



SwissLife
Asset Managers

Active Stewardship Report for Securities 2024

October 2025

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Introduction

Swiss Life Asset Managers' 2024 Active Stewardship Report for Securities provides a detailed overview of our engagement and proxy voting activities throughout the year. In line with our core stewardship principles, we remain committed to strengthening shareholder rights, promoting transparency and supporting initiatives that support human rights, address climate change and protect biodiversity, particularly at investee companies where these issues are material.

Over the course of 2024, we updated our proxy voting policy to further embed our sustainability ambitions and to consider the recommendations of the [Swiss Stewardship Code](#).

Our engagement approach focuses on proactive thematic engagement, such as our Net Zero by 2050 initiative, and reactive incident engagement addressing ESG controversies or other adverse ESG signals. In this report, we provide insights into our thematic engagement efforts, present the key outcomes of Swiss Life Asset Managers' Net Zero by 2050 engagement and provide illustrative case studies. We also report on key figures related to both engagement and proxy voting.

In terms of collaborative efforts, we continued our participation with [Climate Action 100+](#) and joined [ShareAction's Chemical Decarbonisation Investor Coalition](#), reinforcing our commitment to support the climate transition.

1 Approach and strategy

Swiss Life Asset Managers' responsible investment approach includes working towards a more environmentally sustainable future, taking intergenerational responsibility into consideration. Active stewardship at Swiss Life Asset Managers in securities encompasses the exercise of proxy voting rights and ESG engagement with investee companies or other stakeholders (e.g. associations, other investors)¹. With our proxy voting and engagement activities, we collaborate and interact with them with the aim to generate long-term financial, environmental and societal value, and to support positive and long-term sustainable outcomes.

This report covers the active stewardship activities of Swiss Life Asset Managers in relation to the securities asset class, managed on behalf of its clients, unless a client with an individual mandate has chosen to opt out of these activities. Some investments such as loans, mortgages, sovereigns and fund-of-funds are generally out of scope, mainly due to the specificities of those instruments that are not compatible with our active stewardship approach. Swiss Life Asset Managers' engagement and proxy voting activities are conducted in a fiduciary capacity on behalf of the investors of the relevant investments. By leveraging ownership rights, Swiss Life Asset Managers acts in the best interests of its investors.

1.1 Proxy voting

We exercise voting rights in a fiduciary capacity on behalf of our clients. In our voting activities we focus on the most relevant annual general meetings (AGMs) by voting at investee companies where our vote has a relevant weight or when key topics appear on the agenda (see also chapter 3.1). We vote at most AGMs that include environmental and/or social items on their agenda. The specific guidelines and our objectives with our proxy voting activities are described in the dedicated policy². In 2024, we revised our proxy voting policy. The main updates are summarised in the table below.

Table 1. Main updates in the proxy voting policy

Main updates in the proxy voting policy
Introduced specific guidelines for significant greenhouse gas (GHG) emitting investee companies. At these companies, we will support proposals which request to disclose Paris-aligned GHG emissions reduction targets, have those targets approved by recognised standards, and link executive remuneration to climate objectives, when appropriate.
Added new guidelines to hold directors accountable in cases of severe ESG controversies or insufficient climate transition plans, including voting against re-elections, when appropriate.
Refined our guidelines for environmental and social issues, with a thematic focus on climate change, biodiversity as well as social & human rights. We generally support proposals which substantively improve the management of the company according to recognised principles, which promote social or environmental aspects, good corporate citizenship and environmental stewardship, while enhancing long-term shareholder and/or stakeholder value.
Implemented a process to recall relevant shares from our securities lending activities to ensure that potential lending activity is aligned with our fiduciary duty.
Enhanced transparency and governance around our conflict of interest process related to proxy voting.

¹ As defined in Swiss Life Asset Managers' [proxy voting policy](#) and [engagement policy](#)

² [Proxy voting policy](#)

Proxy voting processes and research

The voting decisions were primarily based on the recommendations provided by [Institutional Shareholder Services \(ISS\)](#), our external service provider, as well as additional internal research and the consideration of other sources such as the [UN PRI](#), [Climate Action 100+](#) and data providers such as [MSCI ESG Research](#). The recommendations of ISS are customised in line with Swiss Life Asset Managers' policy. Specific items (e.g., environmental and social items) are reviewed by our ESG Engagement & Stewardship team on a case-by-case basis.

Resources

During the reporting year, the ESG Engagement & Stewardship team consisted of 1.5 FTEs. The team is responsible for defining the stewardship framework and policies as well as executing the engagement and proxy voting activities in collaboration with other stakeholders. There were 0.8 FTEs specifically working on proxy voting-related topics. The ESG Engagement & Stewardship team closely collaborates with the portfolio management, legal & compliance and risk management teams to review the policies, to monitor the activities and to integrate the outcomes into investment decisions.

1.2 Engagement

Engagement activities at Swiss Life Asset Managers in securities have specific engagement objectives and milestones with the aim to improve or safeguard the long-term stakeholder value of investee companies and ultimately the quality of investments for our clients. The engagement outcomes may influence our investment and voting decisions and are integrated into our escalation process.

The specific details on our engagement objectives per thematic pillar, our key engagement forms and priorities, engagement monitoring and escalation measures are described in the dedicated engagement policy³

Thematic engagement

Thematic engagement is our proactive engagement pillar for securities, aimed at promoting sustainable business practices at our investee companies. We prioritise and select engagements with investee companies based on the size of our investment in relation to our assets under management (AUM) and our shares in relation to the total shares outstanding of the investee companies, on their industry sector and its significance for relevant environmental and social issues, the portfolio companies' business practices and their transparency compared to peers as well as experiences from previous interactions. Swiss Life Asset Managers has selected following thematic engagement topics: Net Zero by 2050, Social & Human Rights, and Biodiversity.

³ Swiss Life Asset Managers' Engagement Policy.

Incident engagement

The incident engagement pillar takes a reactive approach, focusing on investee companies where we identify adverse ESG signals, such as ESG controversies and misalignment with the [UN Global Compact](#) or Organisation for Economic Co-operation and Development (OECD) [Guidelines for Multinational Enterprises on Responsible Business Conduct](#). Investee companies with such signals will be assessed for engagement by the ESG team and portfolio managers, considering the materiality and severity of the ESG issues, the exposure in our portfolios and previous interactions with the company. In line with the recommendations of the OECD, Swiss Life Asset Managers prioritises cases that are severe and systematic in nature and where we expect positive engagement outcomes. The primary objective of these engagement activities is to encourage the company to take relevant remediation actions, gain a better understanding of the measures taken by the company to mitigate/remediate the identified sustainability issues and to incentivise the company to implement stronger policies and processes to prevent similar ESG risks in the future.

