



PRIVATE TRANSPARENCY REPORT

2024

Coöperatie VGZ U.A.

Generated 25-11-2024

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2024 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

The purpose of Coöperatie VGZ is 'Working together towards a healthier Netherlands with future-proof healthcare for everyone'. Also as an investor, VGZ is therefore not only interested in the financial returns of its investments but equally in the impact its actions have on the world. After all, the state of the world greatly affects our physical and mental health. We therefore see ourselves in our role as investors as universal owners. This implies that so-called externalities of the companies and governments in which we invest are also considered important. Put simply: good insurance is more valuable in a beautiful world than in an ugly one.

VGZ is therefore committed to ensuring that companies and countries operate within the boundaries of the earth and must respect the social foundations of society.

VGZ mainly uses two instruments for this: 1) actively pressuring companies and governments to operate more sustainably and 2) shifting money from non-sustainable to sustainable investments. Especially with the first, the role of cooperation with other parties is of great added value. "Together we are stronger" is the belief here.

We see it as our social duty to use our investments to pursue a better world for everyone, guided by our sustainability compass that has been drawn up VGZ-wide.

As a social cooperative organisation, we want to have a positive impact on the health of the planet and the people living on it.

Our SRI policy consists of several components:

- Active stewardship: engagement, voting, shareholder proposals and investor statements
- Exclusion
- ESG integration
- Impact investing
- Collaboration

Active stewardship is the active use of influence on companies and governments in order to make a contribution to a better world and financial robustness, e.g.

via entering into a dialogue with an entity to influence its behaviour in light of the required sustainable transition. If the engagement does not achieve the desired result results, there are several steps that VGZ can take:

- Seek allies: seek other investors to join the engagement and increase the leverage.
- Making a public statement: making the entity to highlight its performance and the need for improvement.

- Voting: VGZ believes that engagement is most effective if complemented by a sound voting policy.

With ESG integration we mean to integrate ESG aspects in every investment decision.

By impact investing we want to achieve positive real-world impact, which in our view is needed to complement the mitigation of negative impact by the other components.

We believe in the power of collaboration, hence we seek to form alliances and cooperatives.

We have committed ourselves to the Paris climate agreement by signing the Dutch Klimaat commitment financiële sector.

We are a member of the Dutch VBDO, ATNI, ATMI, PLWF and CA 100+.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

VGZ dedicated an entire chapter in its annual report to responsible investment. This includes the CO2 emissions and climate Value-at-Risk in our investments compared to previous years.

In 2022, we continued working on our RI policy:

- We further tightened our policy on countries. We now no longer invest in state-owned companies of countries on the exclusion list.
- In line with the Climate Commitment signed in 2021 Financial Sector signed in 2022, we have drawn up a climate action plan as part of our Responsible Investment policy a climate action plan. This plan can be found on our website.
- The extent to which we as VGZ use our voting rights at shareholders' meetings of all shares in our investment portfolio has increased to more than 95% in the 2nd half of 2022.
- We continued working on the Health Engagement Alliance (HEAL), which will take further shape in 2023. With HEAL we want to collaborate with other asset owners with a linked to healthcare to engage companies on health-related topics.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

To promote responsible investing permanently, a dedicated hire has been appointed for stewardship activities. We are also looking to cooperate more with other investors and NGOs to create more impact. Furthermore, VGZ works closely with service provider Cardano (Formerly: Actiam) to engage with companies in various areas.

We are working on Health Impact Investing and will be working on Environmental Impact Investing.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Erik Jan van Bergen

Position

Responsible manager asset management and treasury

Organisation's Name

Coöperatie VGZ U.A.

● A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

○ B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2023

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- ☐ (A) Yes
- ☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 3,899,326,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	10%	3.7%
(B) Fixed income	64.1%	16.1%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	6.1%
(J) Off-balance sheet	0%	0%

(I) Other - (2) Percentage of Externally managed AUM - Specify:

- 1 Dutch residential Mortgages
- 2 Externally managed AUM listed equity Emerging Markets
- 2 Fixed income EMD Hard Currency and Export credit agency loans
- 2 Export Credit Agency loans
- 2 Leveraged Loans

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	100%	64%	36%	0%	0%
(B) Passive	0%	0%	0%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	100%	0%
(C) Fixed income - active	72.6%	27.4%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity 0%

(B) Active – quantitative 100%

(C) Active – fundamental 0%

(D) Other strategies 0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA 60%

(D) Active – corporate 40%

(E) Securitised 0%

(F) Private debt 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PRIVATE	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

100%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(4) >20 to 30%
(B) Fixed income – SSA	(3) >10 to 20%
(C) Fixed income – corporate	(2) >0 to 10%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(3) Fixed income - active	(11) Other
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active
(A) Yes, through internal staff	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active

(12) 100%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors
into our investment decisions

(2) No, we do not incorporate ESG
factors into our investment decisions

(B) Listed equity - active -
quantitative

☒

☐

(E) Fixed income - SSA

☒

☐

(F) Fixed income - corporate

☒

☐

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: 1 Dutch residential Mortgages 2 Eternally managed AUM listed equity Emerging Markets 2 Fixed income EMD Hard Currency and Export credit agency loans 2 Export Credit Agency loans 2 Leveraged Loans	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: 1 Dutch residential Mortgages 2 Eternally managed AUM listed equity Emerging Markets 2 Fixed income EMD Hard Currency and Export credit agency loans 2 Export Credit Agency loans 2 Leveraged Loans	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: 1 Dutch residential Mortgages 2 Esternally managed AUM listed equity Emerging Markets 2 Fixed income EMD Hard Currency and Export credit agency loans 2 Export Credit Agency loans 2 Leveraged Loans	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Externally managed
(F) Other

All internal and external asset managers, both passive and active, must adhere to the exclusion policy of VGZ. Moreover, all asset managers have an important role to play for ESG integration: taking environmental, social and governance aspects in the analysis of potential investments. Finally, they should act in line with and preferably contribute but in any case not detract from VGZ's climate ambition. This is part of the manager selection and monitoring process. On a periodic basis we speak to all our external managers, during which pre-shared reports including ESG data are discussed. If necessary, adjustments are made to stay on course. This is also stipulated in the agreements VGZ has entered into with the external managers.

