



## **Statement on principal adverse impacts of investment advice on sustainability factors**

Van Lanschot Kempen Investment Management NV (LEI: HHG9K35P002IYX1DLM46 ; hereafter referred to as “**Van Lanschot Kempen Investment Management**” or “**we**”) is the inhouse asset management entity of Van Lanschot Kempen NV (LEI: 724500D8WOYCL1BUCB80). This is the statement on principal adverse impacts of investment advice on sustainability factors of Van Lanschot Kempen Investment Management pursuant to article 4 of regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the “**SFDR**”) and article 12 of delegated regulation (EU) 2022/1288 supplementing the SFDR.

## Introduction and scope

In the context of our fiduciary services, we assist our institutional clients in the preparation of their Strategic Investment Policy or Investment plan. Oftentimes, as part of these policy documents, our clients also have a “sustainable investment policy”, “responsible investment policy” or similar document (“RI Policy”), which describes the environmental, social and governance (“ESG”) characteristics they wish to promote when investing their portfolio and the key ESG risks they wish to manage. These may include both the risk of a decrease in the value of the assets in the portfolio as a result of external ESG events and the risk of external ESG events occurring as a result of investment activities. In accordance with the SFDR requirements above, the present statement focuses on the latter, i.e. how we take the most severe potential negative consequences (“Principal Adverse Impacts” or “PAI’s”) of investment activities on ESG factors into account when we recommend an individual investment to a client for inclusion in the portfolio.

## How we consider principal adverse impacts in investment advice

As part our fiduciary services, we help our clients implement their RI Policy in the portfolio by selecting investment funds and external managers whose ESG profile show a satisfactory degree of alignment with that policy. When doing so, we also take into account any sustainability preferences of the client in relation to PAI integration.

Clients may have a different level of ambition with regard to ESG risks and PAI integration. Consequently, the degree to and the manner in which we consider Principal Adverse Impacts in our investment advice may vary depending on the client.

- At a minimum we always apply our own Exclusion policy, by which we exclude companies and countries involved in activities with severe negative impact on people and/or the environment. The activities can be product/ services based (weapons, tobacco, coal mining, tar sands) or related to conduct (government bond exclusions, MSCI red flags). For more information, please consult our Exclusion Policy. If the client’s RI Policy contains additional exclusions, those are applied on top of those included in our Exclusion Policy and implemented both in the context of fund investment and in external mandate guidelines.
- Oftentimes, a client’s RI Policy typically describes the client’s tolerance for key ESG risks, including PAI’s, as an implementation criterion for each investment category. As part our fiduciary services, we help the client implement the RI Policy in the portfolio by selecting investment funds and external managers whose ESG profile aligns with the implementation criteria included in the RI Policy for the relevant investment category. This may include key ESG risks and specific PAI’s.
- Depending on a client’s sustainability preferences in relation to PAI integration and the precise content and level of detail of the client’s RI Policy, we may apply higher standards regarding the management of certain specific impacts in selecting investment funds and external managers for a given client’s portfolio. At a client’s request, we may also zoom in on a particular ESG risk (which may include PAIs) for a specific investment category or investment fund / external manager.
- Where available, we also review the investment fund or external manager’s disclosures under the Sustainable Finance Disclosure Regulation to assess how the product considers PAI’s and to what extent this aligns with the client’s RI Policy and sustainability preferences. We also review and assess potential investment funds’ and external managers’ responsible investment policies and ESG implementation capabilities in accordance with our own Fund ESG Scoring Framework methodology.

When we have selected (or re-assessed) a party for potential inclusion in the client’s portfolio, we inform the client of such party’s Fund ESG Score. Where applicable, we also provide insight in how the relevant party aligns with the ESG implementation criteria (including PAI criteria, as the case may be) for the relevant category

#### Disclaimer

Van Lanschot Kempen Investment Management NV (VLK Investment Management) is licensed as a manager of various UCITS and AIFs and authorised to provide investment services and as such is subject to supervision by the Netherlands Authority for the Financial Markets. This document is for information purposes only and provides insufficient information for an investment decision. This document does not contain investment advice, no investment recommendation, no research, or an invitation to buy or sell any financial instruments, and should not be interpreted as such. The opinions expressed in this document are our opinions and views as of such date only. These may be subject to change at any given time, without prior notice.



#### INVESTMENT MANAGEMENT

Beethovenstraat 300  
1077 WZ Amsterdam  
P.O. Box 75666  
1070 AR Amsterdam

T +31 20 348 80 00  
[vanlanschotkempen.com/investment-management](https://vanlanschotkempen.com/investment-management)