Table 2. ESG engagement pillars

	Thematic engagement	Engagement activities related to the focus topics Net Zero by 2050, Social & Human Rights, Biodiversity with the aim to proactively promoting sustainable business practices at our investee companies.
	Incident engagement	Engagement initiatives related to ESG controversies, or other adverse ESG signals (e.g. ESG ratings, UN Global Compact misalignment) with the aim to mitigate or remediate the identified sustainability issues.

Source: Swiss Life Asset Managers

1.3 Governance and organisation

Our responsible investment approach aims at integrating sustainability considerations into all core processes. To streamline the implementation and to create internal synergies, the Swiss Life Asset Managers' ESG Board, a sub-committee of the Executive Committee of Swiss Life Asset Managers, has been established. The escalation body of the ESG Board is the Executive Committee of Swiss Life Asset Managers. The Executive Committee of Swiss Life Asset Managers is embedded in the overall governance framework of the Swiss Life Group.

Asset class-specific topics are discussed in the respective asset class-specific ESG committees. These committees are responsible for transposing the overarching ESG corporate strategy into asset class-specific strategies, defining targets, implementation approaches and policies such as investment guidelines, and overseeing their implementation. For engagement and proxy voting activities for securities, the ESG Securities Stewardship Committee, a subcommittee of the ESG Committee Securities, is the main governance body. The asset class-specific ESG committees and the ESG Committee Stewardship report to and inform the ESG Board.

2 Report on engagement activities in 2024

In 2024, Swiss Life Asset Managers engaged via one-to-one dialogues, written exchanges, collaborative initiatives and investor letters.

We did not work with an external engagement service provider in 2024. While our ESG specialists often lead engagements, the identification and analysis of the key sustainability issues and the interactions with the investee companies are done in close collaboration with the portfolio managers. This collaboration is the basis for building a comprehensive view of the investee companies' activities, setting them in the context of the relevant industry, to make the engagement activities as impactful and productive as possible and to consider the engagement outcomes into our investment and voting decisions.

2.1. How we engaged in 2024



Source: Swiss Life Asset Managers

We engaged with 22 investee companies and had 27 engagement interactions, compared to 20 investee companies and 24 engagement interactions in 2023. Our engagement activities were primarily exercised in written form and by conference calls.

In cases where we engaged in written form, we transparently communicated our engagement objective, shared specific gaps of the investee companies' business practices or policies, provided a comparison to best practices and added specific questions on the company's position and ambition to reach the relevant objectives. The company's answer allows us to track the progress of reaching the relevant objectives and in cases where the answers were not sufficient, we take further engagement measures. The most prevalent topic in the reporting year was again our thematic engagement on climate issues. During the reporting year we added two additional engagement cases. Our industry and region split continues to focus mainly on the oil and gas, automotive and chemicals sectors in Europe and North America.

*Our 2024 individual and collaborative engagement activities covered about 2.1% of assets under management (AUM) of our total securities equity and corporate bond portfolio.

