



Active Ownership Report: H1 2020

Danske Invest SICAV
Danske Invest Allocation

August 2020



Active Ownership Report: H1 2020

When customers entrust us with their assets and savings, it is our duty to serve their interests by providing investment solutions with the goal to deliver competitive and long-term performance. Our firm commitment to **Sustainable Investment with ESG Inside** is an integral part of this duty.

ESG Inside is about making better-informed investment decisions – addressing issues of risk, problems, and dilemmas, and influencing portfolio companies through **active ownership** to contribute to a positive outcome.

Active ownership – through direct dialogue and voting at the annual general meetings – is an important part of our ability to create long-term value to the companies we invest in and to our customers.

We believe it is more responsible to **address material ESG matters** as investors rather than refraining from investing when issues of concern arise, leaving the problem to someone else to solve. Our portfolio managers are the change agents who can impact companies to manage risks and opportunities.

The aim of our **Active Ownership Report** covering two parts ‘**Engagement Report**’ and ‘**Voting Report**’ is to provide our customers and stakeholders with regular updates on our progress and results.

The two parts of the report



Part 1:
Engagement Report



Part 2:
Voting Report

Where to get additional information



Sustainable Investment Policy

[Click here](#)



Active Ownership Instruction

[Click here](#)



Voting Guidelines

Click here*



Our Sustainable Investment Journey

[Click here](#)



Active Ownership Stories

[Click here](#)



Proxy Voting Dashboard

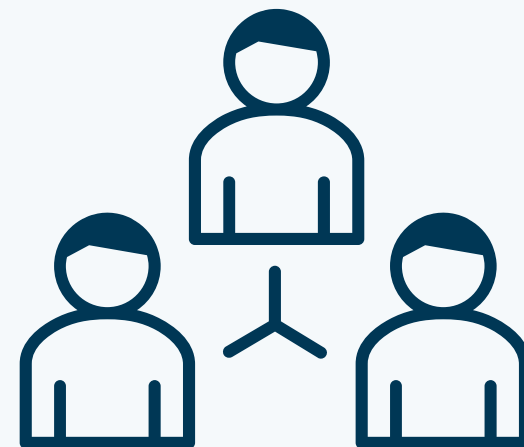
[Click here](#)

* Will be published shortly



Active Ownership Report: H1 2020

Part 1: Engagement Report



Engagement Report introduction



We believe that fund-manager-driven dialogue with companies is the most effective as the investment teams are the experts of their respective strategies and portfolios, and tasked with the buy/sell decision.



Our investment teams engage on a regular basis with companies on material ESG matters to understand their risks and opportunities, and to support their growth and development.



We log and monitor company dialogue and progress to ensure a structured engagement process.



In H1 2020, we have had the following engagement activities



Companies

241



Country domiciles

32



ESG engagement topics

85



Interactions

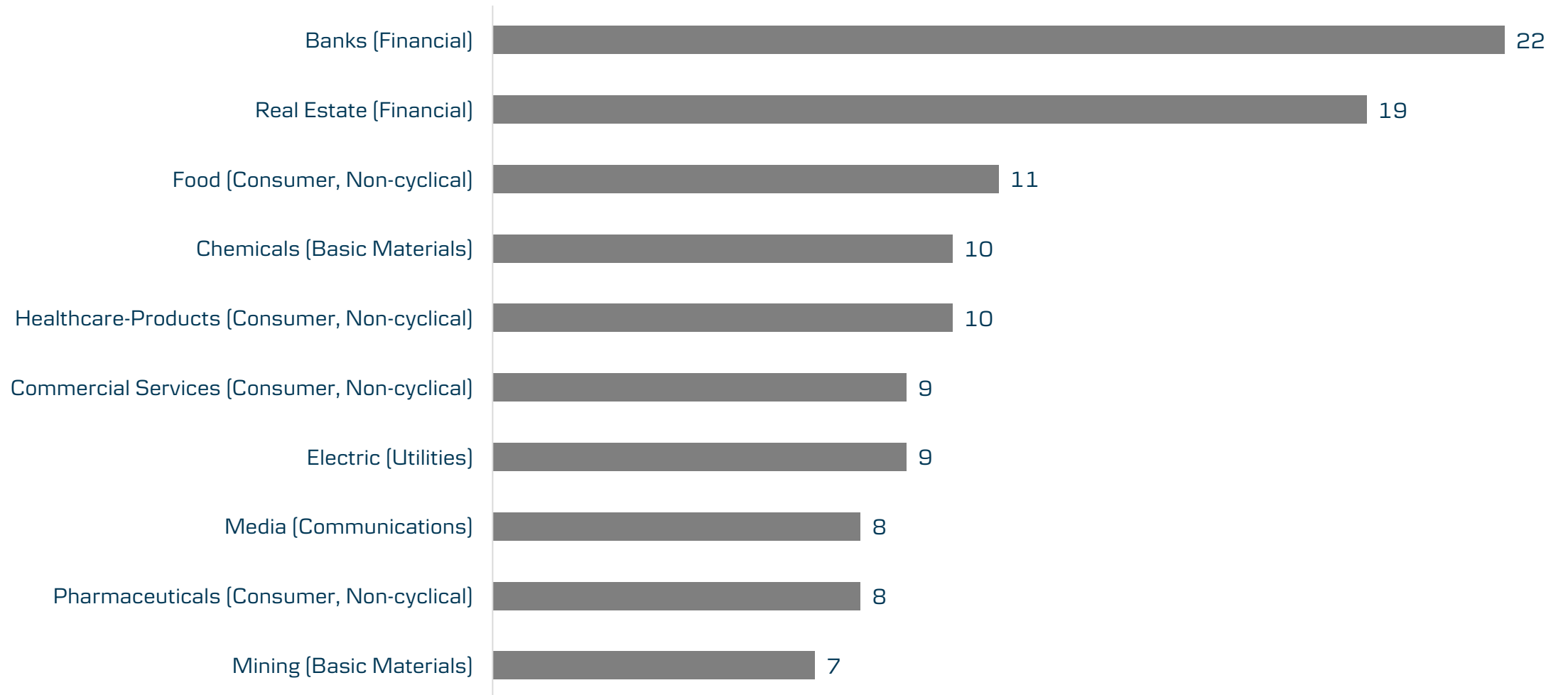
339





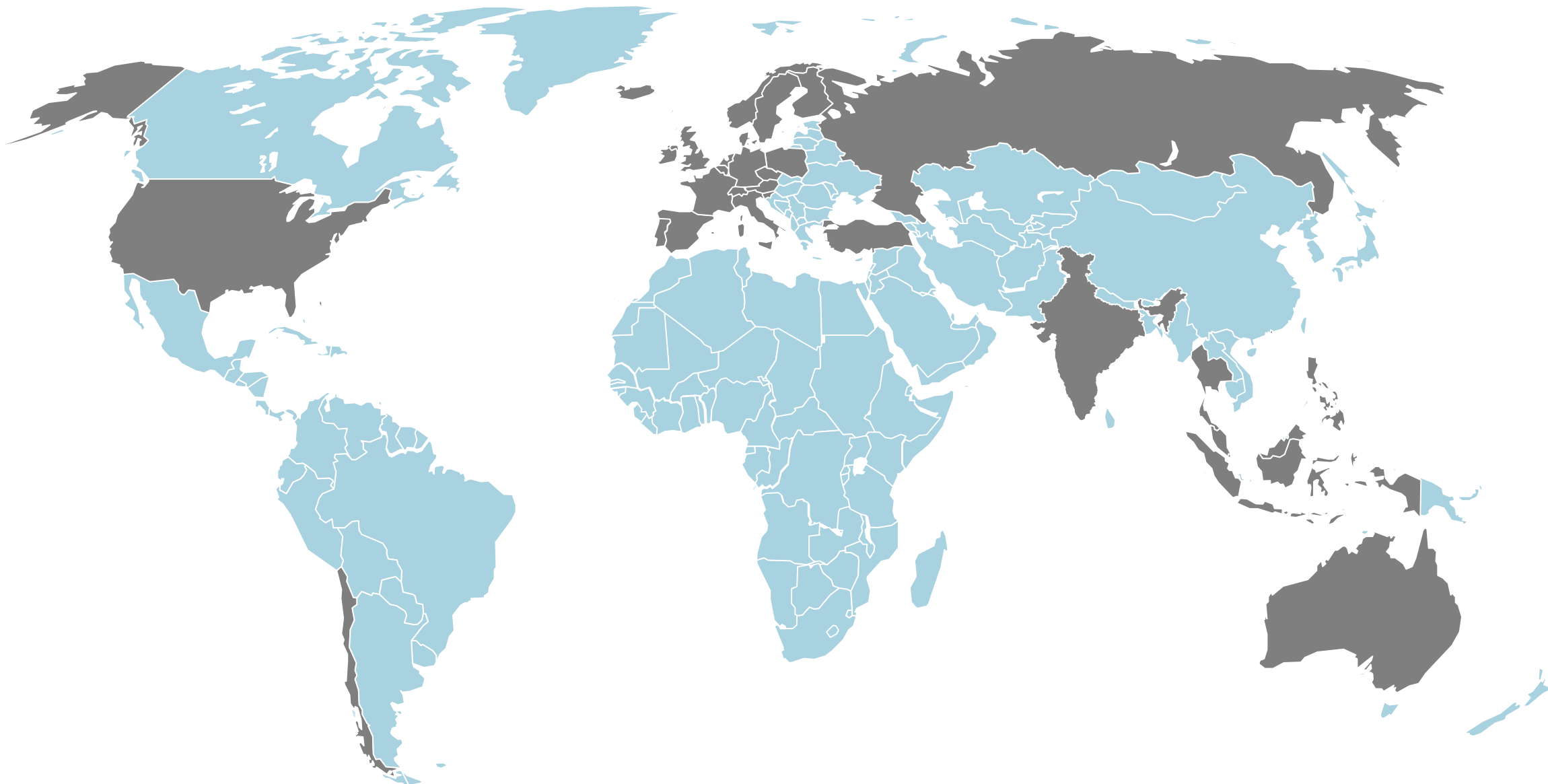
Top 10 industries most engaged with during H1 2020

