



## Future Super

# Collaborative Engagement Log FY23

The below log provides a full picture of the collaborative investor engagements Future Super participated in the last financial year (1 July 2022 - 30 June 2023). We've done our best to provide a complete picture of these engagements. Where public links to the investor statements are available we have included them.

### **06/07/2022 | Investor statement on gender-responsive EU legislation on corporate sustainability due diligence**

This letter urgently called on EU policymakers to ensure the European Commission's legislative proposal for a Directive on Corporate Sustainability Due Diligence is gender-responsive by explicitly and intentionally capturing a gender perspective throughout the Directive. This statement is consistent with the European Commission's Gender Equality Strategy 2020-2025 and Gender Action Plan III as well as gender guidance provided by the UN Working Group on Business and Human Rights and the OECD. The statement asks the European Commission to recognize the gender-specific impacts of business activities, adjust the list of relevant violations, prohibitions, conventions and instruments, and explicitly articulate the gender-responsive due diligence obligations of companies within the directive.

### **07/07/2022 | [Investor letter for UK human rights due diligence](#)**

Future Super signed on to an investor statement in support of the *Business, Human Rights and Environment Act*. The Act is UK-primary legislation which would mandate companies to carry out human rights and environmental due diligence across their own operations and value chains. The letter makes the recommendations for robust UK legislation on mandatory human rights and environmental due diligence regarding due diligence processes aligned with international frameworks, scope, remedy and accountability, enforcement and governance.

### **13/07/2022 | [Investor Letter in support of the US Free-market Accountability through Investor Rights Act of 2022 \("the FAIR Act"\)](#)**

This shareholder letter is in support of legislation to curb the use of dual-class share structures for companies with a history of misconduct. The letter calls on the US Congress to pass the *Free-market Accountability through Investor Rights Act of 2022* ("the FAIR Act"). This bill would prohibit companies with a history of misconduct from maintaining unequal share structures that give founders and insiders disproportionate power over other shareholders. Under this bill, corporations with more than \$10 billion in annual revenue that



have either a) been fined at least \$1 billion by federal agencies in the past five years, or b) been designated “bad actors” under the Dodd-Frank Act would be required to eliminate their dual-class structures. This would prevent management from leveraging unequal voting structures to persistently overrule their investors on issues with strong shareholder backing, including ESG and human rights issues.

**18/07/2022 | [2022 Global investor statement to governments on the climate crisis](#)**

Ahead of COP27, this statement called on governments to:

1. Ensure that the 2030 targets in their Nationally Determined Contributions align with the goal of limiting global temperature rise to 1.5 °C.
2. Implement domestic policies and take early action to ensure that their 2030 greenhouse gas emissions are aligned with the goal of keeping global temperature rise to 1.5 °C.
3. Contribute to the reduction in non-carbon dioxide greenhouse gas emissions, and support the effective implementation of the Global Methane Pledge to reduce emissions by at least 30 percent from 2020 levels by 2030.
4. Building on the agreed outcomes of COP26, scale up the provision of climate finance from the public and the private sector for mitigation, and for adaptation and resilience, with a particular focus on the needs of developing countries.
5. Strengthen climate disclosures across the financial system.

**27/09/2022 | [Investor statement for equal and visible representation of women in the COP27 presidency and leadership team](#)**

Future Super signed an open letter to the COP27 presidency to appeal to the Egyptian Presidency to ensure equal representation of women in the high-level negotiating team. The letter was organised by the international organisation SHE Changes Climate, which has the stated aim to: “Increase female representation at all levels of climate decision making by influencing key players, campaigning for public support, collaborating with counterparts and amplifying the overlooked.”

**10/10/2022 | [Investor letter to the SEC requesting release of climate disclosure rule](#)**

As You Sow and Public Citizen invite PRI signatories to sign a letter to the US Securities and Exchange Commission (SEC) to encourage the SEC to finalise the climate disclosure rule. The Rule will provide clearly relevant disclosures and the comparability necessary for investors to assess material climate risk and make better informed investment decisions. Since the Climate Disclosure Rule was proposed, the need for accurate climate-related emissions data has continued to grow due to the increasing speed of the climate transition, including the potentially far-reaching impacts of the Inflation Reduction Act and California’s climate laws, and the growing physical and economic risks associated with climate change.



