



Stichting Pensioenfonds SABIC's Engagement Policy

Engaged shareholder

Stichting Pensioenfonds SABIC (SPF) not only feels it's important that our members can enjoy a good retirement, we also want them to be able to do this in a world that is liveable for everyone. This is also why sustainability is a major aspect of SPF's investment philosophy and an integral component of its investment principles. Active shareholdership is a crucial feature of this. Our engagement policy describes how SPF fulfils the role of engaged shareholder.

Engagement

As an engaged shareholder, SPF enters into a dialogue with companies to encourage them to improve their sustainability performance. SPF's engagement programme specifically seeks positive impact with respect to its four chosen focus Sustainable Development Goals (SDGs): clean water and sanitation, affordable and clean energy, responsible consumption and production, and climate action. The engagement policy is described in more detail in SPF's sustainability policy, which you can find via this [link](#).

We outsource our engagement activities to Columbia Threadneedle Investments (CTI), enabling us to cooperate effectively with other institutional investors. This collective approach makes it easier for us to enter into a dialogue with companies, as well as enabling us to exert more pressure on them. Which means we can achieve more.

Voting

SPF votes at shareholder meetings of all the listed companies worldwide in which it invests. We also use CTI's services for this. CTI's voting guidelines are available on SPF's [website](#).

It is important that our engagement and voting policies complement and reinforce each other. For that reason, CTI's voting decisions are determined partly by the engagement programme that CTI implements on our behalf.

Monitoring material affairs

SPF uses this voting approach to monitor the material affairs of all Dutch listed companies in which it invests, including but not limited to the company's business model for creating long-term value, the company strategy, performance, risks and opportunities, the capital structure, societal and ecological impact, corporate governance, and corporate actions such as mergers and acquisitions.

Cooperation

SPF cooperates with other institutional investors via CTI's engagement programme. For example, CTI is a member of the joint engagement initiative [Climate Action 100+](#).

Conflicts of interest

To avoid conflicts of interest, the sponsor and ultimate parent company are excluded from investments. Using CTI to implement both SPF's engagement and voting activities prevents other conflicts of interest that arise from being an engaged shareholder. CTI also applies a policy to prevent conflicts of interest. You can find this on CTI's website.

Investment strategy

The way in which SPF aligns its investment strategy's key elements with the profile and duration of its obligations and how these elements contribute to the portfolio's medium and long-term performance is described in several documents relating to SPF's investment policy. These documents can be found on SPF's [website](#).