Number of companies per industry (Sector in bracket)



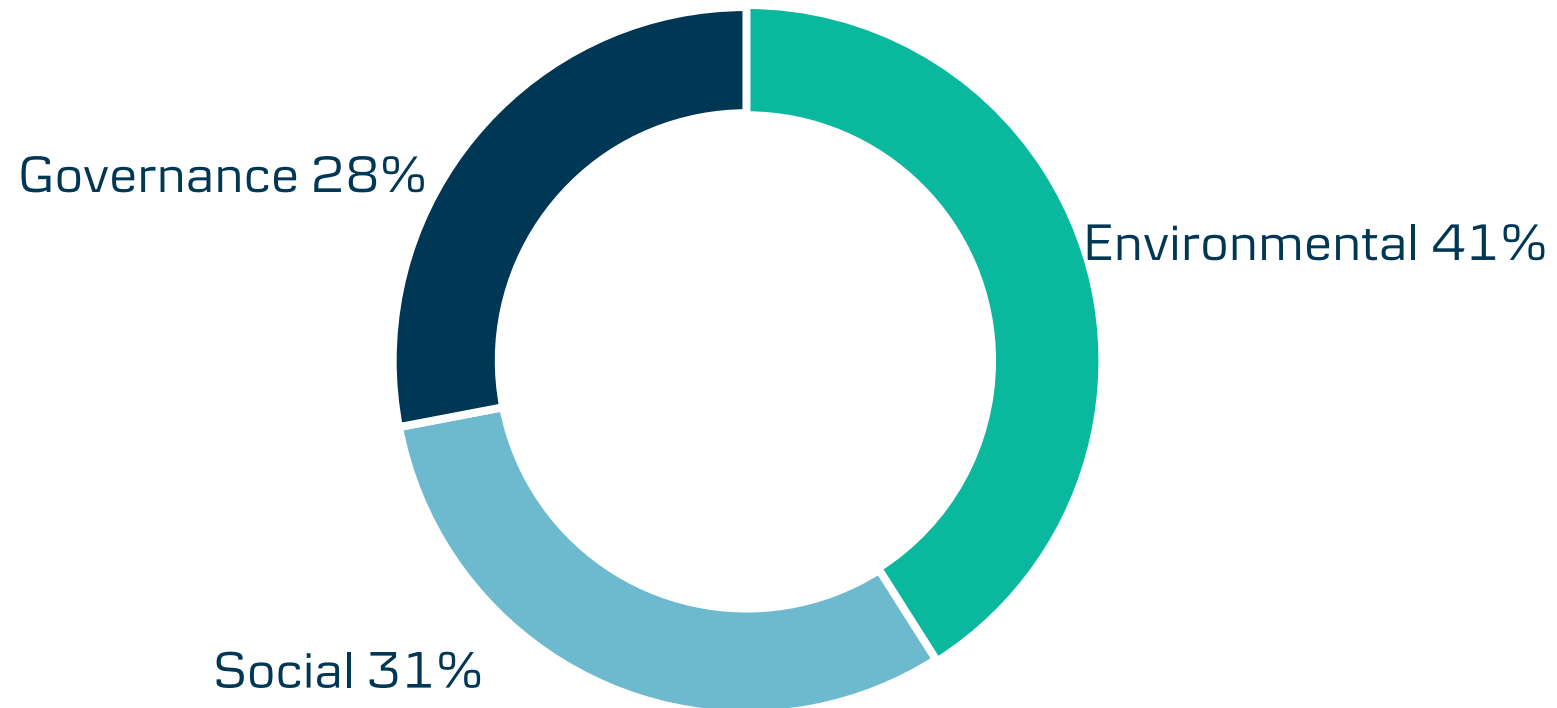


Engagement with companies domiciled in 32 countries



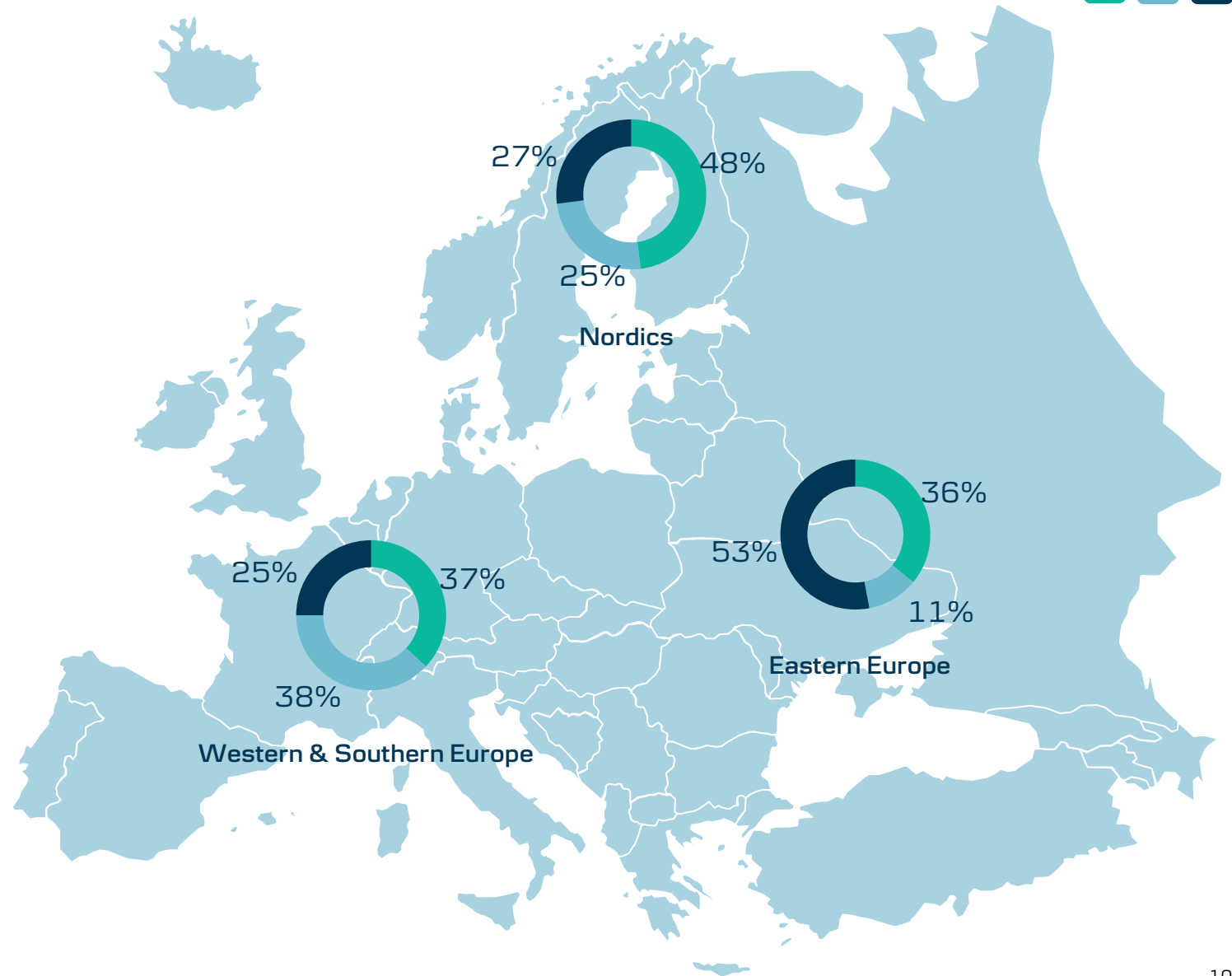
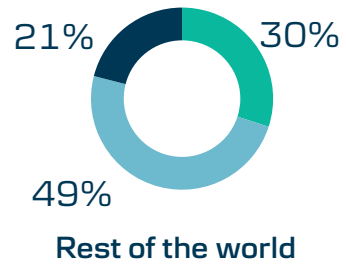