**Please find the definition of the milestone framework in Table 3

Figure 1. ESG engagement activities in 2024

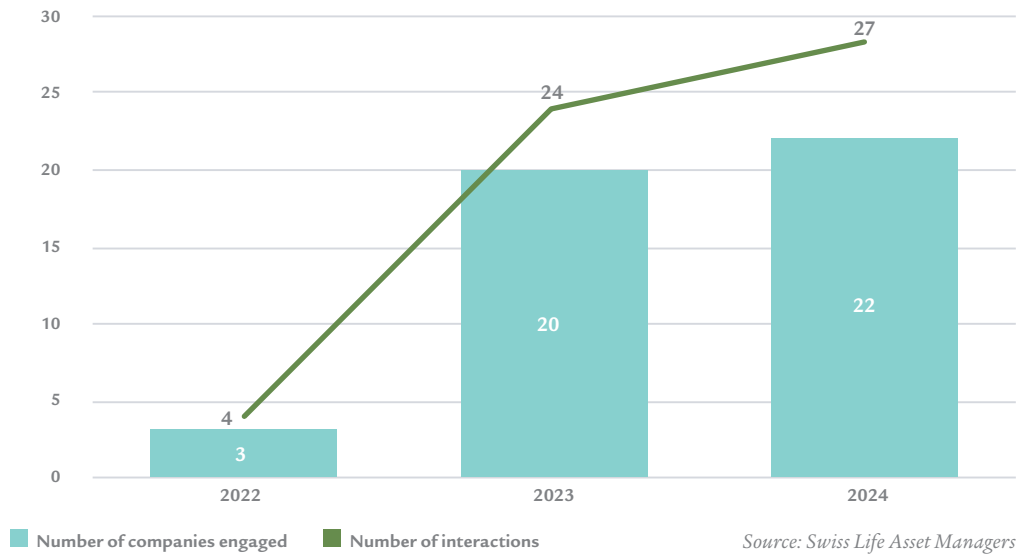


Figure 2. ESG engagement interaction forms

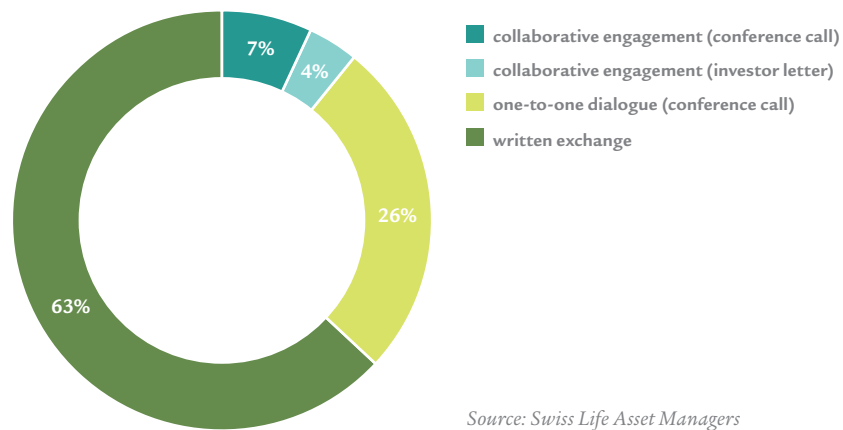


Figure 3. ESG engagement interactions across themes

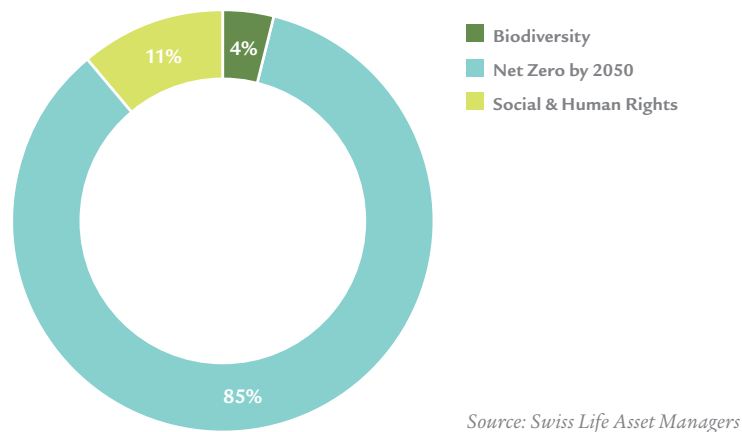
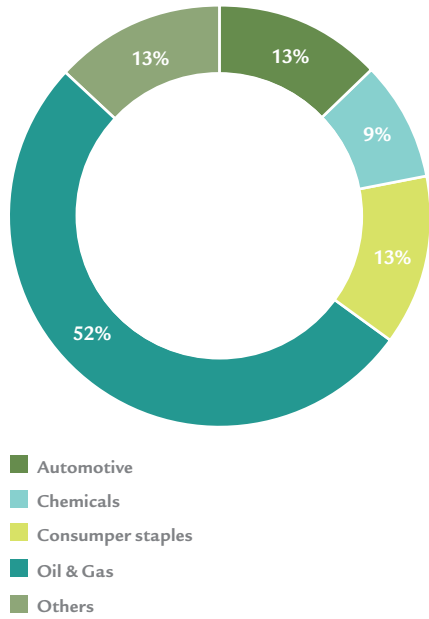
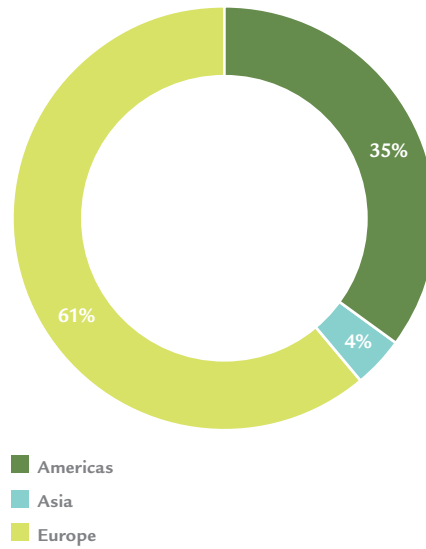


Figure 4. Companies engaged by sector



Source: Swiss Life Asset Managers

Figure 5. Companies engaged by region



Source: Swiss Life Asset Managers

The status of progress in achieving the engagement objective is measured with a milestone framework:

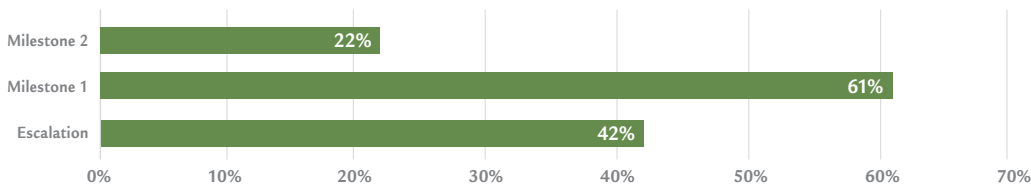
Table 3. Milestone framework

Milestone 1	The investee company acknowledges the concern that was raised.
Milestone 2	The investee company takes actions to address the concern.
Milestone 3	The investee company successfully achieves the engagement objectives.
Engagement failure	The investee company fails to achieve the engagement objectives.

Source: Swiss Life Asset Managers

61% of our engagements reached Milestone 1, with several showing progress toward Milestone 2, while others have entered the escalation process.

Figure 6. Engagement progress



Source: Swiss Life Asset Managers

2.2 Net Zero by 2050 engagement: Key outcomes and progress

Starting in 2023, Swiss Life Asset Managers' Net Zero by 2050 thematic engagement aims to encourage investee companies to align their transition planning with the Paris Agreement and contribute to the decarbonisation of our assets under management. Based on Swiss Life Asset Managers' NZAM commitment⁴, we selected 20 significant GHG emitters to engage on this topic. In 2024, we focused on analysing the responses from our tailored engagement surveys, public disclosures of the investee companies and external data to update our assessment of the company's climate transition plans based on five key pillars: Governance, Risk Management, Climate Strategy, GHG Emissions Targets, and Disclosures.

Specific positive outcomes in our engagement activities within this pillar include improved disclosure of absolute GHG emissions reduction targets and Scope 3 targets, the integration of emissions targets into executive remuneration schemes, enhanced climate reporting aligned with widely recognised frameworks and greater transparency regarding climate policy positions and their alignment with the Paris Agreement.

Below are some key insights that we have derived from our engagement activities with investee companies:

Investee companies' efforts were mainly focused improving transparency and disclosures related to climate change risks and opportunities. In the next step, it is crucial to encourage companies to allocate relevant CAPEX and OPEX into climate change mitigation efforts.

Our engagement activities were especially effective when objectives were defined considering the transition-readiness of the company and the sector, policy support and the maturity of technologies for the transition.

Many oil and gas companies in our engagement scope rely heavily on carbon capture, alternative fuels and hydrogen to reach their net zero objectives. According to the International Energy Agency's World Energy Outlook report⁵, these solutions should only play a limited role (e.g. important for hard-to-abate sectors) in the overall energy transition compared to renewables. The companies within our engagement scope did not put enough emphasis on building or extending their renewable energy capacities such as wind or solar.

One of the biggest gaps for chemical companies in our engagement scope is the need for stronger Scope 3 emissions reduction targets, while the main challenge lies in the complexity of their product value chains, which makes tracking and reducing emissions more difficult. We are continuing to advocate for more ambitious Scope 3 targets in this sector, pushing for a pragmatic approach in measuring these emissions.

Engagement from investors is important given the urgent investments required in climate change mitigation and the long-term interests of our clients. During the dialogues with the investee companies, they highlighted that investor support on mitigation efforts is also important for them – especially in an increasingly complex market environment.

While companies acknowledged our requests for greater transparency in GHG emissions reduction target-setting, climate governance and risk assessment, we observed only limited progress on our requests for more ambitious CAPEX and OPEX targets, particularly in relation to key decarbonisation levers, the dependencies on specific levers and related investment plans. They will remain a key priority for us in 2025.

⁴ Swiss Life Asset Managers' NZAM commitment

⁵ Source: IEA World Energy Outlook 2024

Case studies

2.3 Case studies: Stellantis, Volkswagen and BASF

Below we include some case studies of our engagement activities with selected companies.

Stellantis

Context

Thematic engagement: Net Zero by 2050

Stellantis is an automotive company formed in January 2021 through the merger of Fiat Chrysler Automobiles and the PSA Group. Headquartered in Hoofddorp, Netherlands, Stellantis designs, manufactures and markets vehicles under 14 brands, which include Chrysler, Citroën and Opel.

We started our engagement with Stellantis in 2023 as part of Swiss Life Asset Managers' Net Zero by 2050 engagement programme. The automotive industry is a significant contributor to global greenhouse gas emissions. In 2023, private cars and vans were responsible for approximately 10% of global energy-related CO₂ emissions from operational activities. Beyond operational emissions, the production of materials such as steel and aluminium, extensively used in vehicle manufacturing, adds to the industry's carbon footprint. This places it among the top sectors in terms of climate impact, intensifying the importance of transitioning to low-carbon technologies. Stellantis is committed to achieving net zero emissions by 2038, with investments in electric vehicles (EVs), advanced battery technologies and sustainable operational practices. By leading in these areas, Stellantis and the broader automotive sector will be essential to advancing global efforts towards a sustainable mobility system.

