclusion Recruit, retain, and develop diverse talent, Inclusive workplace environment for all workers, Pay equity, Executive training for all underrepresented groups	Health and Safety Worker health and Safety, Safety management plans, Workplace wellness programs	Human Capital Management Recruitment (sourcing, efficiency), Training, re-training, and development, Diversity and Inclusion, Employee engagement (e.g., surveys, Participation in employee networks, Process for addressing feedback), Workforce compensation	Indigenous Peoples Rights Human Rights, Protection of cultural heritage sites and local communities, Access to resources and/or compensation in the event of displacement or destruction
Environment	Biodiversity Company impact on native species, their environment, and migratory patterns	Climate Risk Management Robustness and Materiality of Disclosure (alignment with TCFD), Transition risk (e.g. pace of change to low carbon economy), Physical Risk Assessment (vulnerability of the business), Capex Spend/R&D in clean energy, GHG/Methane Reduction Targets	Land Use/Deforestation Palm Oil, Deforestation-free supply chain management, Commodity-driven deforestation, Deforestation exposure, Loss to disputed land use	Environmental Impact Management Packaging, Product life cycle management, Pollution Management (impact on water quality), Air quality (non-GHGs), Hazardous waste spills	Operational Sustainability Company efforts to diminish environmental impact and improve resource efficiency in their ongoing operations

Governance

Governance Structure
Major or majority ownership/shareholder structure, M&A, Capital issuances

Other Governance Related Issues
Bribery and Corruption Prevention, Disclosure Anti-Bribery Policy, Issues relating to global norms controversies

Remuneration
Alignment of Pay and Performance, Stock ownership plans and requirements (how paid out), Sound compensation structure in Industry/ and relative to peers, Director compensation and stock ownership requirements, Alignment of pay across employee levels (working towards same goals)
Median pay/Gender Parity

Sustainability Reporting
Publish Sustainability Report, Disclose TCFD report

Social

Other Company Impacts on People/Human Rights
Issues relating to global norms controversies, Impact on local communities, Stakeholder health and wellbeing; AMR

Other Human Capital Management Issues
Human Capital Management issues relating to global norms controversies

Privacy and Data Security
Risk management and oversight, Data privacy management, Policy development and disclosure, Employee training and incident response planning, Crisis preparedness (i.e. activism defense, cyber war games)

Social Risks and Opportunities
Human Rights (i.e. preventing human trafficking)
Access to Products, Geopolitical Risk/Relations with States/Countries/Regulatory bodies, Product Safety/Supply Chain oversight

Supply Chain Labour Management
Supplier due diligence, policy management, risk oversight, reputational risk assessment

Environment

Other Company Impacts on the Environment
Energy efficiency, Product offerings (opportunities), issues related to global norms controversies, company efforts to diminish environmental impact and improve resource efficiency in their ongoing operations, air quality (non-GHGs)

Water and Waste
Waste management, Water management, Packaging, Product life cycle management, Pollution Management, hazardous waste spills