Split between ESG engagement themes





Split between ESG engagement themes across regions





85 ESG engagements topics have been addressed and discussed





Top 7 ESG engagement topics across the E, S, and G theme

E

Rank	Topic	Count
1	GHG Emissions	54
2	Energy Efficiency	37
3	Energy Transformation	31
4	Green Financing	24
5	Energy Management	21
6	Ecological Impacts	20
7	Sustainable Products	19

S

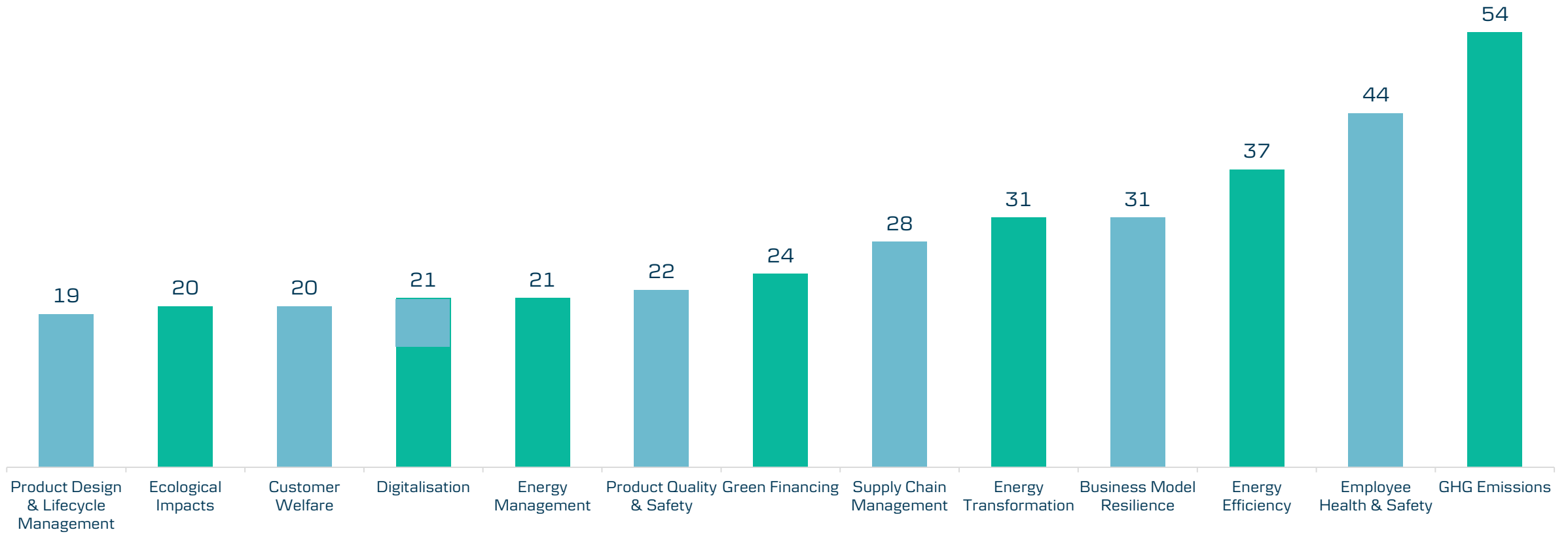
Rank	Topic	Count
1	Employee Health & Safety	44
2	Business Model Resilience	31
3	Supply Chain Management	28
4	Product Quality & Safety	22
5	Customer Welfare	20
6	Product Design & Lifecycle Management	19
7	Access & Affordability	18

G

Rank	Topic	Count
1	Dividends	18
2	ESG Integration	18
3	Capital Structure	16
4	Materials Sourcing & Efficiency	14
5	M&A	14
6	Business Ethics	13
7	Restructuring	13



Top 3 among ESG engagement topics: GHG Emissions; Employee Health & Safety; and Business Model Resilience





Top 10 and engagement interactions across Nordic countries

Rank	Country	Count
1	Sweden	99
2	Denmark	34
3	United Kingdom	24
4	Germany	21
5	Norway	20
6	United States	17
7	Finland	16
8	India	15
9	Russia	15
10	France	13



Region	Count
Nordics	170
Western & Southern Europe	101
Rest of the world	47
Eastern Europe	21



Most commonly addressed ESG topics across geography

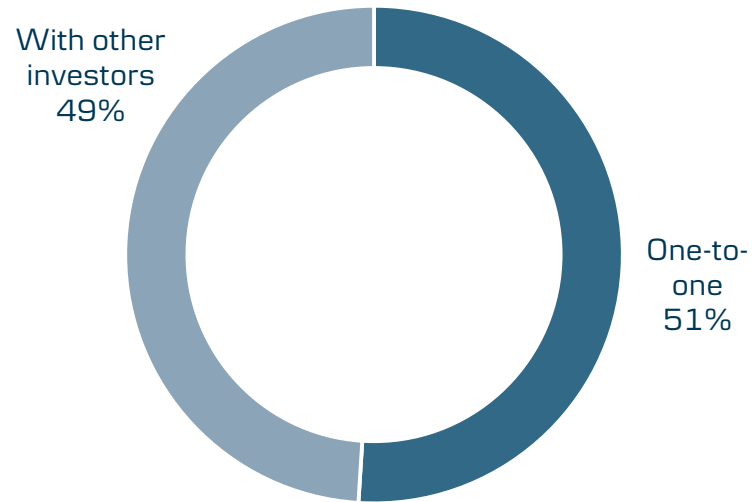


Access & Affordability

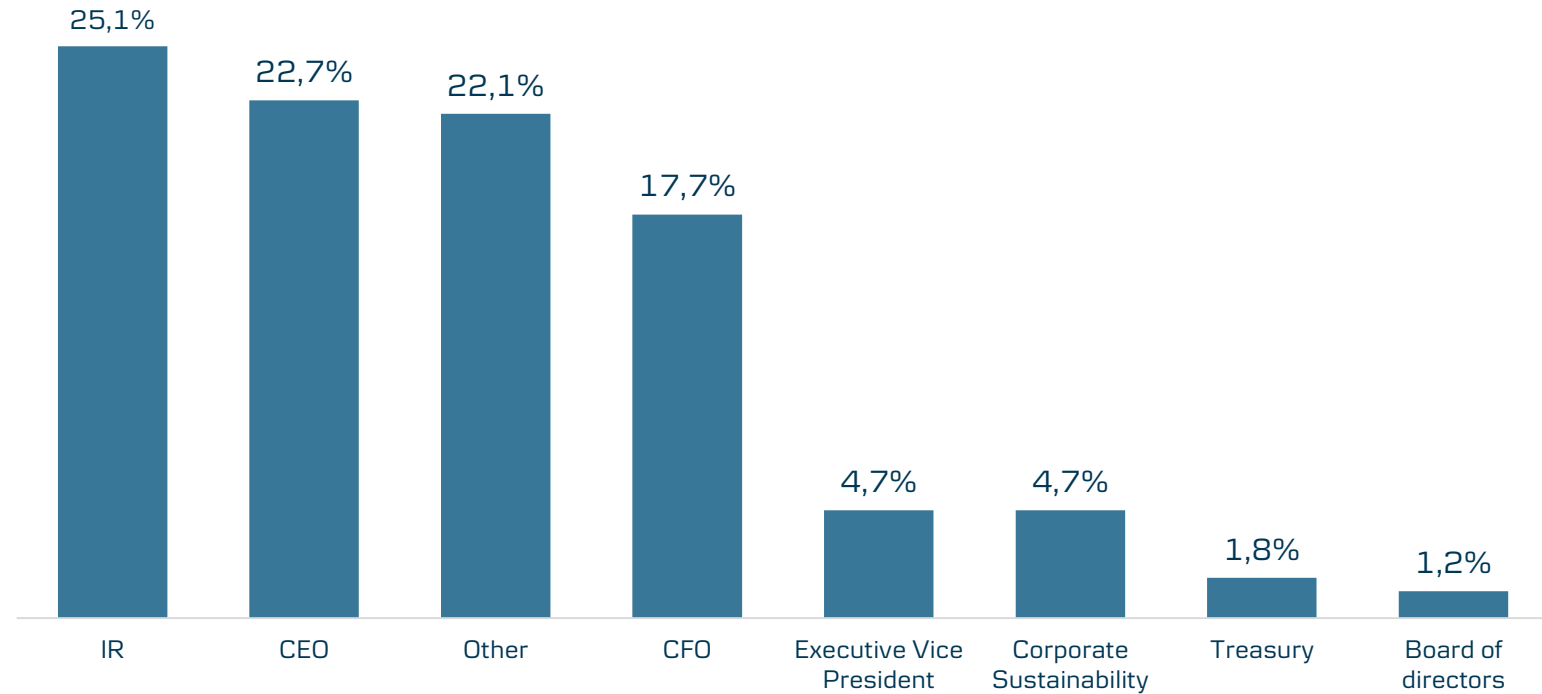


Company interactions are mainly with one-to-one and with IR and CEO

Type of meeting



Share of meetings by level of participants



Engagement examples: GHG Emissions

54 engagements



Among the 339 total engagements focused on GHG Emissions.