On a daily basis, the investment portfolio, whether managed internally or externally, is externally screened on the aforementioned ESG principles. In case of doubt whether an obligor or share complies with the ESG policy, for the internally managed portfolios it is externally tested in advance, before a position is included in the investment portfolio. For the externally managed portfolios, the exclusion list as well as the exclusions policy are shared with the external managers.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PRIVATE	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	0%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	100%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PRIVATE	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	0%
(C) A combination of screening approaches	100%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PRIVATE	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA

(2) Fixed income - corporate

(A) Screening alone	0%	0%
(B) Thematic alone	0%	0%
(C) Integration alone	0%	0%
(D) Screening and integration	0%	0%
(E) Thematic and integration	0%	0%
(F) Screening and thematic	0%	0%

(G) All three approaches combined	100%	100%
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(H) None	0%	0%
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PRIVATE	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	0%	0%
(C) A combination of screening approaches	100%	100%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

- ☐ (A) Yes, we market products and/or funds as ESG and/or sustainable
- ☐ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- ☒ (C) Not applicable; we do not offer products or funds

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PRIVATE	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

Percentage of your total environmental and/or social thematic bonds labelled by the issuers	
(A) Green or climate bonds	83%
(B) Social bonds	2%
(C) Sustainability bonds	11%
(D) Sustainability-linked bonds	4%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Guidelines on sustainability outcomes
- ☐ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☒ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☐ (M) Other responsible investment elements not listed here
 - ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☒ (C) Specific guidelines on other systematic sustainability issues

Specify:

Water. VGZ considers multiple guidelines through sustainability drivers. One example is water, which uses the CERES Water Toolkit for Investors.

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid> MVB beleid p. 39 and 40.

- ☐ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(B) Guidelines on environmental factors**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(C) Guidelines on social factors**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(D) Guidelines on governance factors**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(E) Guidelines on sustainability outcomes**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☐ **(H) Specific guidelines on other systematic sustainability issues**

☒ **(J) Guidelines on exclusions**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(M) Stewardship: Guidelines on overall political engagement**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

☒ **(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

☒ **(A) Yes**

Elaborate:

In the introduction of our RI policy it states: "We see it as our social duty to pursue a better world with our investments, for everyone, guided by our sustainability compass that is VGZ wide."

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- ☒ **(A) Overall stewardship objectives**
- ☒ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
- ☒ **(C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts**
- ☒ **(D) How different stewardship tools and activities are used across the organisation**
- ☒ **(E) Approach to escalation in stewardship**
- ☒ **(F) Approach to collaboration in stewardship**
- ☐ **(G) Conflicts of interest related to stewardship**
- ☒ **(H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa**
- ☐ **(I) Other**
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- ☒ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- ☒ (B) Yes, it includes voting principles and/or guidelines on specific social factors
- ☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- ☐ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- ☐ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- ☐ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- ☐ (C) We rely on the policy of our external service provider(s)
- ☐ (D) We do not have a policy to address (proxy) voting in our securities lending programme
- ☒ (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	
(B) Guidelines on environmental factors	(7) 100%
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change	(1) for all of our AUM
(B) Specific guidelines on human rights	(1) for all of our AUM
(C) Specific guidelines on other systematic sustainability issues	(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ **(A) Listed equity**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ **(11) 100%**

☒ **(B) Fixed income**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ **(11) 100%**

☒ **(I) Other**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ **(11) 100%**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☒ (A) **Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%
- ☒ (11) **100%**

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

☒ (A) **Board members, trustees, or equivalent**

☐ (B) Senior executive-level staff, or equivalent

☒ (C) **Investment committee, or equivalent**

Specify:

Asset Liability Committee

☒ (D) **Head of department, or equivalent**

Specify department:

Erik Jan van Bergen

Manager Asset Management & Treasury

☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(M) Stewardship: Guidelines on (proxy) voting



(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

☒ **(A) Yes**

Describe how you do this:

One of our portfolio managers conducts engagement with governments on behalf of VGZ. VGZ is kept informed of this through reports.

- ☐ (B) No
- ☐ (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

Our two ESG-specialists annually renew the Responsible Investment Policy, consulted by our external advisor Cardano as well. This is approved in the Asset Liability Committee, of which VGZ's CFRO (one of the two statutory directors) is the Chair.

☒ **(B) External investment managers, service providers, or other external partners or suppliers**

Specify:

Our ESG fiduciary partner Cardano: assessing the investment universe on a quarterly basis

Our External Asset managers: applying our exclusions and contribute to our overall engagement efforts

- ☐ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

☒ (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Describe: (Voluntary)

CO2 emissions are relevant KPI's for our executive committee

☐ (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="radio"/>	<input type="radio"/>

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☒ (G) Human rights-related commitments
- ☒ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☒ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☒ (A) Yes, including all governance-related recommended disclosures
- ☒ (B) Yes, including all strategy-related recommended disclosures
- ☒ (C) Yes, including all risk management-related recommended disclosures
- ☒ (D) Yes, including all applicable metrics and targets-related recommended disclosures
- ☐ (E) None of the above

Add link(s):

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☐ (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)

☒ **(B) Disclosures against the European Union's Taxonomy**

Link to example of public disclosures

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☐ (C) Disclosures against the CFA's ESG Disclosures Standard

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

PCAF: Partnership for Carbon Accounting Financials

Link to example of public disclosures

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☐ (E) Disclosures against other international standards, frameworks or regulations

☐ (F) Disclosures against other international standards, frameworks or regulations

☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

☐ (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☐ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☒ **(C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year**

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- ☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- ☒ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- ☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- ☒ (D) Exclusions based on our organisation's climate change commitments
- ☐ (E) Other elements
- ☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- ☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☐ (C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns
- ☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- ☐ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- ☐ (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

On a daily basis, the investment portfolio, whether managed internally or externally, is externally screened on the aforementioned ESG principles. In case of doubt whether an obligor or share complies with the ESG policy, for the internally managed portfolios it is externally tested in advance, before a position is included in the investment portfolio. For the externally managed portfolios, the exclusions list as well as the policy are shared with the external managers. Furthermore, we also actively seek dialogue on our core themes.

