



Sustainable and responsible investing

Optimal pension that works towards a liveable world

For SPF, sustainability is an important aspect of the investment philosophy and a full component of our investment process. We are committed to optimising pensions for all members, now and in the future. Achieving the highest possible financial return remains a guiding principle in this respect, on the understanding that future generations should also be able to enjoy their pensions in a liveable world.

As a pension fund, we are taking ownership of our role in addressing current and future climate challenges. Our sustainability policy is a way of making a long-term contribution to keeping our planet liveable. At the same time, SPF is convinced that this does not need to put pressure on the portfolio's risk and return profile. Good returns and an intelligent sustainability policy go hand in hand as far as we are concerned. This review tells you all about how we take our responsibility. You can read the [full sustainability report in the 2023 SPF Annual Report on SPF's website under 'Downloads' and 'Annual reports'.](#)

Further development of the sustainability policy

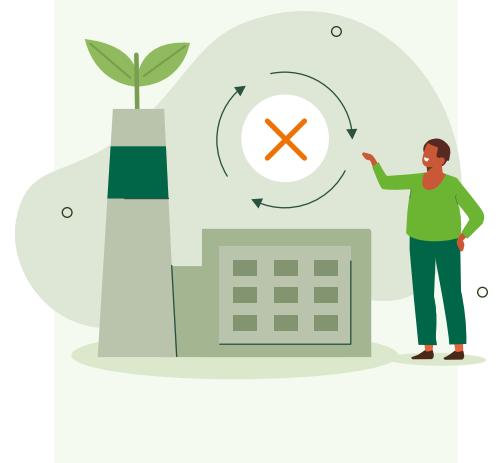
SPF has further refined its sustainability policy in line with the latest member survey. We now focus even more on human and environmental impact when making investment decisions.

SPF is currently aligning its policy with four of the United Nations Sustainable Development Goals (SDGs). For the 'climate change' theme we are focusing on affordable and clean energy (SDG 7) and climate action (SDG 13). As second theme, SPF chose circularity and is focusing here on clean water and sanitation (SDG 6) and responsible consumption and production (SDG 12).

We further refined our exclusion policy, particularly with respect to companies involved in coal mining and tar sand extraction, **by reducing** the turnover limit from 25% to 5%. This means that we no longer invest in companies that obtain more than 5% of their turnover from these activities. This reflects the urgency of the need for sustainability.

"Responding to social developments helps to achieve the objectives of the members."

One of the core beliefs of SPF



Increased focus on climate change

SPF is particularly focusing on specific social developments that are important for our members and that form a risk for our investment portfolio. Against this background, we aim to work particularly on the sustainability theme of climate change.

Climate change is one of world's greatest problems. It is resulting in increasing levels of irreparable damage to social, economic and ecological systems. Gradually reducing our investment portfolio's carbon emissions enables us to, for example, make an important contribution to combatting climate change.

We are aiming for net zero carbon emissions from our investment portfolio by 2050.

On the other hand, we use our investments to encourage companies that focus on renewable energy to support and have a positive impact on the energy transition (the replacement of fossil fuels).

Cooperation

Companies in sectors that significantly impact the climate are expected to take clear action. We use dialogue and negotiations to encourage these companies to take steps on social and sustainability issues. In particular sectors, we sometimes do this with several companies simultaneously, whereas at other times, we focus on influencing just one company. This approach is increasingly leading to positive change.

Exclusion policy

Unfortunately, we cannot always use dialogue and negotiations to drastically reduce the negative impact of our investments, which is why we exclude some companies and countries.

SPF currently excludes a total of 174 companies and 14 countries from our investment portfolio.

SPF does not invest in companies that fail to act in accordance with the ten principles of the United Nations' Global Compact. We also exclude producers of controversial weapons such as nuclear, biological and chemical weapons, depleted uranium munitions and white phosphorus munitions. Companies and countries that conduct activities that the United Nations, the European Union or the Dutch government deem unacceptable are also excluded. This mainly concerns issues such as human rights and weapons.

SPF does not invest in Gazprom, the largest natural gas company in the world, which is mainly owned by the Russian state. We have excluded this company based on the global sanctions against Russia as a result of the invasion of Ukraine.

Sustainability legislation and agreements

Mandatory legislation and regulations with respect to sustainability have increased in recent years. This stimulates the financial sector, under which our pension fund falls, to contribute to the Paris climate goals. A good example of such new European regulations is the EU Sustainability Finance Disclosure Regulation (SFDR). In line with the SFDR, we decided to report on various sustainability indicators. We also include key adverse sustainability impacts in our investment decisions.

SPF signed the Covenant for International Socially Responsible Investing (IMVB), which commits us to embedding the OECD guidelines and UN Guiding Principles in our policies and in the implementation, monitoring and reporting on this topic.

SPF publishes an Annual Report to ensure transparency about the sustainability policy and how it is implemented. This report describes our sustainability efforts in the relevant year and which results were achieved with respect to sustainability. We also publish an annual overview of the complete investment portfolio on our website, where you can also find our sustainability policy. Finally, the SPF Newsletter and the website regularly feature items on the sustainability policy.

Sustainability on the agenda

SPF is continuing to work towards a responsible sustainability policy. Examples of activities mentioned by the Board in this respect are:

- ✓ Evaluating the exclusion policy for countries and companies based on the fund's sustainability ambition and the preferences indicated by members in the latest member survey;
- ✓ Determining policy for a follow-up process with a company when dialogue and negotiations do not deliver the desired results for people and the environment;
- ✓ Exploring opportunities for allocating investments based on the chosen SDGs in the investment portfolio;
- ✓ Further implementing the requirements of European sustainability legislation (SFDR);
- ✓ Increasing support for sustainable and responsible investment among members by reporting more on our sustainability activities and results.



Would you like to know more about our sustainability policy?

Visit our website under the 'Sustainable and responsible investing' tile, or scan the QR code. You can find our policy and all other information here.