GHG Emissions is the first most common topic for our portfolio managers to engage with companies on during H1 2020. **GHG Emissions** are emissions into earth's atmosphere of any type of various gases contributing to the greenhouse effect.

Company Example



Sector: Basic Materials
"Discussion around emission targets."



Sector: Basic Materials
"Discussed about company's efforts to lower scope 1&2 emissions through more renewable energy."



Sector: Energy
"Company's adoption to net zero emission target and discussion about how facilitate energy transformation to lower carbon energy."

Topic addressed in the following countries



Engagement examples: Employee Health & Safety

44 engagements



Among the 339 total engagements focused on Employee Health & Safety.

Employee Health & Safety is the second most common topic for our portfolio managers to engage with companies on during H1 2020. **Employee Health & Safety** focuses on creating and maintaining safe and healthy workplace environment that is free of accidents, injuries, fatalities, and illness.

Company Example



Sector: Consumer, Non-Cyclical
"Safety for workers during Covid-19."



Sector: Basic Materials
"Company's approach to employee safety."



Sector: Financial
"Covid-19 impact on business."

Topic addressed
in the following countries



Engagement examples: Energy Efficiency

37 engagements



Among the 339 total engagements focused on Energy Efficiency .

Energy Efficiency is the third most common topic for our portfolio managers to engage with companies on during H1 2020. **Energy Efficiency** means using less energy to perform the same task - thus limiting energy waste. It is the cheapest and often the most immediate way in order to reduce the use of fossil fuels.

Company Example



Sector: Industrial
"Discussion electrification risks/opportunities."



Sector: Basic Materials
"Discussed about company's efforts for CO2 reductions."



Sector: Energy
"Company's scenario analysis in relation to the energy transition."

Topic addressed in the following countries



Sovereigns: We have had 5 engagements with 4 governmental entities



Sovereigns: In total, have 10 topics been discussed



Active Ownership Report: H1 2020

Part 2: Voting Report



Engagement Report introduction



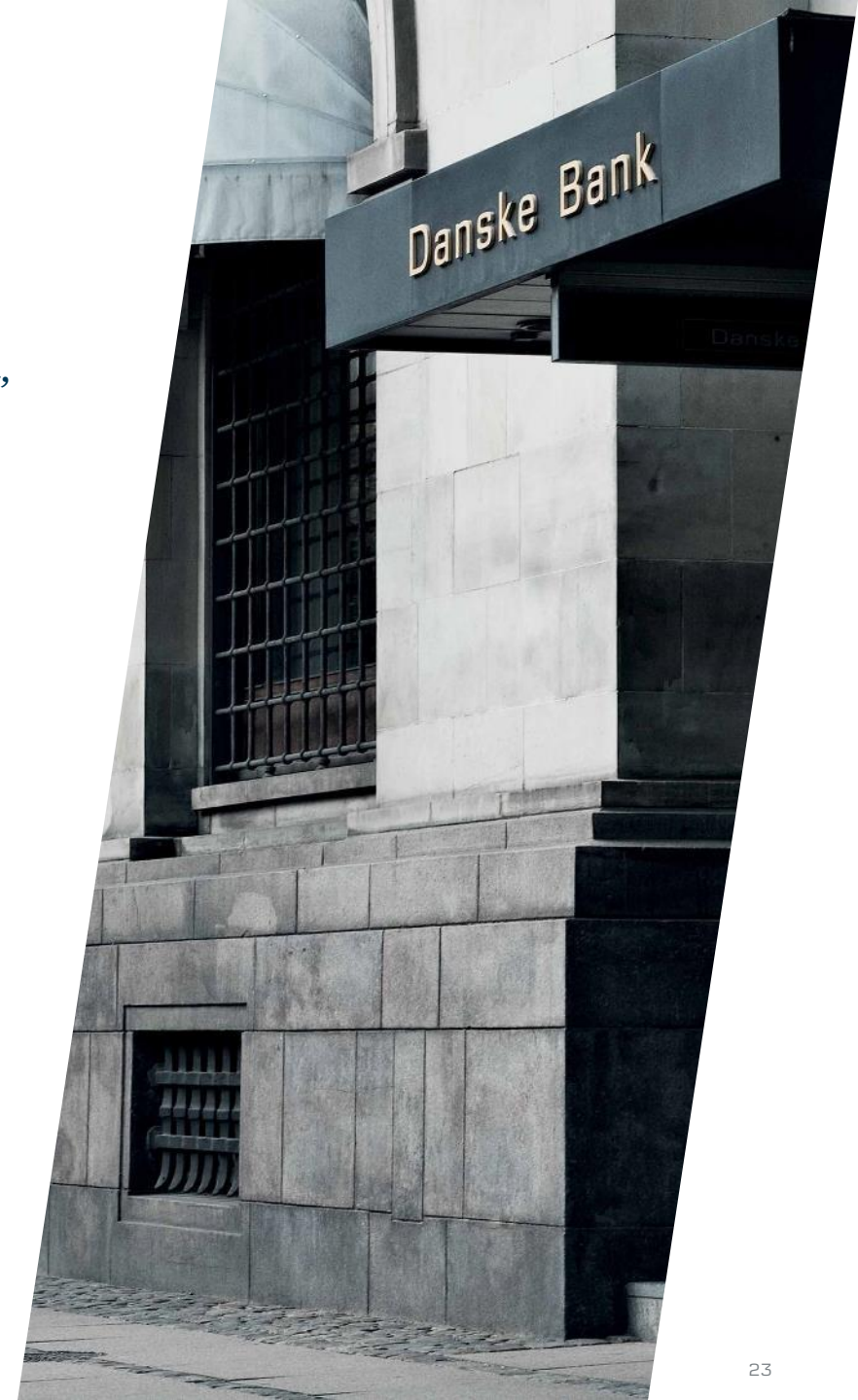
The annual general meeting is an opportunity to voice our opinion, vote on issues of key importance to the running of a company, and contribute to the good governance of the company.



We exercise the right to vote at annual general meetings of Nordic and European companies where we represent relevant holdings. Unless required by special circumstances, holdings in passively managed funds are not subject to voting activities.



We vote either by ourselves or through a service provider. We log and publish our voting records.