Positive impact: Entities that seize opportunities to make a positive and intentional contribution to one or more of the SDGs, while operating within the planetary boundaries.

Adaptive: Entities classified as adaptive classified are located within or close to the boundaries of the safe zone and manage the risks to which they are exposed by ongoing transitions to a sufficient degree.

At Risk: Entities operating outside the boundaries, not operating according to the required transition path and have unmanaged risks are classified as risky classified.

Violation of international standards and harmful behaviour: Entities that do not comply comply with the ethical and social values and standards of VGZ.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- ☒ (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- ☐ (B) We collaborate on a case-by-case basis
- ☐ (C) Other
- ☐ (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

Dialogue with policymakers

According to the principles of the International Corporate Governance Network, "investors should engage with policymakers on issues that affect responsible investing and corporate governance." VGZ conducts such dialogues through different routes. To bring about change at the government level, VGZ, the ESG fiduciary partner and/or external asset managers raise issues raised during discussions with finance ministries of governments that issue government bonds issue. The ESG fiduciary partner is also a member of various organisations that can help bring about policy changes and participates in stakeholder dialogues or other forms of feedback held by policymakers, and may publicly express its views expressed. These activities require careful considerations because they should not should not disrupt democratic processes.

The engagements are partly coordinated and Engagement roadmapcarried out by the ESG fiduciary partner and partly by VGZ itself. Engagement preferably takes place in cooperation with other institutional investors. Thus the impact can be increased. In general, we also collaborate with other parties on engagement. One example is the Climate 100+.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**

Select from the list:

☒ **2**

☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**

Select from the list:

☒ **4**

☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**

Select from the list:

☒ **1**

☒ **(D) Informal or unstructured collaborations with investors or other entities**

Select from the list:

☒ **5**

☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**

Select from the list:

☒ **3**

☐ **(F) We do not use any of these channels**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PRIVATE	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

☐ (A) Example(s) of measures taken when selecting external service providers:

☒ **(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:**

Our external advisor Cardano makes selections and prioritization of engagement themes, and screens portfolios to select companies for engagement, setting engagement objectives, executing engagements, and measuring of and reporting on progress in engagements.

☐ (C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

In case of limited progress during engagements, VGZ can use the escalation option to exclude a party.

,

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

We carry out our influence on companies through the means listed below. For more information, please refer to the Socially Responsible Investment Policy on our website.

Engagement

When engaging companies, we expect to achieve more results than excluding. By talking to companies in which we invest in, we can influence how they deal with our ESG themes. We can not act on everything at once.

That is why we engage with a selection of companies in the investment portfolio. with a selection of companies in the investment portfolio. The selection is made on the basis of our focus themes.

Voting at shareholders' meetings

We vote at shareholders' meetings to bring about improvements at a company in the environment (E), people (S) and good governance (G) for almost all companies in our equity portfolio.

Exclusions

The moment a company does not (or no longer) meet our criteria, we initiate an engagement procedure.

In this procedure, we address a company about its behaviour and ask it to improve. The aim of the discussion is that the company ultimately does meet our criteria. If after some time it appears that a company is unwilling or policy will not or cannot change, we reconsider the investment position in that company. The outcome of this may be that we place the company on the list of companies we do not invest in.

Impact investing

Through impact investing, VGZ wants to use investments in the environment and climate to make a positive contribution, which is why part of our assets are invested in green bonds.

Green bonds are bonds to finance projects to improve the climate and the environment. On our website, you can check the current status and effects of engagement, exclusions and votes can be found.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

- ☒ (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes
- Select from the below list:
- ☒ (1) in all cases
 - ☐ (2) in a majority of cases
 - ☐ (3) in a minority of cases
- ☒ (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear
- Select from the below list:
- ☒ (1) in all cases
 - ☐ (2) in a majority of cases
 - ☐ (3) in a minority of cases
 - ☐ (D) We do not review external service providers' voting recommendations
 - ☐ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- ☐ (A) We recall all securities for voting on all ballot items
- ☐ (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- ☐ (C) Other
- ☐ (D) We do not recall our securities for voting purposes
- ☒ (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
 - (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
 - (C) We vote in favour of shareholder resolutions only as an escalation measure
 - (D) We vote in favour of the investee company management's recommendations by default
 - (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- ☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- ☐ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
 - (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes

Add link(s):

<https://viewpoint.glasslewis.com/wd/?siteId=VGZ>
- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- ☒ (A) Within one month of the AGM/EGM
- ☐ (B) Within three months of the AGM/EGM
- ☐ (C) Within six months of the AGM/EGM
- ☐ (D) Within one year of the AGM/EGM
- ☐ (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

(1) In cases where we abstained or voted against management recommendations

(2) In cases where we voted against an ESG-related shareholder resolution

(A) Yes, we publicly disclosed the rationale

(B) Yes, we privately communicated the rationale to the company

(C) We did not publicly or privately communicate the rationale, or we did not track this information

☒

☒

(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year

☐

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PRIVATE	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

In 2023 has VGZ outsourced voting at shareholder meetings to Glass Lewis. Votes cast are recorded in Broadridge's dashboard. VGZ has access to this and can thus track voting.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input checked="" type="checkbox"/>
(C) Publicly engaging the entity, e.g. signing an open letter	<input checked="" type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>
(H) Other	<input type="checkbox"/>

(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings

o

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☒ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☒ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) Not investing
- ☐ (D) Reducing exposure to the investee entity
- ☒ (E) Divesting
- ☐ (F) Litigation
- ☐ (G) Other
- o (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

Describe your approach to escalation for your SSA and/or private debt fixed income assets.