Engagement activities and objectives

Our engagement objective with Stellantis is to encourage alignment of the company's climate transition planning with the Paris Agreement. Following a detailed review of Stellantis's "[Dare Forward 2030](#)" strategy, we acknowledged its ambition but identified several gaps in comparison to best practice standards and disclosures by industry peers.

Based on the company's public reporting, we defined a set of key engagement priorities. These included the publication of absolute, science-based emissions reduction targets across all three scopes (Scopes 1, 2 and 3), aligned with the [Science Based Targets initiative](#) (SBTi) for the short, medium, and long term. We also urged Stellantis to accelerate its capital expenditure and sales ambitions related to electric vehicle (EV) adoption and ensure the alignment of its lobbying activities with the Paris Agreement.

We started the engagement through written correspondence, which includes sharing our assessment of Stellantis's climate transition plan, followed by a one-to-one dialogue via conference call. On the investee company side, representatives from Investor Relations and Sustainability teams participated, while Portfolio Management and ESG teams represented Swiss Life Asset Managers.

6 Cars and Vans - Energy System - IEA

During the call, we discussed Stellantis's GHG reduction targets and regional EV/PHEV sales ambitions in more detail. We encouraged the company to validate its targets with SBTi, to strengthen its EV ambitions in key growth regions such as South America and India and to increase its CAPEX investments in EV charging infrastructure. Stellantis noted that limited EV infrastructure in South America and India poses a challenge to accelerating EV uptake.

Additionally, we addressed the limited public disclosure on the review of trade association memberships and the alignment of their activities with the Paris Agreement. We discussed Stellantis's ambition to define a timeline for ending memberships in trade associations that are not aligned with the Paris Agreement and to advocate for public policies that support the sector's decarbonisation and the uptake of EVs.

Engagement outcomes

We were encouraged by the fact that Stellantis has progressed towards our engagement objectives, as they have disclosed absolute GHG emissions reduction targets across all scopes, with medium (2030) and long-term targets (2038).

The company also published its first Climate Policy Report in 2024, providing transparency on the alignment of its trade associations with the Paris Agreement⁷. While there is room for greater clarity in this report, we acknowledge and recognise it as an important step forward for the company.

Although Stellantis is currently navigating a leadership transition in a turbulent time for both the automotive sector and climate change policies, we remain optimistic about our engagement prospects and focus on the outstanding objectives to accelerate their climate transition.

Volkswagen

Context

Thematic engagement: Social & Human Rights

Volkswagen Aktiengesellschaft (Volkswagen) is a German-headquartered, global automobile manufacturer. During 2023 and 2024, we engaged with the company on social and human rights risks, specifically related to allegations of state-sponsored forced labour in the Xinjiang region in China, where the company operated a joint-venture plant, SAIC Volkswagen.

Engagement activities and objectives

We initiated the engagement in spring 2023 based on our ESG due diligence process and the MSCI ESG Controversies Red Flag regarding the allegations of company's involvement in the state-sponsored labour transfer programmes involving Uyghur and other ethnic minorities. Our engagement objective is to understand and support the improvement of Volkswagen's human rights due diligence processes and discuss potential remediation mechanisms, particularly about its operations in high-risk regions.

We held several video calls with the investor relations team at Volkswagen. Our dialogue initially focused on encouraging the company to conduct an independent audit of labour rights

⁷ Stellantis Climate Policy Report 2024/2025

at the SAIC Volkswagen plant in Xinjiang. The company published a summary audit report in December 2023 indicating no evidence of forced labour.

In 2024, we were able to access the full audit report⁸ and identified a few shortcomings. These included, in our view, inconsistencies in the application of audit standards (e.g. interview confidentiality) and concerns about auditor independence and qualifications. In further dialogue, we expressed our concerns and requested further clarification of the company's intention to improve its supply chain due diligence and risk mitigation processes. Following this renewed dialogue, Volkswagen announced its decision to exit the Urumqi production plant and cease related operations in the Xinjiang region⁹. We regard the exit from the region as a positive signal. However, from our perspective, the issues were mainly solved through the exit of the plant; we provided the company with further recommendations regarding broader improvements in its human rights' due diligence approach across its global supply chain to prevent similar controversies in the future.

Our recommendations focused on the need for increased transparency by publishing detailed information on supply chain due diligence efforts and findings with a focus on high-risk areas, to establish more binding remediation processes for when violations are found and to extend their raw materials report by providing enhanced disclosures on risk identification and mitigation for materials sourced from high-risk regions.

Engagement outcomes

We positively note the company's openness and acknowledgement of our concerns and consider the decision to exit the Xinjiang plant as a positive step. However, our engagement remains ongoing, as key issues remain only partly addressed, particularly regarding human rights due diligence efforts and findings across its full supply chain and with a focus on high-risk regions.

BASF

Context

Thematic engagement: Net Zero by 2050

BASF, headquartered in Germany, wants to be the preferred chemical company to enable its customers' green transformation. In 2024, the company generated sales of EUR 65.3 billion. The portfolio comprises, as core businesses, the segments Chemicals, Materials, Industrial Solutions, and Nutrition & Care; the standalone businesses are bundled in the segments Surface Technologies and Agricultural Solutions. The chemical sector is the largest industrial energy consumer and the third-largest industry subsector in terms of direct CO₂ emissions (IEA¹⁰). As the starting point for almost all industry value chains, BASF and the chemical industry as a whole play a critical role in the climate transition while contributing products and innovations such as insulating foams for energy-efficient buildings, lightweight construction components and battery materials for e-mobility. It is therefore essential to transform chemical production in order to reduce the carbon footprint in all subsequent steps of the value chain.

⁸ SAIC Volkswagen (Xinjiang) Automotive Company Limited ESG Audit

⁹ All set for future mobility: Volkswagen Group and SAIC Strengthen Longstanding Partnership with New Joint Venture Agreement

¹⁰ IEA Chemicals

Engagement activities and objectives

In view of our individual influence, we opted to participate in an investor coalition with ShareAction, commencing in May 2024. ShareAction is a UK-based charity that advocates for responsible investment. They work with investors, policymakers and other stakeholders to set high standards for responsible investment and drive change in the financial sector. ShareAction's Chemical Decarbonisation Investor Coalition represents 46 institutional investors. The coalition engages companies in the chemical sector to accelerate decarbonisation and ensure their climate transition strategies align with a 1.5°C net-zero pathway.