In H1 2020, we have had the following voting activities



Companies

1 298



Country domiciles

37



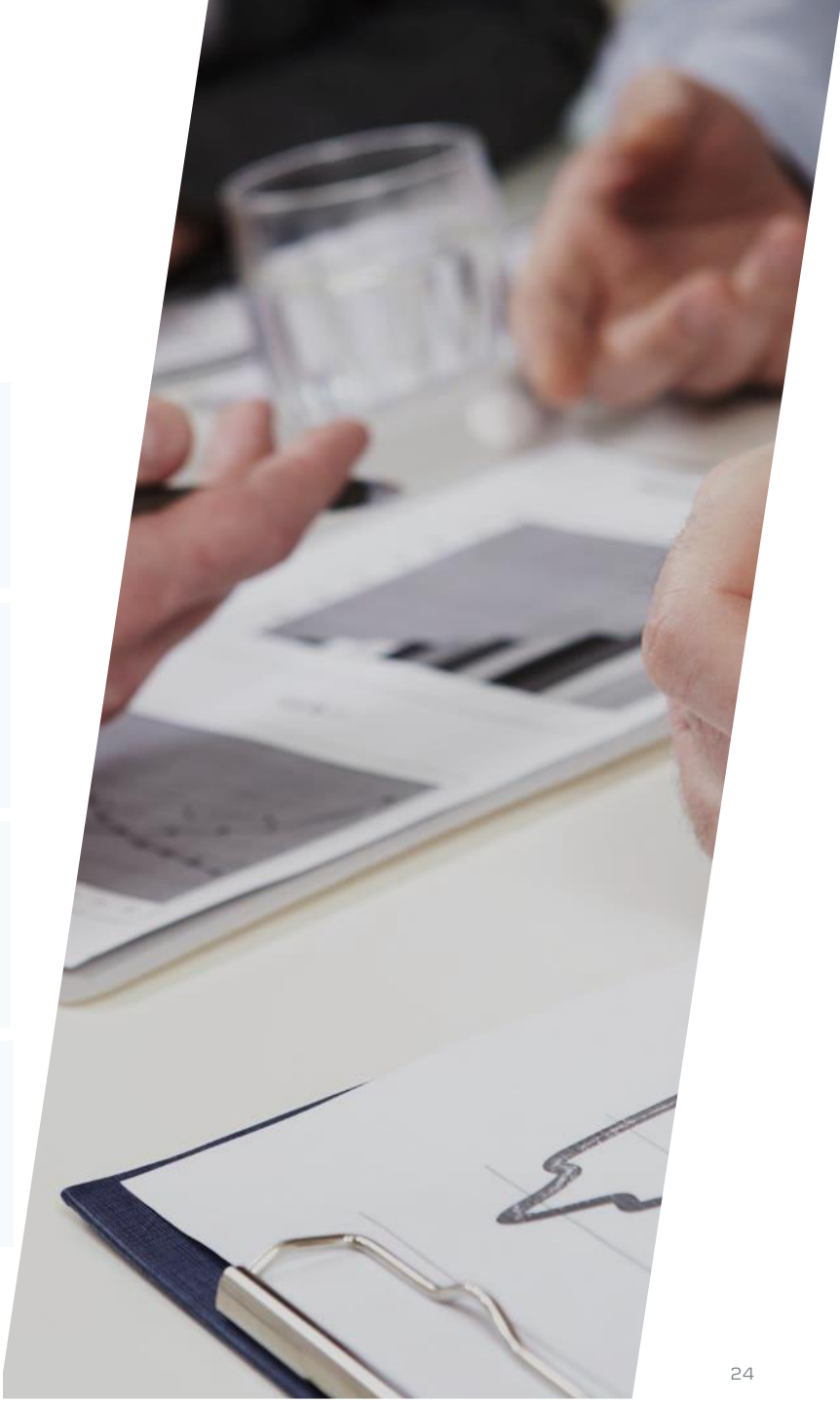
Meetings

1 325



Proposals

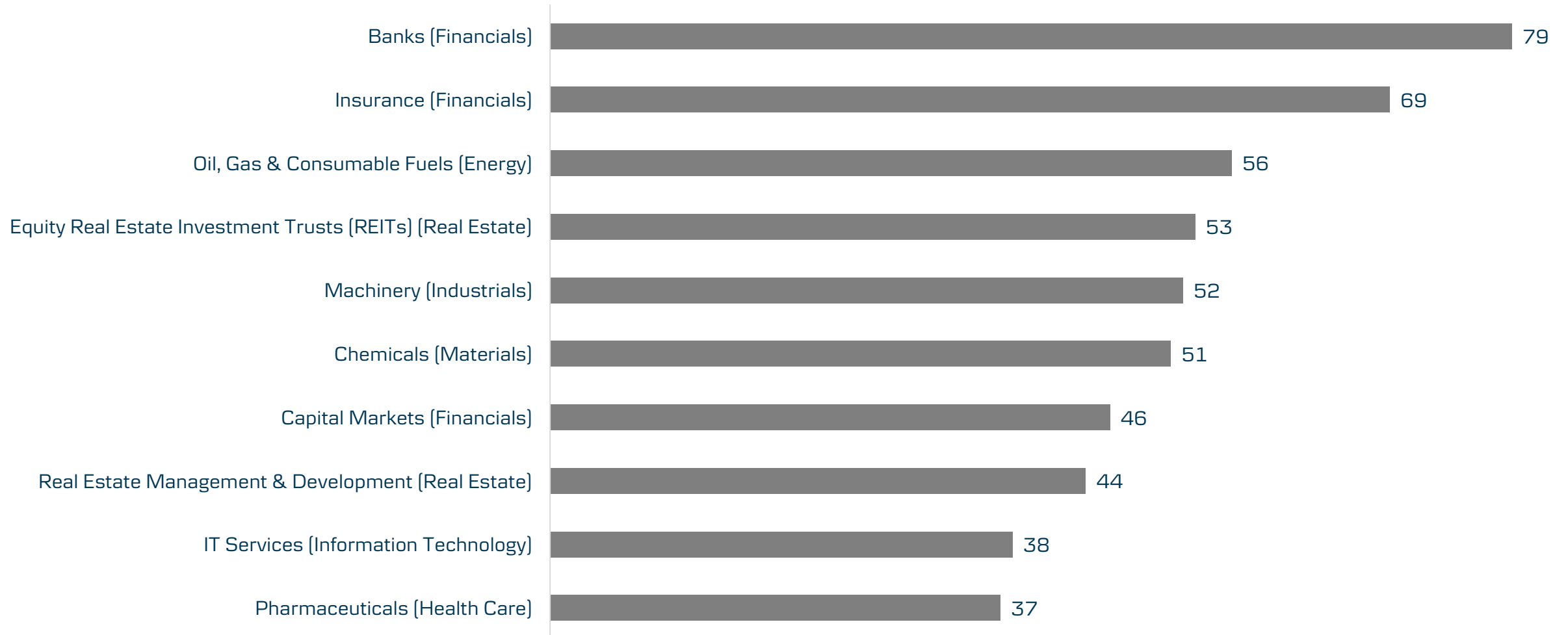
19 229





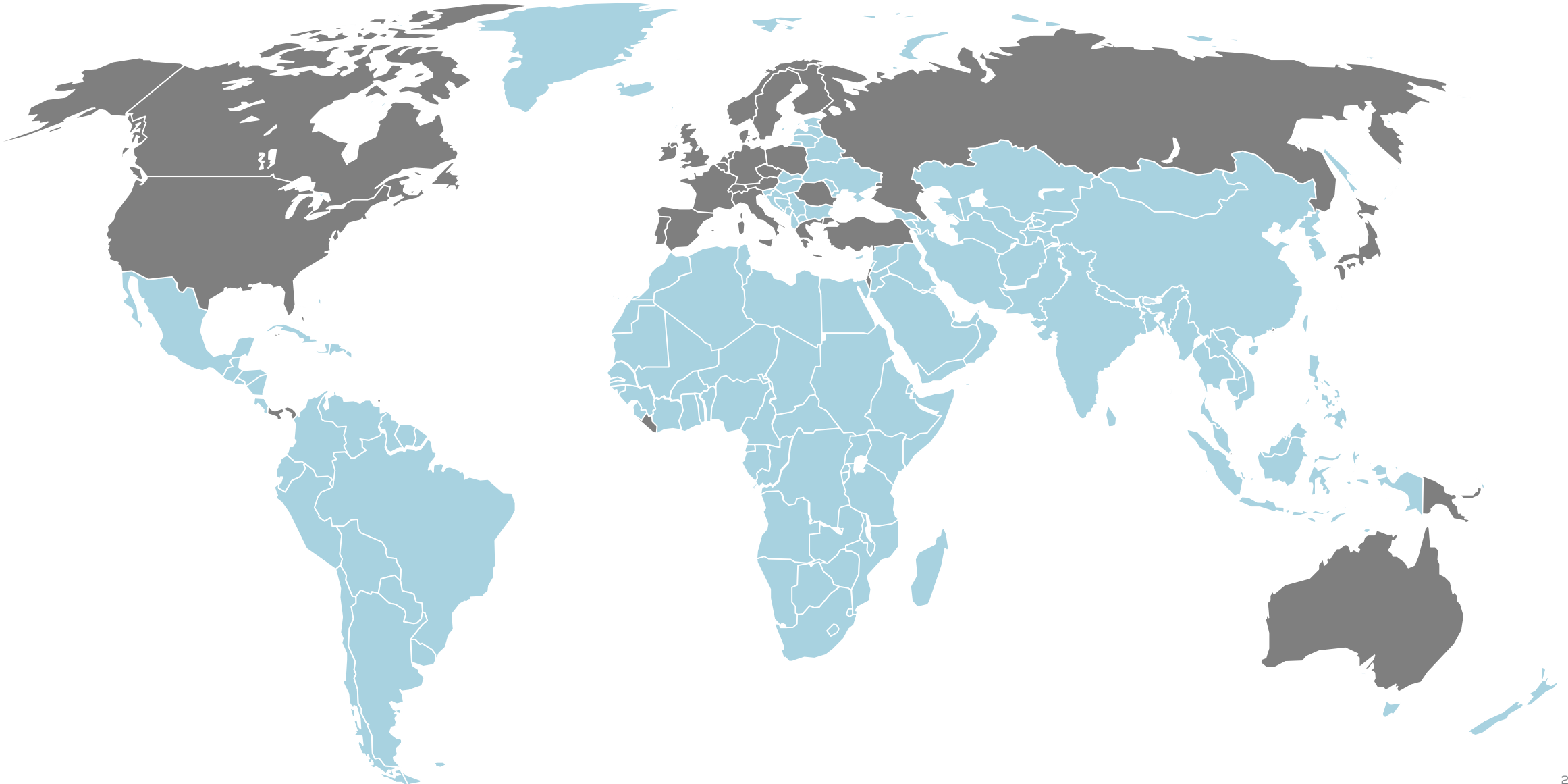
Top 10 industries most voted during H1 2020

Number of companies per industry (Sector in bracket)