(A) SSA - Approach to escalation

VGZ engages responsively with entities that exhibit “unacceptable behavior” as an assessment of the policy violations and the nature of the entity gives sufficient reason to believe that engaging with the entity makes sense. For these engagement processes change objectives are communicated with the entity communicated and, through regular interaction, progress is monitored and suggestions are made on how to achieve improvements and, if necessary, provide redress (recovery and redress) to stakeholders who are adversely affected are or have been adversely affected by the violation. If these commitments are not successful, exclusion may follow.

Proactive engagements take place with entities that, while meeting our minimum ESG principles, where an assessment of behavior gives reason to believe that the entity can reduce its sustainability risks could be reduced by improving its management capacity for one or more Drivers. In addition, proactive engagement may also be based on the broader SRI goals and ambitions that VGZ has established

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☒ (A) Yes, we engaged with policy makers directly
- ☒ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☐ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☒ (A) We participated in 'sign-on' letters
- ☒ (B) We responded to policy consultations
- ☐ (C) We provided technical input via government- or regulator-backed working groups
- ☐ (D) We engaged policy makers on our own initiative
- ☐ (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- ☐ (A) We publicly disclosed all our policy positions
- ☐ (B) We publicly disclosed details of our engagements with policy makers
- ☒ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

Explain why:

We did not engage with policy makers.

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Healthy diets through ShareAction

(1) Led by

- ☒ (1) **Internally led**
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) **Social factors**
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) **Listed equity**
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Through the ShareAction Healthy Markets Initiative and the LIPH program, companies in the food industry are urged to take a proactive role. The focus is to encourage transparency and set targets regarding the sale of healthier food. Engagement dialogues were held with companies such as Nestlé, Unilever, CocaCola and Pepsico in 2023. We saw companies setting more concrete targets on the proportion of healthy offerings. An example is Nestlé. Although the company did make progress on the topic in 2023, the steps were considered insufficient and VGZ co-filed a shareholder resolution for the 2024 AGM of Nestlé to push the company in taking further steps

(B) Example 2:

Title of stewardship activity:

Access to Medicine

(1) Led by

- ☒ (1) **Internally led**
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) **Social factors**
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) **Listed equity**
- ☐ (2) Fixed income

- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Together with ATMI VGZ conducted engagement dialogues with pharmaceutical companies in 2023. For Bayer and Pfizer VGZ was one of the lead investors. Both companies are making progress and the sharing of best practices has helped both companies in advancing access to medicine

(C) Example 3:

Title of stewardship activity:

Share Action Good Work Coalition

(1) Led by

- ☐ (1) Internally led
- ☒ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☒ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

On behalf of VGZ, as an active member of the Share Action Good Work Coalition, our external service provider enters into dialogue with companies about their policy and implementation in the field of labor rights, including the provision of a real living wage. In 2023, our service provider set the agenda for one of the engagement calls between the coalition and one of the British retailers. It spoke with the British retailer about how wages are determined, the impact on employee livelihoods and reducing large pay gaps. In addition, the service provider encouraged the company to increase the salary of all its employees to the level of a living wage in the United Kingdom in light of the increased cost of living.

(D) Example 4:

Title of stewardship activity:

Climate Action 100+ initiative

(1) Led by

- ☐ (1) Internally led
- ☒ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☒ (2) Fixed income
- ☐ (3) Private equity

- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

To support the transition of the agricultural sector to a net zero economy, on behalf of VGZ our service provider is jointly leading an engagement within the Climate Action 100+ initiative with one of the world's largest traders in agricultural crops. Based on this initiative, expectations were drawn up in 2023 requesting this trader to set a net-zero target. Although it already had targets for reducing CO2 emissions by 2030, it lacked an action plan and longer-term targets.

After multiple constructive discussions with the company, it has made a written commitment to create a decarbonization plan as a first step towards setting a net-zero target.

In addition, it has agreed to involve the NGO CERES and a large group of investors in the development of the plan. This was announced during the annual shareholders' meeting on May 11 last year.

Since then, additional discussions have been held with the company to provide input on the plan. For example, ideas have been shared on topics including regenerative agriculture programs, short-term cost investments versus long-term payback periods, and guidelines for carbon sequestration on agricultural lands. The company's openness and willingness to incorporate feedback from investors and NGOs into the development of their action plan is an example of industry best practice and serves as inspiration for other commitments to openly raise issues and address to propose solutions.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- ☐ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Climate Ambition

Humanity faces one of the greatest challenges in history: mitigating the climate change it causes and dealing with its consequences. The latest IPCC report makes the gravity of the matter and the urgency to take action clear once again. A first step in this is measuring greenhouse gas emissions by companies in the investment portfolio. A second step is to set targets to reduce these emissions in accordance with an appropriate timeframe. A third step is to have external verification of the targets, for example by the Science Based Targets initiative (SBTi).

With this, a company that its plans are sufficiently ambitious and at the same time realistic. VGZ is also considering having its targets verified by SBTi. The financial sector has an important role in the fight against climate change: through financing and investments, institutions have an impact on the greenhouse gas emissions by the real economy. VGZ therefore signed the 2021 Climate Commitment of the Dutch financial sector. In it, we commit ourselves to actively contribute to the Paris Climate Accord as well as the Dutch Climate Accord. This means that we aim to limit global warming to no more than 1.5 degrees in line with the most ambitious path set out in the Paris climate agreement and also in line with the IPCC's 1.5°C path with limited overshoot.

With the help of Cardano we have calculated the climate Value-at-Risk of our investment portfolio and its constituents. This consists of physical and transition risks but also opportunities.

