



VAN LANSCHOT
KEMPEN

INVESTMENT MANAGEMENT

Stewardship and Sustainable Investment Report 2025



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Staying the course

Dear reader,

2025 saw a great deal of turbulence. Shifts in international relations had a major impact, including on sustainability views and on our investment portfolios. Investors are called to straddle movements that sometimes appear to be pulling in opposite directions: on the one hand, we're witnessing one natural disaster after another and feeling the growing urgency to become more sustainable, while, on the other, there's a renewed focus on fossil energy and an increasing need to invest in safety and autonomy. Polarisation sometimes seems to be widening the gap between the two views ever further.

Throughout it all, we're here for our clients: together we set their course towards their long-term goals. As active investors, we do the same in our own portfolios, with agility and focus.

Pullbacks as well as encouraging trends

As a wealth manager, we remain focused on our CO₂ reduction ambition. With some companies reversing their stances, reducing carbon emissions may not be a smooth process; but as signatories of the Net Zero Asset Management initiative, we're staying the course and are looking to continue down this pathway. After all, the planet is still facing the same challenges.

We're proceeding on our path, not by imposing requirements but by engaging with our clients, by continuing to offer them choices and helping them construct their portfolios in keeping with their own sustainability ambitions.

While some companies and countries seem to be putting their climate plans on the back burner, we do also note many positive developments, including industrial electrification and surging demand for solar and wind power.

And, importantly, we also see our clients sticking to their sustainability goals and agendas. In fact, our institutional clients have continued their lead and proven their intrinsic motivation to achieve positive impact.

Partner and adviser in impact investing

As discussion partners and specialists, we guide and support our clients in achieving their impact agendas. Drawing on extensive in-house expertise, we help them navigate the occasionally complex world of impactful solutions. Past experience suggests that impact is especially achieved through private market strategies – an area in which we've earned an impressive track record, including with our own two impact solutions: SDG Farmland and Private Global Impact Solution.



And we're great believers in working with external experts: by pooling resources, we're able to offer even more innovative, high-quality impact solutions, generating broader systemic changes. In 2025, we were pleased to see the further evolution of our collaboration with Collective Action, a platform for private impact investing and a great example of such partnership.

And talking about innovation and partnership, the year also saw us work side-by-side with partners to launch two impact solutions 'close to home' – to effect positive change that one might see on one's doorstep, you could say. Visible, tangible and thus also appealing to many clients. On page 32 of this report, you can find more details on this and on our other impact strategies.

Developing our broader organisation

In organisational terms, we also keep moving and innovating. For example, I'm very pleased to note the expansion in 2025 of our Social Impact & Philanthropy Services team, which offers guidance on matters including gifts and bequests. In this as well as in our other work, our role starts with developing a thorough understanding of how an individual client or a family wants to give meaning to wealth.

In that same spirit of conviction, we extended our partnership with Stukje Natuur, bringing closer the achievement of the charity's aim – to plant millions of native trees in the Netherlands in order to accelerate the transition to climate-resilient forests.

Now and in the future

Transition and resilience: this neatly captures how we seek to support our clients in these volatile times. We're looking to engage and offer a choice of resilient solutions that facilitate the transition to a more liveable world. That's how we help clients to preserve and create their wealth, now and for future generations.



Erik van Houwelingen

Member of the Management Board of
Van Lanschot Kempen
Chair of Van Lanschot Kempen Investment Management

About Van Lanschot Kempen Investment Management

There's a saying in Dutch, 'Kom verder', which has many meanings including 'moving forward together'. But it's more than a phrase to us. It's our company philosophy and how we work with clients to deliver the right investment solutions for them.

Van Lanschot Kempen is the oldest independent financial institution in the Netherlands. Our heritage is important to us. But we're more focused on where we're headed.

We're not all things to all people. Instead, we do a few things really well. Like fiduciary management and high-conviction, active investment strategies that focus on where we can add the most value.

Van Lanschot Kempen Investment Management NV is the in-house investment management arm of Van Lanschot Kempen, through which we manage the portfolios of our clients and deploy the activities described in our stewardship and engagement policy and in this report.