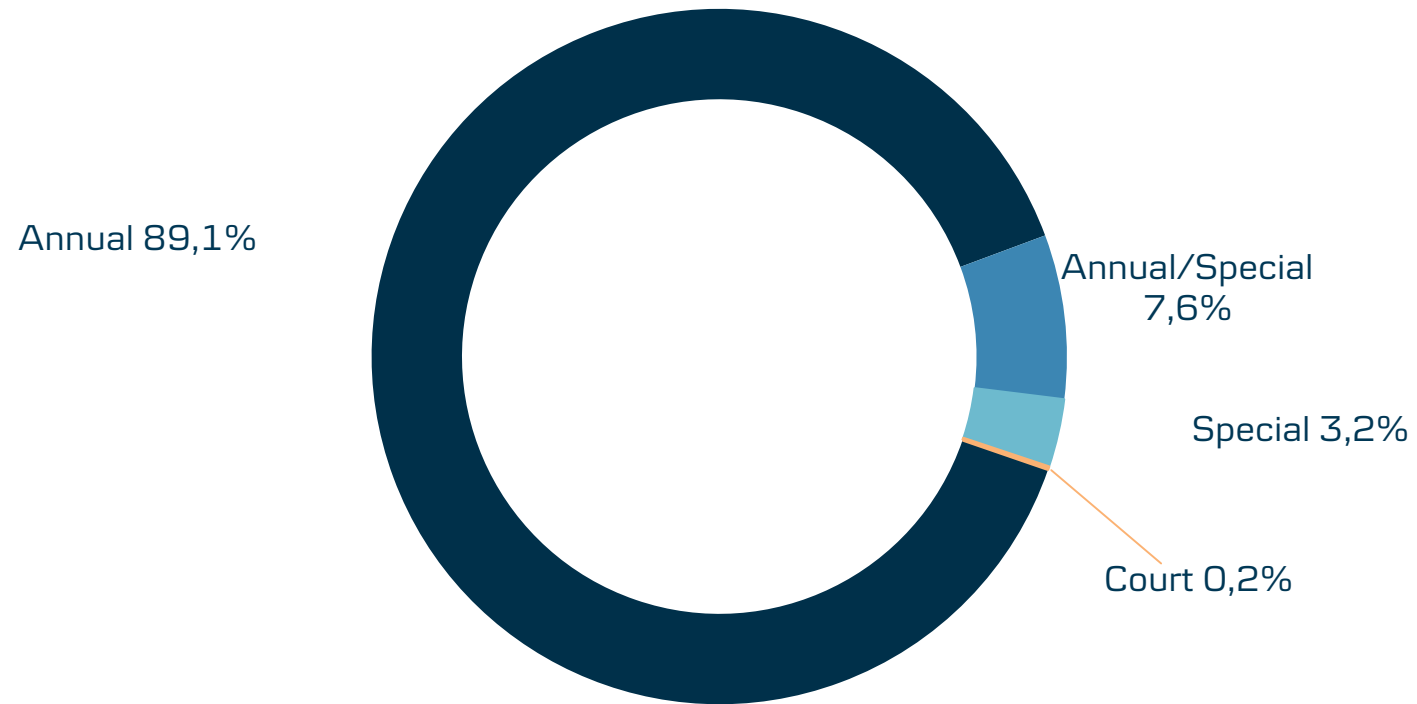


Voting with companies domiciled in 37 countries





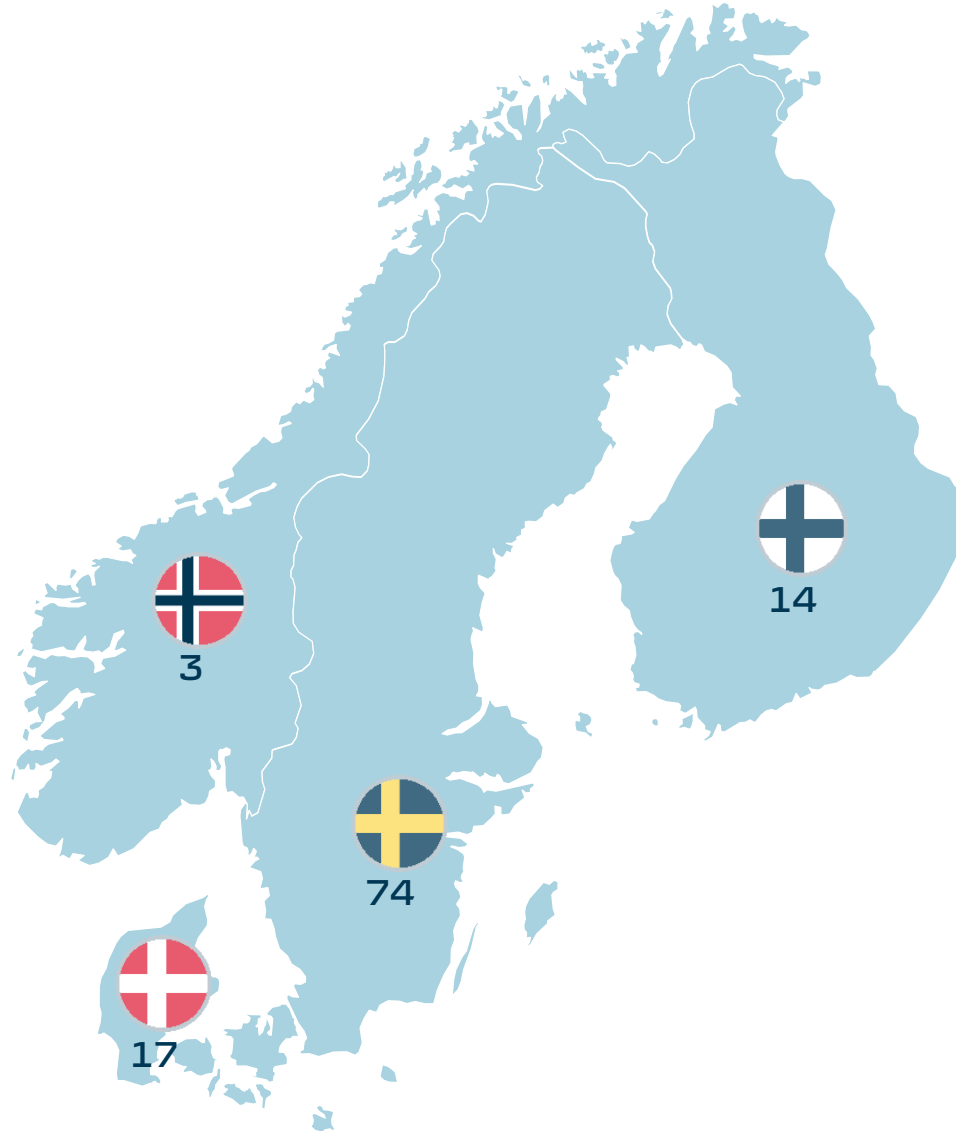
We voted primarily at Annual General Meetings (AGM)





Top 10 and voting distribution across Nordic countries

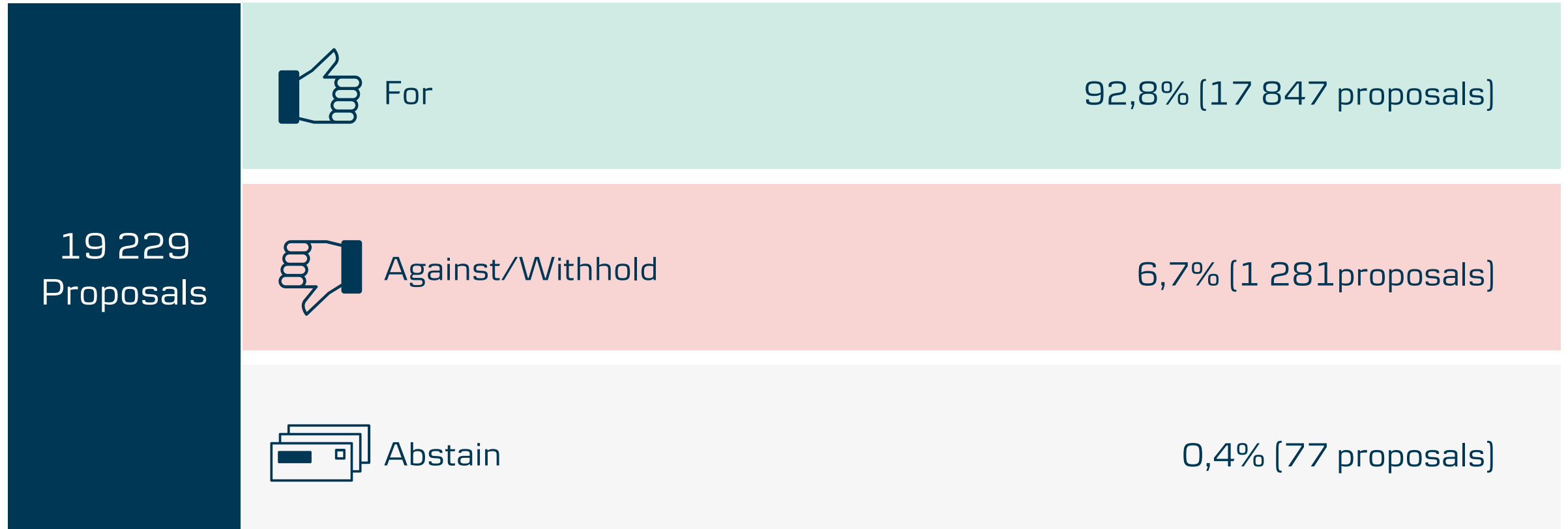
Rank	Country Domicile	Count
1	USA	461
2	Japan	251
3	Sweden	74
4	United Kingdom	71
5	Canada	67
6	France	62
7	Germany	39
8	Switzerland	37
9	Netherlands	33
10	Hong Kong	19