☒ (B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

The horizon of the VaR calculations is up to the year 2100 while our standard ALM planning horizon is 10 years.

☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

☒ (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

The RI focus themes lead to long-term goals. A distinction is made here between effort and outcome goals. Where possible, VGZ applies time-bound and science-based objectives. Where results are difficult to measure effort targets are used. On theme green, for example, much more mature data is already available than for the themes healthy and equal. For theme green, it is therefore possible to focus more on driven. Topics that have been reviewed but to which no concrete KPIs can (yet) be linked: waste, circularity, deforestation, biodiversity, scarce water use, real-world impact via SDG contribution, taxonomy alignment, temperature of the portfolio, climateVaR and Scope 3 emissions of greenhouse gases. However, companies are expected to reduce their footprint on the topics that apply to them applicable and draw up plans to reduce them. Future developments are closely monitored and where the level of maturity of available data increases additional KPIs may be established.

The green (sub)themes are already part of the broad screening carried out by the ESG fiduciary partner and whose output is part of the statuses assigned to issuers.

These statuses have led to the exclusion of many companies, both from a broad ESG perspective in general but also for climate-related issues in particular.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☒ (A) Coal

Describe your strategy:

VGZ does not invest in companies that derive more than 25% of their turnover from coal energy extraction; VGZ does not invest in companies that have plans for new coal-fired power plants; VGZ does not invest in companies that derive more than 10% of their turnover from coal/brown coal mining. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ (B) Gas

Describe your strategy:

VGZ does not investing in companies that derive more than 10% of their turnover from oil and gas exploration and extraction in polar regions. VGZ does not investing in companies that derive more than 10% of their turnover from shale oil and gas extraction. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ (C) Oil

Describe your strategy:

vgz does not investing in companies that derive more than 10% of their turnover from oil extraction from tar sands. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ (D) Utilities

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(E) Cement**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(F) Steel**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(G) Aviation**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(H) Heavy duty road**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(I) Light duty road**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(J) Shipping**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(K) Aluminium**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(L) Agriculture, forestry, fishery**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(M) Chemicals**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(N) Construction and buildings**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(O) Textile and leather**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☒ **(P) Water**

Describe your strategy:

VGZ does not invest in companies identified as non-adaptive. VGZ does not invest in companies identified as non-adaptive as a result of an engagement process. By non-adaptive, VGZ means entities that operate out-of-bounds operate, are far from the required transition pathways and lack the capacity to bring risk management up to standard, are considered to be non-adaptive. These entities do not have sound management strategies for their material issues, are exposed to high risks and are therefore exposed to significant short- to medium-term significant risks

☐ **(Q) Other**

- ☐ (R) We do not have a strategy addressing high-emitting sectors

Provide a link(s) to your strategy(ies), if available

<https://www.cooperatievgz.nl/cooperatie-vgz/zorg/duurzaamheid>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- ☐ (B) Yes, using the One Earth Climate Model scenario
- ☒ **(C) Yes, using the International Energy Agency (IEA) Net Zero scenario**

- ☐ (D) Yes, using other scenarios
- ☐ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☒ **(A) Yes, we have a process to identify and assess climate-related risks**

(1) Describe your process

Climate-related risks are an integral part of the due diligence procedure and statuses that are assigned to companies based on our RI policy and the sustainability drivers therein. We are advised by Cardano on the development of our policy and also supported by them in the execution of our policy.

(2) Describe how this process is integrated into your overall risk management

The ESG statuses are part of the pre-trade tool that is used when purchasing specific position in the internally manager portfolios. For externally managed portfolios the VGZ exclusion list is applied on top of the manager's ESG policy.

☒ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

Dependent on the status and our engagement priorities and capacities a company is either excluded and/or engaged.

(2) Describe how this process is integrated into your overall risk management

This is integral part of our RI policy. The ESG statuses are part of the pre-trade tool that is used when purchasing specific position in the internally manager portfolios. For externally managed portfolios the VGZ exclusion list is applied on top of the manager's ESG policy.

- ☐ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

☒ **(A) Exposure to physical risk**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☒ **(B) Exposure to transition risk**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

☐ (C) Internal carbon price

☒ **(D) Total carbon emissions**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☒ **(E) Weighted average carbon intensity**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☐ (1) Metric or variable used
- ☐ (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☐ (F) Avoided emissions

☐ (G) Implied Temperature Rise (ITR)

☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities

☐ (J) Other metrics or variables

☐ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☒ **(A) Scope 1 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed
- ☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☒ **(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed
- ☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

<https://www.cooperatievgz.nl/cooperatie-vgz/over-ons/feiten-en-cijfers/jaarverslag>

☒ **(C) Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

- ☐ (1) Metric disclosed
- ☒ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

- (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (B) The UNFCCC Paris Agreement
- ☒ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☒ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) The EU Taxonomy
- ☐ (F) Other relevant taxonomies
- ☒ (G) The International Bill of Human Rights
- ☒ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☒ (I) The Convention on Biological Diversity
- ☐ (J) Other international framework(s)
- ☐ (K) Other regional framework(s)
- ☐ (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consult with key clients and/or beneficiaries to align with their priorities

- ☒ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☒ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☒ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☐ (C) We have been requested to do so by our clients and/or beneficiaries
- ☒ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☐ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☐ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☒ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?

- ☐ (A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes
- ☐ (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
- ☐ (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- ☒ **(D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**

Specify:

All organizations in which VGZ invests are examined for environmental, social and governance (ESG) topics. The assessment criteria these subjects are set out in VGZ's RI policy. This relates to human rights, fundamental labor rights, corruption, environmental pollution, weapons, animal welfare and customer and product integrity. The investment principles arise from international treaties, agreements and best practices. VGZ also assesses whether companies have the capacity to adapt to ongoing transitions towards a more sustainable society. Companies that lack this capacity, create financial risks for the investment portfolios.