In collective action, we leverage ShareAction's research capabilities while providing our input and pledging our support for the investor-backed coalition. Prior to calls with the company, we participated in preparatory meetings where investors align on the agenda, exchange ideas and allocate questions that are fielded to BASF's leadership team. We have since had one call with BASF's leadership team, including the CEO, regarding their investments in transition technologies and the scaling of feedstock substitutions.

During the call, we specifically shared our intention as an investor coalition, representing a total of 21 asset managers, to clarify expectations regarding specific elements of BASF's CSRD transition plan, particularly BASF's strategy for transitioning its asset base in the next 10 years, and we reiterated our expectation that BASF set a near-term, proportional feedstock substitution target and a comprehensive near-term Scope 3 target.

Engagement outcomes

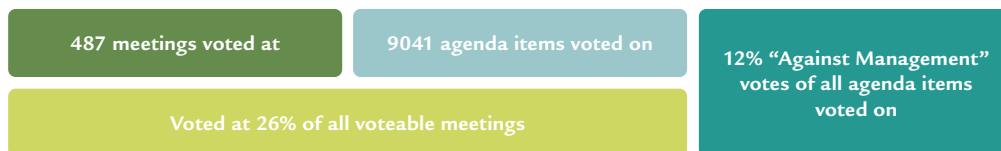
We were encouraged by BASF's support of the EU Green Deal and the Green Industrial Deal, promoting legislative requirements for plastics recycling solutions, carbon management strategies and renewable electricity criteria. While BASF has expressed concerns about setting proportional feedstock substitution targets due to insufficient demand signals as well as challenges related to data availability and limited methodologies for setting downstream Scope 3 targets, we encouraged the company to strengthen its public policy advocacy and to adopt a more transparent and pragmatic approach to target-setting. We view this as critical for scaling transition technologies and accelerating the shift to alternative feedstocks. We are confident that our work with ShareAction will yield positive results with BASF and that it will contribute to strengthen our sector-specific expertise, ultimately enhancing our engagement activities with other chemical companies in the climate transition.

3 Report on proxy voting activities in 2024

3.1 How we voted in 2024

In the reporting year, Swiss Life Asset Managers exercised proxy voting rights at 487 annual general meetings (AGMs), covering a total of 9041 agenda items, in alignment with the criteria and scope set out in our Proxy Voting Policy¹¹. This represents 26% of all AGMs at which we could vote. In accordance with our policy, we primarily vote at AGMs where our investment exposure exceeds a defined threshold or when agenda items include specific environmental and/or social topics of interest.

In addition to the overview presented in this report, Swiss Life Asset Managers discloses its voting activities on its website using Voting Disclosure Services (VDS)¹² from ISS.



Source: Swiss Life Asset Managers

We continued to vote on relevant environmental and social items with the aim to promote social or environmental aspects, while enhancing or safeguarding long-term shareholder and/or stakeholder value.



Source: Swiss Life Asset Managers

¹¹ This report includes a consolidated view of Swiss Life Asset Managers' voting instructions. Note that holdings from individual client mandates are not in the scope of our proxy voting activities unless there are clear instructions from the client to exercise voting rights, in which case that activity is included in this report.

¹² Proxy Voting Dashboard

Throughout the reporting period, we maintained our commitment to encouraging companies to provide enhanced transparency on climate change risks and opportunities. Considering sector-specific expectations, we refrained from supporting climate transition plans if they lacked sufficiently robust short, medium and long-term GHG emissions reductions targets. We endorsed resolutions that called for aligning net zero efforts with the expectations outlined by the Paris Agreement and relevant sector guidance such as the International Energy Agency (IEA), as well as resolutions urging the adoption of GHG emissions reduction targets in accordance with the recommendations of the Science-Based Targets initiative (SBTi). With the objective of encouraging companies to develop their transition planning and achieve emission reductions in line with the Paris Agreement, we supported 59 climate-related shareholder proposals.

Supported 59 out of 77 climate-related shareholder proposals within our voting scope

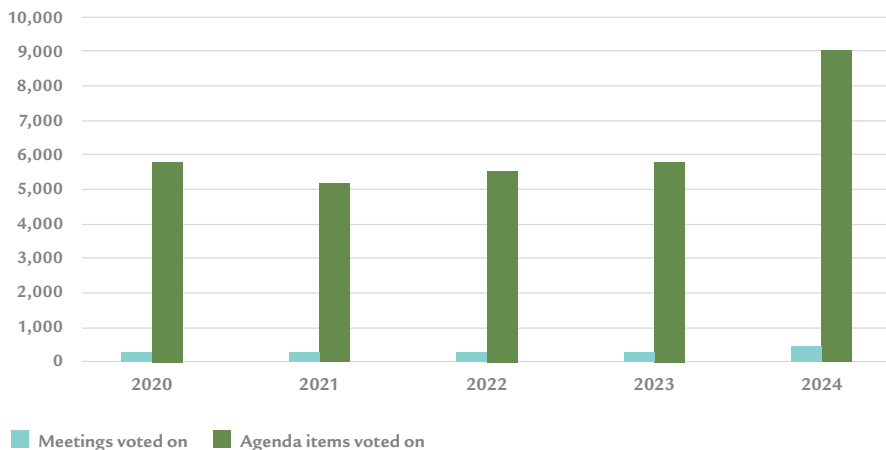
Source: Swiss Life Asset Managers

As a result, Swiss Life Asset Managers ranked 14th out of 70 global asset managers, achieving the highest score among all Swiss asset managers evaluated according to the ShareAction¹³ analysis of the world’s largest asset managers based on their voting across 279 environmental and social-related shareholder resolutions. Asset managers that voted in favour of a higher percentage of these resolutions had a higher overall score.

Rank 14 out of 70 in ShareAction’s Voting Matters ranking

Source: Swiss Life Asset Managers

Figure 7. Development of proxy voting activities



Source: Swiss Life Asset Managers

¹³ ShareAction Voting Matters 2024 Report

Compared to 2023, we increased the number of agenda items voted on from 5772 to 9041 and meetings voted at from 294 to 487. The increase in our voting activities was mainly related to the launch of new funds and the introduction of a newly introduced regulation¹⁴ requiring relevant Swiss companies to approve sustainability reports at the AGMs. This item falls within our environmental and social item scope, which triggers our participation in the AGM.