**02/11/2022 | [Investor letter on global roadmap to 2050 for food and agriculture](#)**

This investor letter is calling on the Food and Agriculture Organization of the United Nations (FAO) to deliver a clear roadmap for the Agriculture, Forestry and Other Land Use (AFOLU) sector to a sustainable global food system by 2050. Given its mandate and reputation as the UN agency leading global efforts to build resilience, defeat hunger and improve nutrition and food security, the FAO is well placed to produce such a landmark report.

**10/01/23 | [Investor letter enquiring into paid sick time at US railways](#)**

This is an investor letter organised by Legal and General Investment Management (LGIM) and Interfaith Centre for Corporate Responsibility (ICCR) calling on US rail companies to disclose their paid sick time benefit for US workers, including part-time, subcontracted, and temporary workers. This was sparked by labour-related disruptions due to the lack of paid sick days at US railway industry, which surfaced risks that are not just idiosyncratic but systemic given the critical role the industry plays in the nation's supply chain. More than 27 million private sector workers in the US do not have access to paid sick days, leaving them with the impossible choice of risking their economic stability or their health and the public's health when they are sick. Seven in ten of the lowest-wage workers do not have paid sick days to care for their own health. Research has shown that businesses stand to benefit from providing paid sick days. There is evidence of reduced turnover, which in turn lowers the cost of interviewing and training new hires. Paid sick leave could also serve as a valuable recruiting and retention in a fluctuating labour market. The letter was sent to: Berkshire Hathaway/BNSF, CSX, Union Pacific and Norfolk Southern.

**12/01/2023 | [Support of robust EU forced labour regulations](#)**

This letter recognises an urgent need for meaningful action and laws to tackle the exploitation of workers around the world. Through this 'Investor Statement in Support of Robust Forced Labor Regulations', we call for the EU regulatory bodies to consider and include changes to the proposed regulation to ensure a positive impact on workers throughout the value chain and that activities in the EU market and globally are conducted in a responsible manner. This will support and enable continued rights-respecting investments towards a sustainable and resilient global economy.

**12/01/2023 | Investor letter to Cisco regarding the issue of possible connections to Uyghur forced labour in global supply chains**

Investors engaged with Cisco regarding their possible connection to Uyghur forced labour. There are ongoing legislative efforts underway globally to address the ongoing human rights risks, and harms in the Uyghur Region. In particular, the US Uyghur Forced Labor Prevention Act (UFLPA), which came into effect on June 21 2022, prohibits the importation into the US of all goods mined, produced, manufactured wholly or in part in the Uyghur Region on the presumption that these goods are implicated in forced labour.



The investors have previously engaged with Cisco, and Cisco stated that they were embarking on a mapping of its supply chains, so are seeking to understand how Cisco is progressing on this. Furthermore, they would like to better understand Cisco's processes and the actions taken to comply with the UFLPA.

**27/01/2023 | [Investor statement in support of robust EU artificial intelligence \(AI\) regulation](#)**

As AI continues to find its way into our daily lives, as with all technological innovation, it brings the potential to advance and harm society. The United Nations' human rights chief in 2021 called on member states to put a moratorium on the sale and use of artificial intelligence systems until the "negative, even catastrophic" risks they pose can be addressed. Companies need to respect human rights throughout their operations and value chains as outlined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Investors, in signing this statement, recognise the need for rights-respecting regulation to enable responsible business conduct, and while we welcome the European Commission's proposed Artificial Intelligence Act (AI Act), we are also calling for the EU regulatory bodies to consider and include changes to the proposed regulation to ensure the rights of all members of society are protected and that AI does not limit civic freedoms and democratic processes.

**31/01/23 | [Votes Against Slavery 2023](#)**

This is an initiative run by wealth management firm Rathbones since 2019. It assesses if FTSE350 companies have met the minimum reporting standards of the UK Modern Slavery Act. The initiative has found there to be 38 non-compliant FTSE 350 companies (excluding Flutter Entertainment, M&B and TUI AG) with the s54 reporting requirements of the Act. Members of this collaboration support the engagement with the understanding that they will consider voting against the reports and accounts should any of the identified companies remain in a non-compliant state after identification and engagement through the campaign.