Explain how these activities were conducted:

- Tucson Electric Power Company: TEP is an electric utility serving southern Arizona in the United States. It is a subsidiary of Fortis. The company relies for nearly 35% of its revenue on power generation derived from coal. With this it does not meet the planned energy transition under the Paris Agreement.

- DTE Electric Company: One of DTE Energy's two regulated utilities. DTE Electric serves about 2.3 million customers in southeastern Michigan, including Detroit.

Sister company DTE Gas serves 1.3 million customers statewide. More than 50% of DTE Electric's revenue comes from coal-generated power generation.

This puts the company far behind the transition plans under the Paris Agreement.

- Shree Cement Limited: Shree Cement manufactures and sells cement and cement-related products to the building and construction industry. It derives revenue from the sale of cement, clinker and power. Almost all of the company's revenue comes from India. Although cement production is very energy intensive, the company publishes hardly any plans in the area of energy transition. In addition, it does not disclose how it deals with emissions of hazardous substances and it is unclear how the company ensures safety in the workplace. As a result, the company does not meet our standards and is in a non-adaptive status.

- (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?

☒ **(A) Workers**

Sector(s) for which each stakeholder group was included

☒ **(1) Energy**

☐ (2) Materials

☐ (3) Industrials

☐ (4) Consumer discretionary

☐ (5) Consumer staples

☐ (6) Healthcare

☐ (7) Finance

☐ (8) Information technology

☐ (9) Communication services

☐ (10) Utilities

☐ (11) Real estate

☐ (B) Communities

☐ (C) Customers and end-users

☐ (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?

☒ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

In our due diligence, we consider corporate disclosures such as annual reports and sustainability reports.

☒ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

We monitor how the media report about our investee companies and whether they are involved in actual potentially negative outcomes for people.

☒ **(C) Reports and other information from NGOs and human rights institutions**

Provide further detail on how your organisation used these information sources:

Together with other investors, we share knowledge and engaged dialogue with the companies in which we invest. On like this calling companies to account for the broad responsibility for the impact they have on society in which they operate. In addition, we have with insurers, NGOs and trade unions associated with it iCSR Covenant of the insurance sector. Herein is laid down how insurers, NGOs and trade unions invest more sustainably. With that it bears covenant contributes to our ambition: our investments themore sustainable in the coming years.

☒ **(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank**

Provide further detail on how your organisation used these information sources:

For our sovereign assessments we consult several sources to obtain better insights in the way sovereigns handle the actual and potentially negative outcomes for people, including reports from the World Bank, IMF and OECD

☒ **(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

We use data from multiple data providers to identify the actual and potentially negative outcomes of our investments, including the outcomes for people. We use data from the Business Human Rights Resource Center. If necessary, we also obtain information e.g. from Greenpeace and Oxfam about potential human rights violations.

☒ **(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

Our service provider uses reports from MSCI and Sustainalytics, among others. They also employ analysts who closely monitor developments and take action if necessary. They also use data from the Business Human Rights Resource Center. If necessary they also obtain information e.g. from Greenpeace and Oxfam about potential human rights violations.

☒ **(G) Sell-side research**

Provide further detail on how your organisation used these information sources:

Sell-side research is a useful tool to learn about how several companies within a sector consider impact on people. This type of research helps to identify laggards and frontrunners.

☒ **(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

Investor networks and other investors are a useful channel to learn about new and upcoming topics, to learn about new data sources and obtain new information on companies or sectors that may be related to negative outcomes to people.

☒ **(I) Information provided directly by affected stakeholders or their representatives**

Provide further detail on how your organisation used these information sources:

We have a Grievance Remedy policy that gives affected stakeholders the opportunity to directly approach us. So far, stakeholders have not contacted us directly, but there are examples of NGO's that approach us about involvement of some of our investee companies in human rights violations.

☐ (J) Social media analysis

☐ (K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☒ **(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

In one of our engagement efforts, we asked an oil and gas company to make sure the construction of new pipelines, with potential risks of human rights violations, would not harm local populations and if this would occur, that the company would have a system and commitment in place to provide sufficient remedy to people affected.

☐ (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

OVERALL APPROACH

EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

(3) Fixed income (active)

Organisation

(A) Commitment to and experience in responsible investment



(B) Responsible investment policy(ies)



(C) Governance structure and senior-level oversight and accountability



People and Culture

(D) Adequate resourcing and incentives



(E) Staff competencies and experience in responsible investment



Investment Process

(F) Incorporation of material ESG factors in the investment process



(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>
Stewardship	
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input checked="" type="checkbox"/>
(O) Results of stewardship activities	<input checked="" type="checkbox"/>
Performance and Reporting	
(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>

SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

- ☐ (A) Incorporation of their responsible investment policy into advisory services
- ☒ **(B) Ability to accommodate our responsible investment policy**
- ☐ (C) Level of staff's responsible investment expertise
- ☐ (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- ☐ (E) Other
 - (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
 - (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PRIVATE	Pooled funds	4

If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.

Provide example(s) below

(A) Selection	-
(B) Appointment	-
(C) Monitoring	-

SELECTION

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- ☒ (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
 - ☐ (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
 - ☐ (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

Organisation

- ☐ (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)
- ☒ (B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)
 - Select from dropdown list
 - ☒ (1) for all of our mandates
 - ☐ (2) for a majority of our mandates
 - ☐ (3) for a minority of our mandates

- ☐ (C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

People and Culture

- ☒ (D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- ☒ (1) for all of our mandates
 - ☐ (2) for a majority of our mandates
 - ☐ (3) for a minority of our mandates

- ☐ (E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Investment Process

☒ (F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☐ (1) for all of our mandates
- ☒ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☐ (G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

☐ (H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Performance and Reporting

☒ (I) ESG disclosure in regular client reporting

Select from dropdown list

- ☐ (1) for all of our mandates
- ☒ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☐ (J) Inclusion of ESG factors in contractual agreements

☐ (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

APPOINTMENT

SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13, OO 21	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