Listed at Euronext Amsterdam, Van Lanschot Kempen has a history dating back to 1737. As an independent specialist wealth manager active in private banking, investment management and investment banking, Van Lanschot Kempen is driven to understand the complete picture for our clients. We use our collective expertise and talents to present them with fitting solutions and products in support of their long-term goals.

Highlights 2025

We engaged directly with 90 companies and voted at 533 shareholder meetings. Together with peers, we are part of collaborative groups that engaged with numerous companies in 2025.

We consider climate and biodiversity our main focus themes for our investments. To address biodiversity loss, we engaged with major companies, discussing risks and dependencies.

The Kempen Euro Sustainable Credit Strategy has adopted the Paris-Aligned Benchmark, a milestone that strengthens its climate credentials and ambitions.

We have further refined our impact framework, applying a systemic lens to impact investments. This means we design multi-asset investment portfolios for our institutional clients that aim to address interconnected societal and climate challenges.

The Sustainable discretionary wealth management concept for private banking clients now applies strict threshold values for investments in the fossil fuel industry.

In 2025, we launched two local impact initiatives focused on making a positive contribution to recognisable challenges close to home.



Active investors in a changing world

Taking a long-term view

The world around us is changing, demanding fundamental transitions in how we manage our resources. At Van Lanschot Kempen Investment Management, we focus on navigating transitions with resilience, always taking the long-term view. Because whether we're protecting assets, the planet, or society, making informed decisions at the right time is key to success in every era.

In 2025, society's views on ESG diverged further, partly due to geopolitical shifts. At the same time, extreme weather events continued to create humanitarian and financial impacts. We continue to take a long-term view and support clients to manage their wealth in line with their beliefs and goals. As well as advising and guiding clients in their investment decisions, where mandated, we uphold active ownership, using our voice and influence to encourage progress on ESG matters.

As active investors, we engage with companies we invest in through our investment funds and encourage progress on their own sustainability targets and drive sustainability performance. We back these beliefs with action, as reflected in our aim to become a net-zero investor by 2050.¹

Investing is at the heart of what we do and, as an investment manager, we are the stewards of our clients' assets. We integrate stewardship into our investment process to promote long-term value creation for our clients. This report highlights our stewardship activities in 2025, our approach to sustainable investments and how we are guiding our clients through the important transitions of our time.

For an overview of our group sustainability targets and performance, see our [annual report](#).

Our focus themes

In our investment management activities we consider climate and biodiversity as our main focus themes. These align with the focus themes of the Van Lanschot Kempen group. We believe it is here that we can achieve the biggest results, based on our scale, activities and specialist knowledge.

Climate: from reduction to net zero

We aim to become a net-zero investor by 2050, with an intermediate target of 55% carbon reduction by 2030 (from base year 2019). This ambition applies to our discretionary assets under management (AuM) within our investment strategies and wealth solution funds.²

To reach this goal, we strive to reduce the carbon footprint by 7% annually. We prioritise investments in companies that effectively address climate risks and opportunities, as reflected in our Van Lanschot Kempen Sustainability score. For our carbon reduction achievements, see page 26.

Biodiversity's double materiality

In 2025, we directed particular attention to biodiversity. This underpins the economy and our overall well-being; the health of our economy and society depends on the state of nature.³

¹ Van Lanschot Kempen's climate ambition applies to the discretionary AuM within our liquid credit and equities strategies and a selection of our wealth solutions funds. For the details and scope of this commitment, please see Van Lanschot Kempen's climate transition plan, page 9.

² Idem, please see our climate transition plan, page 9.

³ World Economic Forum, 'Nature Risk Rising', 2020.

We continue to see biodiversity loss; for example, global populations of mammals, birds, reptiles, amphibians and fish declined by 73% on average over the last five decades.⁴ The way our economic system interacts with nature is a main driver of biodiversity loss, and this includes climate change trends.

Degradation of nature does not happen without repercussions for human well-being and our quality of life. Our ambition is to contribute to limiting and reversing biodiversity loss, and we aim to protect our clients' assets by addressing critical biodiversity dependencies, minimising their negative footprint and promoting overall positive outcomes which also benefit society as a whole.