**31/01/23 | [Investor statement on principles for inclusion in the new \(UK\) Modern Slavery Bill](#)**

Alongside the Votes Against Slavery initiative, Rathbones lead an investor statement backing a number of proposed principles for inclusion in the new UK Modern Slavery Bill that have been put forward by Justice & Care, Unseen UK and Anti-Slavery International, broadly covering the following:

- 1) Strengthening supply chain transparency under s54 MSA 2015
- 2) Establishment of a legal framework for the transparent imposition of import controls

**20/03/23 | [Investor statement on human rights and business activities in Iran](#)**



The RRSE (Regroupement pour la responsabilité sociale des entreprises), in collaboration with AEquo and Investor Alliance for Human Rights, is inviting investors (asset owners and asset managers) signed on to a statement calling for companies to support human rights in Iran. The statement calls on companies, including those involved in the Information Communication Technology (ICT) sector, to uphold their corporate responsibility to respect human rights by undertaking enhanced due diligence to identify and address human rights harms and in so doing, mitigate legal, financial, and reputational risks associated with such violations. This is supported by the *Women, life, freedom* movement, which represents a historic opportunity for positive change for women rights and democracy in Iran. It calls on companies to do their part by ensuring products and services enhance - and do not infringe on - rights such as freedom of expression, information and association.

#### **04/04/23 | [Investor statement to reduce plastics from packaging](#)**

This investor statement calls for a reduction of plastic packaging and waste. The statement is drafted by a group of global institutional investors, coordinated by VBDO (Dutch Association of Investors for Sustainable Development). The statement aims to:

- 1) Publicly express investors' concern about the still growing volumes of plastic waste that ends as pollution in land and seas, posing a serious threat to biodiversity;
- 2) Send an aligned message of investor expectations towards investee companies; it may be used in (collaborative) investor engagement to show the widely shared investor concern for this environmental issue, and the need for urgent action to reduce plastic waste.

The statement sets out the following expectations for companies:

- a) Publicly support – and do not lobby against – ambitious policy, including the Global Plastics Treaty and the European Commission's proposal for a Packaging and Packaging Waste Regulation, which contains a much-needed focus on prevention and reuse.
- b) Commit to – and start delivering – absolute reduction of single-use plastic packaging, including through implementing reuse systems.
- c) Address use of hazardous chemicals in the value chain – obstacles to improving circularity - by committing to identifying and eliminating the use of hazardous substances in products and packaging and publicly reporting progress in doing so.

The statement builds on work of the PRI plastic investor group, and aims to align also with the work of the Business Coalition for a Global Plastics Treaty.

#### **12/04/23 | [Investor Statement on the 10th Anniversary of the Rana Plaza Building Collapse](#)**



The Rana Plaza building collapse, killing 1138 workers and injuring over 2500, was an avoidable tragedy and exposed the human rights risks of outsourcing apparel manufacturing to factories with inadequate safeguards to protect workers. In response, the *Accord on Fire and Building Safety in Bangladesh* (Bangladesh Accord) was signed on May 13 2013, it is a legally binding agreement between global brands and unions to reform the sector and create safe factories. As a result of the collective action underlying the Accord, more than two million workers in Bangladesh now work under safer conditions than they did a decade ago. From the beginning, investors urged companies in their portfolios to join the Accord and have supported the program moving to other countries where health and safety risks are a serious threat to garment workers. In January 2023, global brands and trade unions signed an agreement to expand the Accord to Pakistan. This is a significant development and investors have an urgent opportunity to engage companies with supplier relationships in Pakistan to become signatories to the Pakistan Accord on Health and Safety.

#### **12/04/23 | [Investor statement on tech, mental health and wellbeing](#)**

This investor letter which intends to be used for engagement with relevant tech companies. Literature shows that screen overuse, especially too early, can lead to concentration and behavioural disorders, including depression and isolation. The increased use of the internet, smartphone and media (as video games, social media and streaming services) raises the question of addiction, which symptoms include mood modification, conflict, withdrawal and relapse. Research also shows that tech impacts wellbeing: social media can contribute to increased stress and low self-esteem. Moreover, exposure to screens and Internet usage affects sleep time and quality. These side effects are even more pronounced on children, for whom exposure to the TV statistically delays language development. Finally, the regulatory environment is evolving and imposing increasing legal constraints on companies around the world.

This collaborative engagement intends to implement a collaborative dialogue initiative on tech, mental health and wellbeing, targeting companies involved in the hardware, media, internet, gaming, software edtech and fintech space, in order to:

- 1) Understand the impact of technology on mental health and wellbeing, and to what extent companies are mapping and monitoring these impacts;
- 2) Understand what the best practices are today in terms of user wellbeing in the tech space;
- 3) Share and promote best practices and transparency, reaffirming the importance we attach to this topic as an investor;
- 4) Identify least advanced companies and engage with them actively over time.