Figure 8.
Votes by proposal type

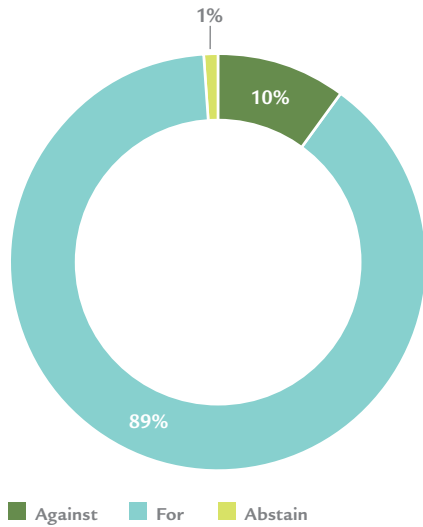
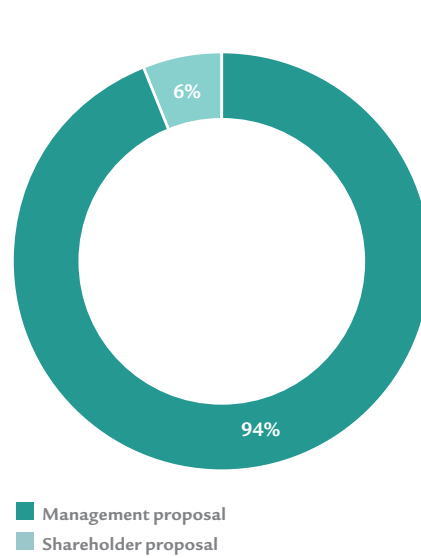


Figure 9.
Votes by vote instructions

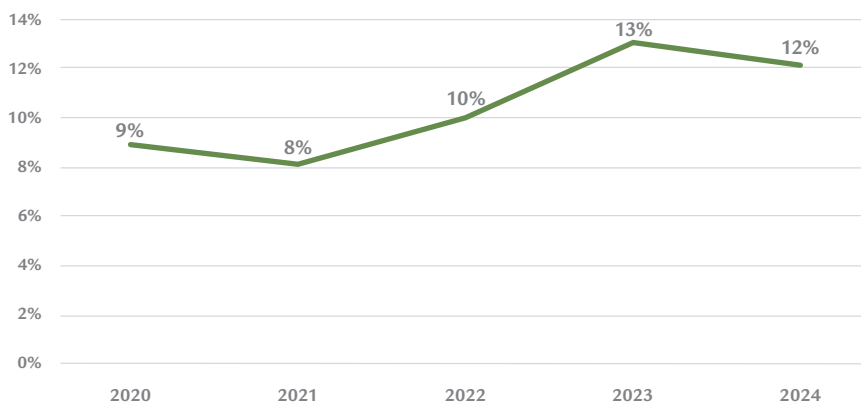


*We could observe a lower level of shareholder proposal in our voting scope, which dropped from 9% in 2023 to 6% in 2024.

Source: Swiss Life Asset Managers

Source: Swiss Life Asset Managers

Figure 10. Percentage of “Against Management” votes



Source: Swiss Life Asset Managers

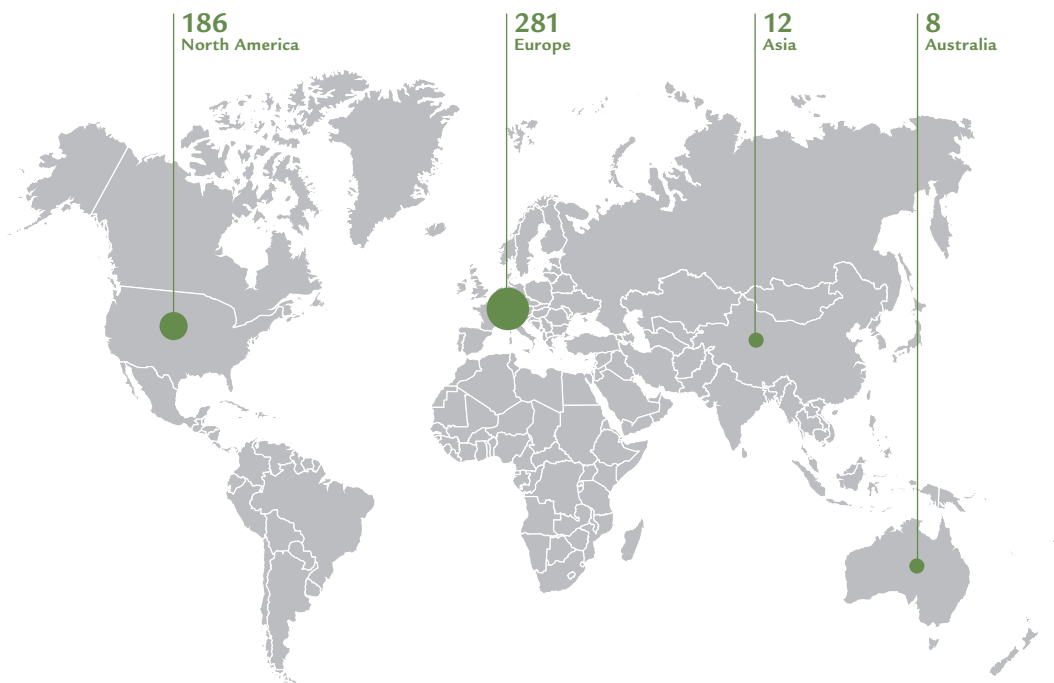
¹⁴ Code of Obligations “Transparency on Non-Financial Matters”.

In 2024, we voted in 12% of the cases against the investee companies' management recommendations. We usually vote against management recommendations to express our concerns regarding governance issues or sustainability matters, escalate engagement activities or to support shareholder proposals with the aim of enhancing transparency and accountability on ESG topics. Shareholder proposals are generally not supported by the investee companies' management.

Geographic areas

Our voting activities are primarily focused on Europe and North America, based on our investment exposure and defined thresholds. Environmental and social proposals are more commonly filed at AGMs in North America, which also drives higher voting activity in that region.

Figure 11. Number of meetings voted at per region



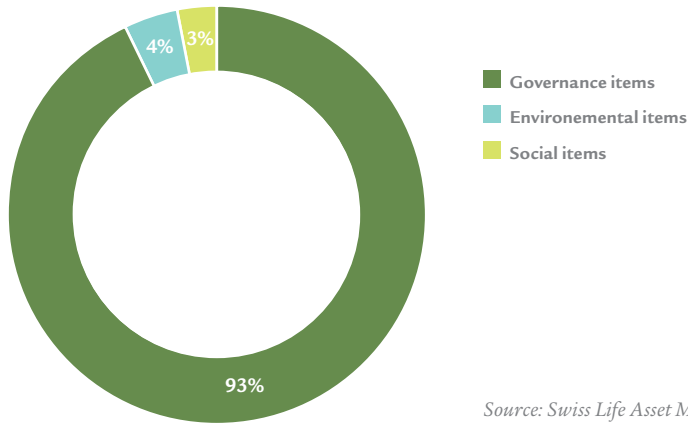
Source: Swiss Life Asset Managers

Analysis of votes concerning environmental, social and governance items

In the figures below, we show the breakdown of agenda items voted based on Environmental (E), Social (S), Governance (G)¹⁵ pillars and the agenda items where we voted "Against Management". 93% of the items voted are Governance items, while there were 4% Environmental and 3% Social items. For Social items, the percentage of votes against management was the highest with 59%, followed by 31% for Environmental items and 9% for Governance items.