☒ (A) Their commitment to following our responsible investment strategy in the management of our assets

Select from dropdown list

- ☒ (1) for all of our segregated mandates
- ☐ (2) for a majority of our segregated mandates
- ☐ (3) for a minority of our segregated mandates

☒ (B) Their commitment to incorporating material ESG factors into their investment activities

Select from dropdown list

- ☒ (1) for all of our segregated mandates
- ☐ (2) for a majority of our segregated mandates
- ☐ (3) for a minority of our segregated mandates

☐ (C) Their commitment to incorporating material ESG factors into their stewardship activities

☐ (D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities

☐ (E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities

☒ (F) Exclusion list(s) or criteria

Select from dropdown list

- ☒ (1) for all of our segregated mandates
- ☐ (2) for a majority of our segregated mandates
- ☐ (3) for a minority of our segregated mandates

☐ (G) Responsible investment communications and reporting obligations, including stewardship activities and results

☐ (H) Incentives and controls to ensure alignment of interests

☐ (I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD

- ☐ (J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights
- ☐ (K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments
- ☐ (L) Other
 - (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

MONITORING

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(3) Fixed income (active)

Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)



(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)



(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)



People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)



(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)



Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)



(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)



(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)



Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)



(J) Inclusion of ESG factors in contractual agreements



(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PRIVATE	Responsible investment practices	1

Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.

-

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?

(3) Fixed income (active)

(A) At least annually	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>
(C) On an ad hoc basis	<input type="checkbox"/>

ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PRIVATE	Engagement and escalation	4

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

-

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?

(3) Fixed income (active)

(A) Engagement with their investment professionals, investment committee or other representatives



(B) Notification about their placement on a watch list or relationship coming under review



(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified



(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination



(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified



(F) Other ☐

(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring ☐

VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?

(3) Fixed income (active)

(A) We checked that the information reported was verified through a third-party assurance process ☐

(B) We checked that the information reported was verified by an independent third party ☒

(C) We checked for evidence of internal monitoring or compliance ☐

(D) Other ☐

(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year ☐

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ **(A) Sustainability outcome #1**

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
 - ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
 - ☒ **(2) The UNFCCC Paris Agreement**
 - ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☐ (7) The International Bill of Human Rights
 - ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - ☐ (9) The Convention on Biological Diversity
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
 - ☒ **(1) Environmental**
 - ☐ (2) Social
 - ☐ (3) Governance-related
 - ☐ (4) Other
- (3) Sustainability outcome name

Emission reduction in line with Paris Alignment of investment portfolio

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- **(3) Two or more targets**

☒ **(B) Sustainability outcome #2**

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
 - ☒ **(1) The UN Sustainable Development Goals (SDGs) and targets**
 - ☐ (2) The UNFCCC Paris Agreement
 - ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☐ (7) The International Bill of Human Rights
 - ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - ☐ (9) The Convention on Biological Diversity
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☐ (1) Environmental
☒ (2) **Social**
☐ (3) Governance-related
☐ (4) Other

(3) Sustainability outcome name

Contributing to a healthier society via Health Engagement Alliance (HEAL)

(4) Number of targets set for this outcome

- ☐ (1) No target
☒ (2) **One target**
☐ (3) Two or more targets

- ☐ (C) Sustainability outcome #3
☐ (D) Sustainability outcome #4
☐ (E) Sustainability outcome #5
☐ (F) Sustainability outcome #6
☐ (G) Sustainability outcome #7
☐ (H) Sustainability outcome #8
☐ (I) Sustainability outcome #9
☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	Emission reduction in line with Paris Alignment of investment portfolio					
(1) Target name	Emission reduction					
(2) Baseline year	2019					
(3) Target to be met by	2050					
(4) Methodology	PCAF					
(5) Metric used (if relevant)	Absolute and relative CO2e emissions					
(6) Absolute or intensity-based (if relevant)	(1) Absolute					
(7) Baseline level or amount (if relevant):	111331 tonnes CO2e					

(8) Target level or amount (if relevant)	0
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(1) Yes

(A2) Sustainability Outcome #1: Target details

(A2) Sustainability Outcome #1:	Emission reduction in line with Paris Alignment of investment portfolio
(1) Target name	
(2) Baseline year	
(3) Target to be met by	
(4) Methodology	
(5) Metric used (if relevant)	
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	
(9) Percentage of total AUM covered in your baseline year for target setting	
(10) Do you also have a longer-term target for this?	

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	Contributing to a healthier society via Health Engagement Alliance (HEAL)
(1) Target name	

(2) Baseline year

(3) Target to be met by

(4) Methodology

(5) Metric used (if relevant)

(6) Absolute or intensity-based (if relevant)

(7) Baseline level or amount (if relevant):

(8) Target level or amount (if relevant)

(9) Percentage of total AUM covered in your baseline year for target setting

(10) Do you also have a longer-term target for this?

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: Emission reduction in line with Paris Alignment of investment portfolio	Emission reduction	2051	Net zero

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- ☐ (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- ☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- ☐ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- ☒ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
 - ☐ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1:	Emission reduction in line with Paris Alignment of investment portfolio
Target name:	Emission reduction
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	Emission reduction in line with Paris Alignment of investment portfolio
(1) Target name	Emission reduction
(2) Target to be met by	2050
(3) Metric used (if relevant)	Absolute and relative CO2e emissions
(4) Current level or amount (if relevant)	73739 as of the end of 2022
(5) Other qualitative or quantitative progress	In 3 years we have achieved a 34% absolute emission reduction, 45% reduction per EUR invested or 35% reduction in CO2e emission per member.
(6) Methodology for tracking progress	PCAF

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
 Select from drop down list:
☐ (1) Individually
☒ (2) With other investors or stakeholders

☒ **(B) Stewardship: engagement with external investment managers**

Select from drop down list:

☒ **(1) Individually**

☐ (2) With other investors or stakeholders

☐ (C) Stewardship: engagement with policy makers

☐ (D) Stewardship: engagement with other key stakeholders

☒ **(E) Capital allocation**

☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	A number of companies haven been excluded in 2022 due to them not adapting to the requirements to fight climate change.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Emission reduction in line with Paris Alignment of investment portfolio
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	A number of companies haven been excluded in 2022 due to them not adapting to the requirements to fight climate change.