#### **23/05/23 | [FAIRR Initiative G20 Agricultural Subsidies Investor Statement](#)**



This is the first global investor statement urging G20 Finance Ministers to reallocate their agricultural subsidies in alignment with climate and nature objectives. This statement follows the Global Biodiversity Framework agreed in Montreal. According to the UN, governments provide nearly \$500 billion per year of agricultural support that is price-distorting and environmentally and socially harmful.

**20/06/23 | [Interest in a global database of avoided emissions factors and associated company-level avoided emissions](#)**

This investor statement was spearheaded by Mirova and Robeco. It calls for expressions of interest to enable:

- The creation of a globally accessible common database of avoidance factors (Batch 1).
- The estimation of emissions avoided by companies over a wide investment universe of listed companies first, resulting from the application of the avoidance factor database on the activity data of the companies concerned (Batch 2).

And the new datasets should be based on the following principles:

- Full life cycle analysis as well as an attribution of avoided emissions across the entire value chain.
- Precautionary principle with the least advantageous baseline scenario being selected to calculate avoidance factors.
- Transparency and access: the methodology for calculation of avoidance factors should be transparent.

**21/06/23 | [Investor Statement on Tobacco Control](#)**

Tobacco Free Portfolios and Achmea championed this statement on Tobacco Control. Goal of this investor statement is to call on UN member states to sign, ratify and implement the WHO Framework Convention on Tobacco Control and to signal that tobacco control makes sense from a health, as well as a financial, point of view.

**22/06/23 | [Investor statement in support for the BankTrack Global Human Rights Benchmark 2022](#)**

This investor statement calls on banks to improve their implementation of the UN Guiding Principles on Business and Human Rights in line with the findings of the BankTrack Global Human Rights Benchmark 2022. The link between the banking sector and an increasingly deteriorating global human rights situation has been exposed in recent years amid a rise in armed conflicts, the impact of the COVID-19 pandemic, and a fast-progressing climate crisis. While banks made modest improvements in their policies and practices to respect human rights compared to past iterations of this Benchmark, progress towards full implementation of the Guiding Principles by the banks in scope remained limited.



The investor statement calls on banks to redouble their efforts to ensure immediate and full implementation of the UN Guiding Principles. It raises a number of key recommendations, including for banks to: align their human rights due diligence (HRDD) processes with international business and human rights frameworks, extend HRDD across all forms of finance, enhance public reporting on adverse human rights impacts, provide access to remedy for affected rights holders, and engage in responsive, two-way dialogue on human rights concerns raised by civil society. The statement further recognizes that banks have substantial leverage over a wide range of sectors and businesses, and that improvements in banks' human rights policies and practices can have a multiplier effect on corporate respect for human rights.

## **Background: Future Super's approach to stewardship**

Stewardship is an important part of Future Super's work and commitment to members. Stewardship is how we can use our voice and power as an investor to influence different companies and other economic actors, like fund managers or non-corporates (e.g. governments, development banks) that issue financial instruments like bonds.

Future Super has an external trustee, Equity Trustees, and therefore is held to the stewardship policy of the trustee. Details about Equity Trustees' stewardship policy can be found on [page 4 of the Responsible Investment Policy](#), which is published on the trustee's website.

Stewardship is all the actions we can take, as an investor, to influence the companies that we invest in. It's a tool investors have to advocate for better corporate behaviour. We exercise stewardship in three main ways.

- *Proxy voting:* Voting at the annual general meetings (AGMs) and extraordinary general meetings (EGMs) of the companies we invest in through a proxy service. This voting provides input to company leadership on strategy and governance decisions as well as providing a vehicle to communicate investor expectations, such as fair treatment of workers, communities, and the environment.
- *Engagements:* We can engage as an individual investor, by reaching out to a company when issues arise, or we can take part in collaborative engagements. Collaborative engagements are when multiple investors work together to request information or action from a company. These are helpful because they demonstrate to a company that there is broad demand for action from their investors.
- *Campaigns:* Campaigns take collective engagement one step further by attempting to put public pressure on companies to improve their behaviour. This usually means aiming to get some media attention to bring attention to issues we want addressed.