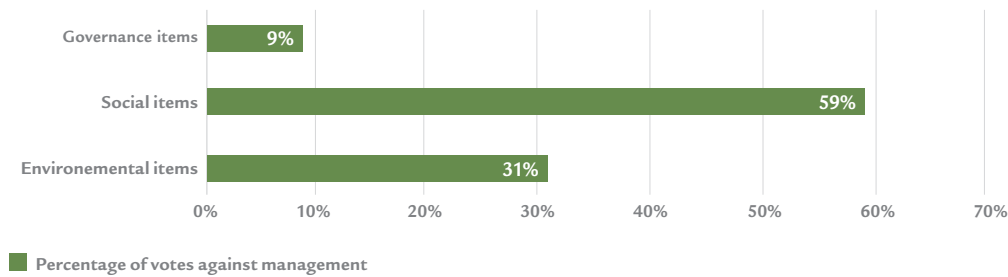
¹⁵ Environmental items are, for example, related to climate change and biodiversity. Social items are, for example, related to human rights due diligence processes and board diversity. Governance items are, for example, related to director elections, financial authorisations and executive compensation. We rely on the categorisation by our external service provider ISS.

Figure 12. Environmental, Social and Governance items



Source: Swiss Life Asset Managers

Figure 13. Environmental, Social and Governance items “Against Management” votes for each pillar

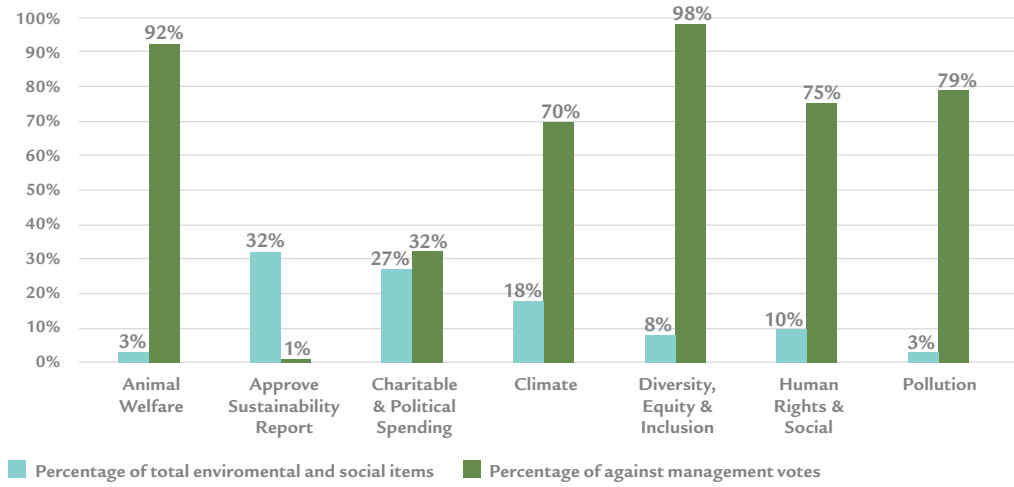


Source: Swiss Life Asset Managers

Throughout the reporting year, investors continued to put a strong emphasis on environmental and social issues, particularly through filing specific shareholder proposals on these topics. In our voting scope, the most important areas include climate-related disclosures, human rights due diligence processes and related policies, as well as corporate practices regarding charitable and political contributions.

Swiss Life Asset Managers did not file any shareholder proposal but generally supported proposals which promote social or environmental aspects and benefit the stakeholders of the investee company. We voted against management recommendations to promote social and environmental aspects, good corporate citizenship, and environmental stewardship with the objective of increasing transparency and accountability on ESG issues. These votes also included management proposals where we held the investee companies’ board accountable for material ESG failures, such as a lack of transparency and ambition for sustainability-related disclosures or material ESG controversies that were not sufficiently addressed. Together with other responsible and long-term investors, we use our voting rights to encourage investee companies to improve their ESG practices in line with recognised and relevant principles.

Figure 13. “Against Management” votes on specific Environmental and Social topics



Source: Swiss Life Asset Managers

A proud participant of:



Climate Action 100+
Global Investors Driving Business Transition

56%

“Against management” votes on **climate topics** at **Climate Action 100+ focus companies**, given our voting scope

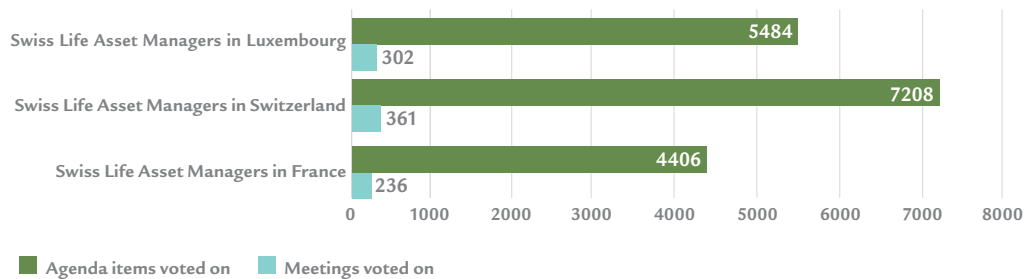
15

Climate-related proposals supported at **Climate Action 100+ focus companies**

Proxy voting activities by local entities¹⁶

In the illustration below, we provide the proxy voting activities for Swiss Life Asset Managers’ local entities¹⁷.

Figure 14. Proxy voting activities by local entities



Source: Swiss Life Asset Managers

¹⁶ All other reported figures are consolidated over all local entities.

¹⁷ Figures per local entity cover the scope of funds domiciled in the respective location, and not the scope of funds managed by the respective entities.

Case studies

3.2 Proxy voting 2024: case studies

3.2.1 Case study: Shell: shareholder proposal on medium-term Scope 3 GHG emissions targets

At Shell's 2024 Annual General Meeting, Swiss Life Asset Managers supported a shareholder resolution co-sponsored by 27 institutional investors. The proposal requested the company to align its medium-term greenhouse gas (GHG) emissions reduction targets, specifically Scope 3 GHG emissions, with the objectives of the Paris Agreement.

Swiss Life Asset Managers supported this resolution in line with our [Proxy Voting Policy](#), which advocates for absolute short, medium and long-term GHG emissions reduction targets across all scopes at significant GHG emitting companies.

Our decision to support this proposal was also informed by our engagement activities with Shell, where we have identified and discussed the gaps in the company's climate transition plan. The removal of Shell's 2035 Net Carbon Intensity target and the exclusion of liquefied natural gas from its absolute Scope 3 emissions reduction targets in 2024 limits our ability to assess whether Shell is making progress toward reducing its GHG emissions and is able to reach its Net Zero by 2050 commitment. The proposal received 18.6% support from shareholders.

These gaps were also central to our decision to vote against Shell's Energy Transition Strategy and the re-election of the board chair at the 2024 AGM. We voted against the re-election of the board chair as from our perspective the chair of the board ultimately shoulders the most responsibility amongst all board members for failing to effectively supervise the management of climate risks.