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:	Contributing to a healthier society via Health Engagement Alliance (HEAL)
(1) Capital allocation activities used	(4) Divestment from assets or sectors
(2) Explain through an example	" In 2023 VGZ has excluded companies such as Shell, Total, Exxon, Berkshire, Hathaway and Cez since we believe these companies still do not have a convincing plan to achieve the Paris Agreement"

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

Thematic bond(s) label

(A) Sustainability Outcome #1:
Emission reduction in line with
Paris Alignment of investment
portfolio

(A) Green/climate bonds
(B) Social bonds
(C) Sustainability bonds
(D) Sustainability-linked bonds

(B) Sustainability Outcome #2:
Contributing to a healthier society
via Health Engagement Alliance
(HEAL)

(A) Green/climate bonds
(B) Social bonds
(C) Sustainability bonds
(D) Sustainability-linked bonds

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

Approach & tools

Our SRI policy consists of several components:

- Active stewardship
- Exclusion
- ESG integration
- Impact investing
- Working together

Active stewardship is the active use of influence on businesses and governments in order to make a contribute to a better world. Active stewardship is an important pillar of MVB and includes engagement and voting at shareholder meetings.

Starting an engagement means entering into a dialogue with an entity to influence its behavior in light of the required sustainable transition. Engagements are processes with a longer horizon and predetermined objectives. In addition to these dialogues, VGZ speaks with entities on an ad hoc basis about sustainability, for example in one-off meetings or during events to clarify the position of VGZ on certain issues. Engagement plays a key role in the process of bringing about change in the real world. Entities have an incentive to listen to investors, since they are the capital providers or owners of their organization. Engagements can be done with both companies and with governments. A distinction is made between responsive and proactive engagements

VGZ enters into a responsive engagement with entities that exhibit “unacceptable behavior” as an assessment of the policy violations and the nature of the entity gives sufficient reason to believe that engaging with the entity makes sense. For these engagement processes change objectives are communicated with the entity and, through regular interaction, progress is monitored and suggestions are made on how to achieve improvements and, if necessary, provide redress (recovery and redress) to stakeholders who are adversely affected or have been adversely affected by the violation. If these commitments are not successful, exclusion may follow.

Proactive engagements take place with entities that, while meeting our minimum ESG principles, where a review of behavior is reason to believe that the entity can reduce its

sustainability risks could reduce its management capacity for one or more Drivers. In addition, proactive engagement can also be based on the broader SRI objectives.

(2) Stewardship tools or activities used

(1) Engagement
(2) (Proxy) voting at shareholder meetings
(3) Filing of shareholder resolutions or proposals

(3) Example

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Emission reduction in line with Paris Alignment of investment portfolio

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: Contributing to a healthier society via Health Engagement Alliance (HEAL)

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☒ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

The theme of health is strategically most relevant to VGZ.

Select from the list:

- ☒ 1
- ☐ 2
- ☐ 3
- ☐ 4

☒ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

VGZ's stewardship efforts are focused on companies that are actively managing their transition pathways and have the capacity to contribute positively to a sustainable future. As such, VGZ aligns its engagement priorities with the environmental and social targets it has set, for example to reach climate neutrality. In prioritisation of its engagement efforts, we focus on the engagements that can benefit these targets, i.e. selecting the largest emitters per asset class while taking into the account the capacity a company has to indeed reduce its emissions.

Select from the list:

- ☐ 2
- ☐ 3
- ☐ 4

☐ (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

☐ (D) Other

STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

External managers are subject to the same portfolio conditions. These portfolios are monitored for overruns on a daily basis.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

Emission reduction in line with Paris Alignment of investment portfolio

(1) Describe your approach

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:

Contributing to a healthier society via Health Engagement Alliance (HEAL)

(1) Describe your approach

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative	SharAction LIPH program
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p> <p>(C) We publicly endorsed the initiative</p>
(3) Provide further detail on your participation in this collaborative initiative	VGZ is an active member of this ShareAction Program and has joined multiple engagement dialogues with companies including co-filing a shareholder resolution for the 2024 AGM of Nestlé after multiple engagement dialogues

(B) Initiative #2

(1) Name of the initiative	Access to Medicine foundation
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(A) We were a lead investor in one or more focus entities (e.g. investee companies)</p> <p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p>
(3) Provide further detail on your participation in this collaborative initiative	VGZ is an active member of ATMI and has been (co)lead for two companies in 2023 (Bayer and Pfizer)

(C) Initiative #3

(1) Name of the initiative	Platform Living Wage Financials
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p> <p>(C) We publicly endorsed the initiative</p>
(3) Provide further detail on your participation in this collaborative initiative	VGZ is an active member of PLWF and has operated in both working groups (garment and Food-Agri-Retail)

(D) Initiative #4

(1) Name of the initiative	NatureAction 100
(2) Indicate how your organisation contributed to this collaborative initiative	
(3) Provide further detail on your participation in this collaborative initiative	VGZ has been a member of NatureAction since its launch and will start engagements with 5 companies in 2024

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☒ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☒ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☒ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- ☒ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- ☒ (A) Policy, governance and strategy
 - Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ (3) Processes and data internally audited
- ☐ (B) Manager selection, appointment and monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PRIVATE	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

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INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☐ (A) Board, trustees, or equivalent
- ☒ (B) Senior executive-level staff, investment committee, head of department, or equivalent
 - Sections of PRI report reviewed
 - ☐ (1) the entire report
 - ☒ (2) selected sections of the report
 - ☐ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year