Region	Count
Rest of the world	836
Western & Southern Europe	356
Nordics	108
Eastern Europe	25



We predominantly voted 'For' the proposals



19 229
Proposals



For

92,8% (17 847 proposals)



Against/Withhold

6,7% (1 281 proposals)



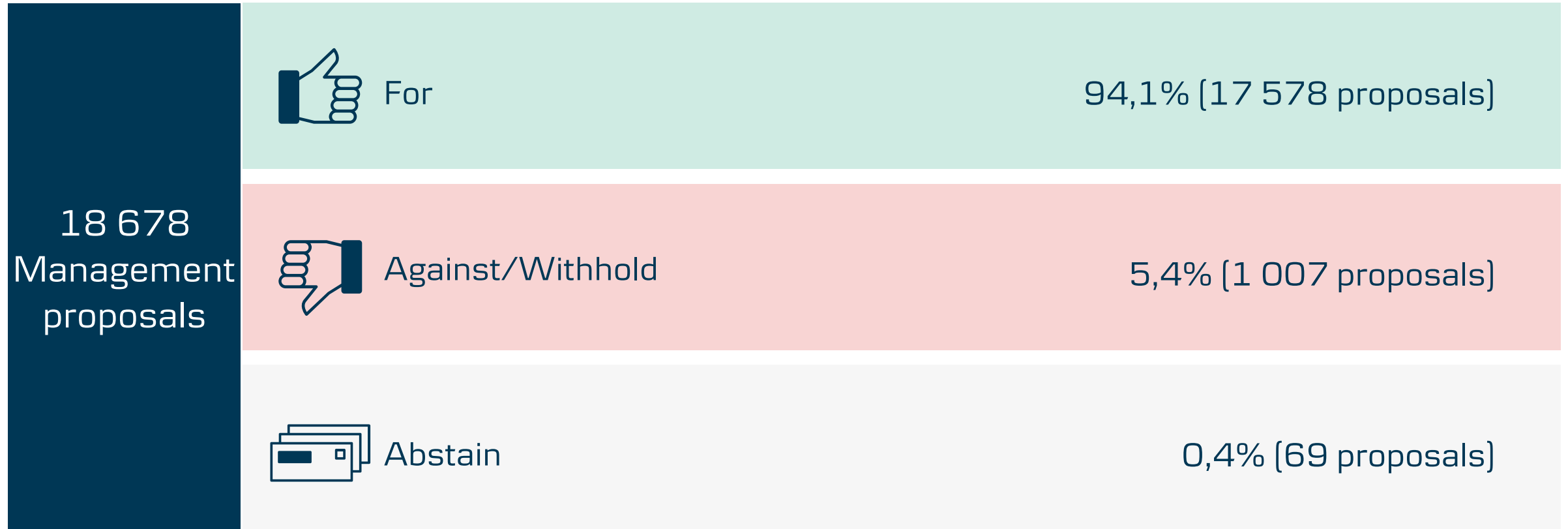
Abstain

0,4% (77 proposals)

Note: Across all voted proposals, 24 proposals with the type of 'Advisory Vote on Say on Pay Frequency' was voted on for one year



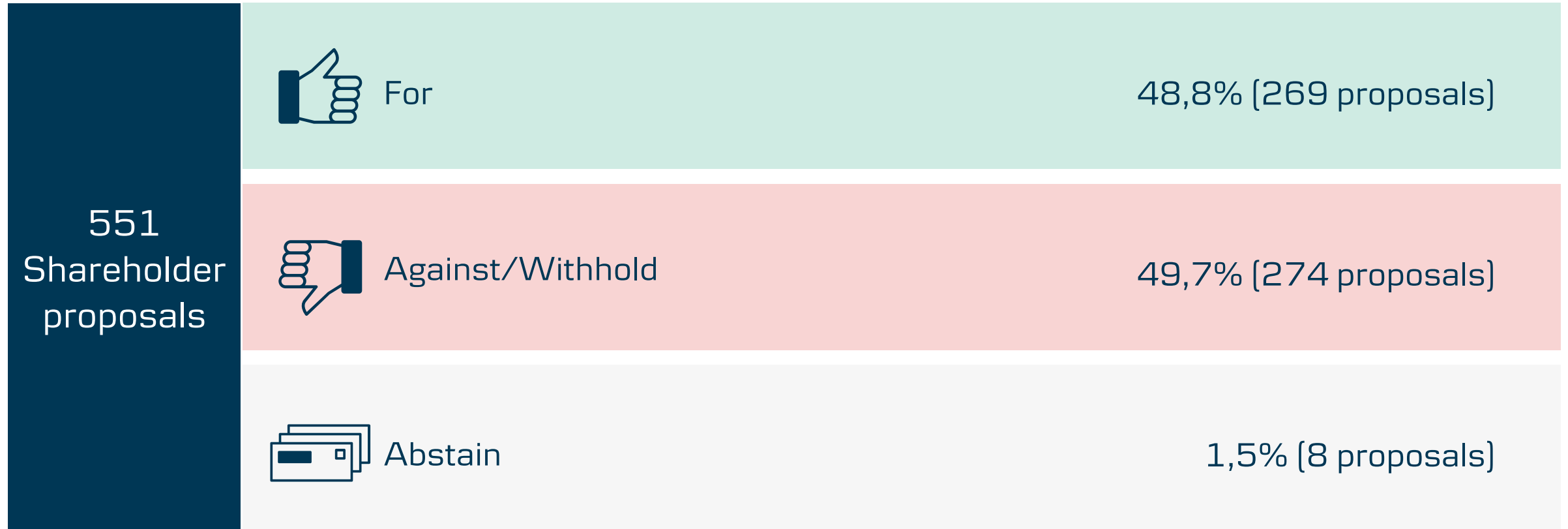
We predominantly voted 'For' the Management proposals



Note: Across all voted proposals, 24 proposals with the type of 'Advisory Vote on Say on Pay Frequency' was voted on for one year