Supporting the shareholder resolution and voting against Shell's Energy Transition Strategy and the re-election of the board chair send a clear signal to the company: credible and robust GHG emissions reduction targets are essential for maintaining investor confidence and reaching the global targets of the Paris Agreement.

3.2.2 Case study: shareholder proposals on human rights due diligence at an American footwear and apparel company

Swiss Life Asset Managers supported two shareholder proposals requesting greater transparency on the company's approach to managing human rights risks across its global supply chain at its 2024 AGM. The proposals called for a report assessing the effectiveness of the company's supply chain management in aligning with its equity goals and human rights commitments and an evaluation of the impact of implementing [Worker-Driven Social Responsibility](#) (WSR) principles.

Our support for the proposal requesting a report assessing the effectiveness of the company's supply chain management was grounded in concerns over the company's current supply chain due diligence practices and the adequacy of its response to allegations of forced labour involving Uyghur workers. While the company has stated that it does not source from the Xinjiang region and that its suppliers do not use materials from there, it has not provided investors with a comprehensive and detailed assessment of the effectiveness of its risk mitigation systems and due diligence framework. From our perspective, the company's statement would be strengthened by a report detailing the efficacy of its traceability and risk mitigation measures

across the entire supply chain. We also supported this item given the firm's lack of response to a public investor letter related to wage disputes at supplier factories in Southeast Asia.

We also supported the proposal requesting a report evaluating WSR frameworks to better safeguard worker rights. While the company has a range of CSR initiatives in place, WSR models, based on binding agreements, independent oversight, and worker participation, have shown to be more effective in addressing labour abuses in high-risk regions. In our view, exploring these mechanisms could enhance the company's human rights due diligence and better align its practices with its stated commitments.

Both proposals received approximately 20% investor support. Swiss Life Asset Managers continues to encourage the company to strengthen its supply chain oversight and transparency to manage human rights risks more effectively.

3.2.3 Case Study: shareholder proposals on the impact of virgin plastic demand at Phillips 66

Phillips 66 is an American energy manufacturing and logistics company, primarily focused on refining, midstream, chemicals, and marketing specialties. At their 2024 AGM, a shareholder proposal was filed requesting the company to publish a report analysing the financial implication of a shift from the current economic system based on the heavy use of single-use plastics made from virgin materials to one that relies much more on reused and recycled plastics.

This request comes in the context of Phillips 66's 50 percent equity investment in CPChem, which manufactures and markets petrochemicals and plastics with assets in America and the Middle East. Through this investment, Phillips 66 is involved in the production of raw materials that go into the creation of plastics. CPChem scenario analyses are misaligned with the projections of the "[Break the Plastic Wave](#)" report cited by the proponent. According to the scenarios of the report, a much steeper reduction in demand for virgin plastics can be expected. Although CPChem has made progress by enhancing its disclosures, Swiss Life Asset Managers supports the call for additional transparency, which would enable us to assess more effectively the company's progress in addressing the financial implications of its ambition in transitioning from single-use plastics made from virgin materials to one that prioritises the use of recycled and reusable alternatives.

Plastic waste, especially single-use plastics, contributes to environmental degradation. It accumulates in terrestrial and marine ecosystems, where it harms wildlife and ecosystems. Given these risks, stronger disclosures are critical to ensure that plastic reduction efforts are both financially resilient and aligned with long-term environmental goals.

4 Report on collaborative and public policy engagement

Participation in collaborative engagement and public policy engagement are key measures of Swiss Life Asset Managers that allow us to progress on our engagement priorities, to support sustainability disclosures and to drive sustainable finance regulation forward.

Collaborative engagement is particularly important when we have significant concerns but only a small stake or limited leverage in an investee company. By joining forces with other investors and stakeholders, we are able to strengthen our engagement efforts and to enhance our engagement outcomes. We participate in such engagement activities with the aim of aligning engagement objectives, sharing analysis and research resources and to decide on appropriate engagement measures.

In 2024, we participated in ShareAction's Chemical Decarbonisation Investor Coalition which aims at encouraging chemical companies to adopt credible transition plans and to align them with the Paris Agreement. We continued to be part of a collaborative engagement coordinated by Climate Action 100+ and joined an additional engagement within the initiative. Similar to the objectives of the Chemical Decarbonisation Coalition, this initiative's ambition is to encourage significant GHG emitting companies to act against climate change and to align their transition planning with the Paris Agreement. In both cases, Swiss Life Asset Managers had the role of a contributing investor and did not lead the engagement activities. Swiss Life Asset Managers' contribution includes supporting lead investors, participating in meetings and providing input, interacting with the investee companies and supporting relevant engagement measures such as public letters or shareholder resolutions.

Swiss Life Asset Managers also participated in public policy engagement. Public policy engagement in the context of responsible investing includes the collaboration of investors with governments, regulators and industry associations to contribute to credible public policies that support sustainability and ESG efforts.

We participated in the Asset Management Association Switzerland (AMAS) working group related to the revision of the Sustainable Finance Self-regulation, as well as in a Swiss Insurance Association (SIA) working group related to the Swiss Climate Scores. We also participated in UN PRI organised roundtables on stewardship activities in Switzerland, with the objective of sharing best practices and exchanging information on engagement approaches.

Furthermore, we contributed to a research publication¹⁸ led by Dr. Timo Heroth and Prof. Dr. Stefan Behringer of the Institute of Financial Services Zug (IFZ) at the Lucerne School of Business evaluating engagement success factors, data and dynamics of engagement activities based on a case study.

For more details and a full list of memberships and initiatives that Swiss Life Asset Managers supports, please refer to our website¹⁹.

¹⁸ Engagement Effectiveness by Active Ownership: A Case Study of Net Zero Strategies in Oil & Gas and Automotive.

¹⁹ Please refer to [Active Stewardship at Swiss Life Asset Managers](#).

5 Outlook

Going forward, our active stewardship efforts will build on the foundations established in previous years, with a strong focus on further aligning our practices with evolving expectations and regulatory developments. A key priority will be to further align our engagement policy with the recommendations of the Swiss Stewardship Code.

We will continue to advance our engagement activities on Swiss Life Asset Managers' Net Zero by 2050, with a focus on capital allocation toward low-carbon solutions, encouraging investee companies to adopt more credible climate targets and establish robust climate governance structures. Expanding our influence in this area remains central to supporting the transition to a low-carbon economy and to safeguarding the long-term value of our investments.

Additionally, we may further enhance our thematic engagement frameworks in the areas of biodiversity, and social & human rights. By developing clearer methodologies and deepening our thematic analysis, we aim to increase the effectiveness of our engagement activities.

Appendix

This report is related to the following additional publications from Swiss Life Asset Managers:

- [Active Stewardship Report 2023](#)
- [Responsible investment policy](#)
- [Responsible investment report 2024](#)
- [VDS Voting Dashboard](#)
- [Proxy Voting Policies](#)

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