We predominantly voted 'Against/Withhold' the Shareholder proposals

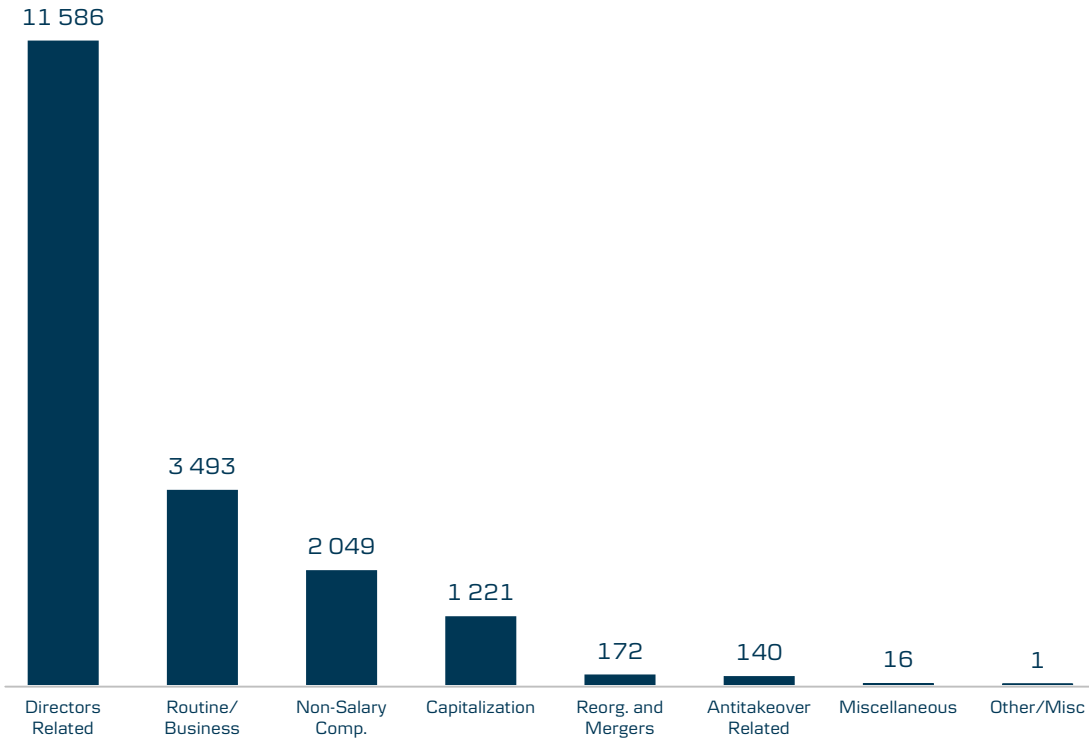




Voted proposals are mainly Directors-related

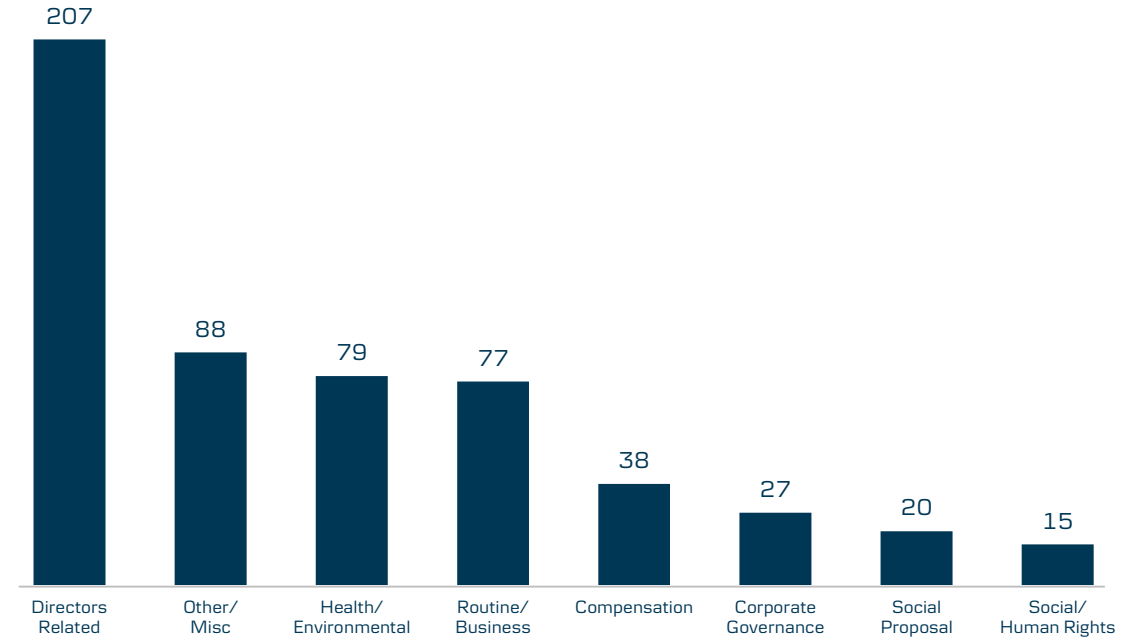
Management proposals

A total of 18 678 proposals



Shareholder proposals

A total of 551 proposals





Most common voted proposals against Management recommendations



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Danske Bank Asset Management – a division of Danske Bank A/S

Holmens Kanal 2-12

DK-1092 Copenhagen, Denmark

Company reg. no.: 61 12 62 28

Tel. +45 45 13 96 00

Fax +45 45 14 98 03

<https://danskebank.dk/asset-management>

Engagement during H1 2020, by company

AAK AB	Avanza Bank Holding AB	de Volksbank NV	Genova Property Group AB	Industrivarden AB
ABB Ltd	AXA SA	Demant A/S	Getlink SE	Indutrade AB
adidas AG	Baloise Holding AG	Detsky Mir PJSC	Globaltrans Investment PLC	Infineon Technologies AG
Aeroflot PJSC	Banca Monte dei Paschi di Siena SpA	Deutsche Pfandbriefbank AG	Globe Trade Centre SA	ING Groep NV
AF Poyry AB	Banco de Sabadell SA	Dfds A/S	GMR Infrastructure Ltd	Intrum AB
Air Liquide SA	BASF SE	DLR Kredit A/S	GN Store Nord A/S	Investor AB
Akamai Technologies Inc	Bavarian Nordic A/S	DNB ASA	Granges AB	Islandsbanki HF
Akelius Residential Property AB	Baxter International Inc	Dometic Group AB	Grupa Kety SA	ISS A/S
Akzo Nobel NV	Bekasi Fajar Industrial Estate Tbk PT	DSV PANALPINA A/S	GTPL Hathway Ltd	JM AB
Allegion plc	BHP Group Ltd	E.ON SE	H Lundbeck A/S	Johnson & Johnson
Alliance Bank Malaysia Bhd	BillerudKorsnas AB	Ecolab Inc	Haci Omer Sabanci Holding AS	Jubilant Life Sciences Ltd
Allianz SE	Boston Scientific Corp	Eli Lilly and Co	Haldex AB	Jyske Bank A/S
Alrosa PJSC	BP PLC	Elisa Oyj	Hana Microelectronics PCL	KBC Group NV
Alstom SA	CaixaBank SA	Ellevio AB	Hathway Cable & Datacom Ltd	Kellogg Co
Altice Europe NV	Castellum AB	Embracer Group AB	Heimstaden AB	Kemira Oyj
Ambea AB	Caverion Oyj	ENEL RUSSIA PJSC	Heimstaden Bostad AB	K-fast Holding AB
Amgen Inc	CD Projekt SA	Enel SpA	Heineken NV	Kinnevik AB
Anheuser-Busch InBev SA/NV	CEZ AS	Epiroc AB	Hennes & Mauritz AB	Knorr-Bremse AG
Antofagasta PLC	Chr Hansen Holding A/S	EQT AB	Hexagon AB	Kojamo Oyj
	Cie Generale des Etablissements			
AP Moller - Maersk A/S	Michelin SCA	Equinor ASA	Hikal Ltd	Koninklijke Philips NV
Arjo AB	Cikarang Listrindo Tbk PT	Erste Group Bank AG	Hoist Finance AB	Kungsleden AB
Aroundtown SA	Colgate-Palmolive Co	Etalon Group PLC	HT Media Ltd	Liberty Global PLC
Arwana Citramulia Tbk PT	Concentric AB	European Investment Bank	Huhtamaki Oyj	Lifco AB
Ashtead Group PLC	Coor Service Management Holding AB	Evraz PLC	Humlegarden Fastigheter AB	Link Net Tbk PT
ASML Holding NV	Corticeira Amorim SGPS SA	Fabege AB	Husqvarna AB	L'Oreal SA
Assa Abloy AB	Covestro AG	Fastighets AB Balder	Iberdrola SA	Magnit PJSC
AstraZeneca PLC	Croda International PLC	Faurecia SE	ICA Gruppen AB	Magnitogorsk Iron & Steel Works PJSC
Atlantia SpA	CTT Systems AB	Federal Bank Ltd	Ideagen PLC	Manila Water Co Inc
Atlas Copco AB	Daimler AG	Future Retail Ltd	IMI PLC	Matas A/S
Atrium Ljungberg AB	Danske Bank A/S	G4S PLC	Indian Hotels Co Ltd/The	Medistim ASA

Engagement during H1 2020, by company

MetLife Inc	Raymond Ltd	Skandinaviska Enskilda Banken AB	Zurich Insurance Group AG
Metso Outotec Oyj	Realkredit Danmark A/S	Sparbanken Skane AB	
Millicom International Cellular SA	Renault SA	SSE PLC	
Mobile TeleSystems PJSC	Rexel SA	Stillfront Group AB	
Mondelez International Inc	Rio Tinto PLC	Stora Enso Oyj	
Mowi ASA	Roche Holding AG	Stromma Turism & Sjofart AB	
Munters Group AB	ROCKWOOL International A/S	Stryker Corp	
National Grid PLC	Rosneft Oil Co PJSC	Svenska Cellulosa AB SCA	
National Westminster Bank PLC	Royal Dutch Shell PLC	Sweco AB	
Nationwide Building Society	S&P Global Inc	SwedenCare AB	
NCC AB	Salmar ASA	Symrise AG	
Nestle SA	Sandvik AB	Tata Communications Ltd	
Nibe Industrier AB	SAS AB	Tata Motors Ltd	
Nobina AB	SATS Ltd	Telia Co AB	
Nokian Renkaat Oyj	Scandi Standard AB	Topdanmark A/S	
Nordea Bank Abp	Schibsted ASA	TOTAL SE	
Norsk Hydro ASA	Schneider Electric SE	Turk Telekomunikasyon AS	
Nova Ljubljanska Banka dd	Sdiptech AB	TV18 Broadcast Ltd	
Novartis AG	Security Bank Corp	Unilever NV	
Novo Nordisk A/S	Sentul City Tbk PT	UPM-Kymmene Oyj	
NP3 Fastigheter AB	Serneke Group AB	VA Tech Wabag Ltd	
Nykredit Realkredit A/S	Severstal PAO	Vestas Wind Systems A/S	
Orkla ASA	SGS SA	Visa Inc	
Orsted A/S	Siam City Cement PCL	Volkswagen AG	
Owens Corning	Siemens AG	Volvo AB	
Pandora A/S	Siemens Healthineers AG	Wallenstam AB	
Petropavlovsk PLC	Signify NV	Weir Group PLC/The	
Philippine National Bank	Sika AG	X5 Retail Group NV	
Procter & Gamble Co/The	Silverlake Axis Ltd	Zealand Pharma A/S	
Puma SE	Sirius International Group Ltd	Zee Entertainment Enterprises Ltd	