To achieve this, we see several next steps ahead. We're implementing more granular nature and biodiversity footprinting data into our investment process to gain better insight into the impact of companies on local ecosystems.⁵ We're also looking into how nature loss affects companies' ability to create value – including financial value – and still remain viable.

This helps us identify which companies are likely to succeed (the 'winners') or those who may struggle (the 'laggards'), especially as risks related to biodiversity – such as environmental damage or changes in regulations (i.e. external costs of nature damage being internalised) – become far more apparent.

To better understand the impact of nature loss, we need to continuously screen and discuss a company's preparedness for different climate and nature scenarios. Engaging directly with companies allows us to assess how effectively they are addressing the risks associated with biodiversity loss.

Through this dialogue, we can determine whether they are allocating sufficient capital expenditure to safeguard their long-term viability and to develop future competitive advantages enabling them to stay relevant and become winners rather than laggards.

Sustainability approach for three distinct client groups

Our investment management activities cover three distinct client groups: clients invested in our investment strategies, institutional fiduciary management clients, and private clients seeking discretionary investment management.

The discretionary managed assets are subject to a minimum standard of sustainability and exclusion thresholds. However, our various types of clients and offerings mean that our approach of sustainable investment, as well as the tools that we can apply, can differ slightly.

We organise our ESG investment efforts across four pillars: exclusion, ESG integration, active ownership and positive impact.⁶ Below we describe how tools related to these pillars are applied in our different client groups. For an in-depth explanation and a report on how our sustainability-related instruments contributed in 2025, see pages 10-24.

Investment strategies and alternative solutions

Where we have full control over the policies of the assets under management (AuM) in our investment strategies, we can apply the full spectrum of our sustainability instruments. This ranges from our exclusion policy to ESG integration and active ownership.

Our investment teams aim to embed sustainability throughout the investment process, engaging with investee companies on a range of topics and voting at company meetings where applicable.

For our alternative investment offering, our manager research team carefully selects and partners with fund managers, applying our expertise. Our solutions range from more liquid approaches such as alternative credit and uncorrelated solutions, to longer lock-up investments such as private debt, European private equity and multi-asset impact strategies.

For investors wishing to invest with positive impact, we offer two impact solutions aligned with SFDR Article 9: the Kempen SDG Farmland strategy and the Private Global Impact Solution.⁷ In addition, together with external partners, in 2025 we made two 'local' impact funds available: a private debt solution which helps drive sustainability within companies, and a strategy investing in unlisted real estate for affordable senior housing in the Netherlands. See page 32 for more information.

4 WWF (2024): worldwildlife.org/publications/2024-living-planet-report

5 Footprinting data provides input for metrics used to measure the pressures on and supply of nature and biodiversity.

6 These efforts relate to the portfolios we manage for our clients. The source of all data in this report is Van Lanschot Kempen's annual report for the period to 31 December 2025, unless indicated otherwise.

7 SFDR (the Sustainable Finance Disclosure Regulation) was introduced by the European Union (EU) with the aim to promote sustainability and transparency in the financial sector. See the glossary at the end of this report for more information.



Investment Management for our Private Bank

In the discretionary investment concepts for our private banking clients, we take into account both financial and sustainability factors. We do this by, among other things, excluding certain investments, engaging with companies in which we invest, and using a best-in-class approach for the selection of investments.⁸

All discretionary investment propositions for our private clients comply with a [minimum level of exclusion](#). In addition, clients have the option to implement further exclusions based on their sustainability investment profile.

Private banking clients themselves determine the sustainability profile of their investments. To this end, we ask about their sustainability preferences and establish a sustainability profile accordingly. We tailor our investment offerings to align with both their risk/return profiles and their sustainability profiles and goals.

Fiduciary management and other institutional clients

In our fiduciary offering we assist institutional clients with their investment decisions and sustainability policies, as well as their implementation and reporting processes. We provide expert advice and leverage our sustainability expertise to guide their investment choices.

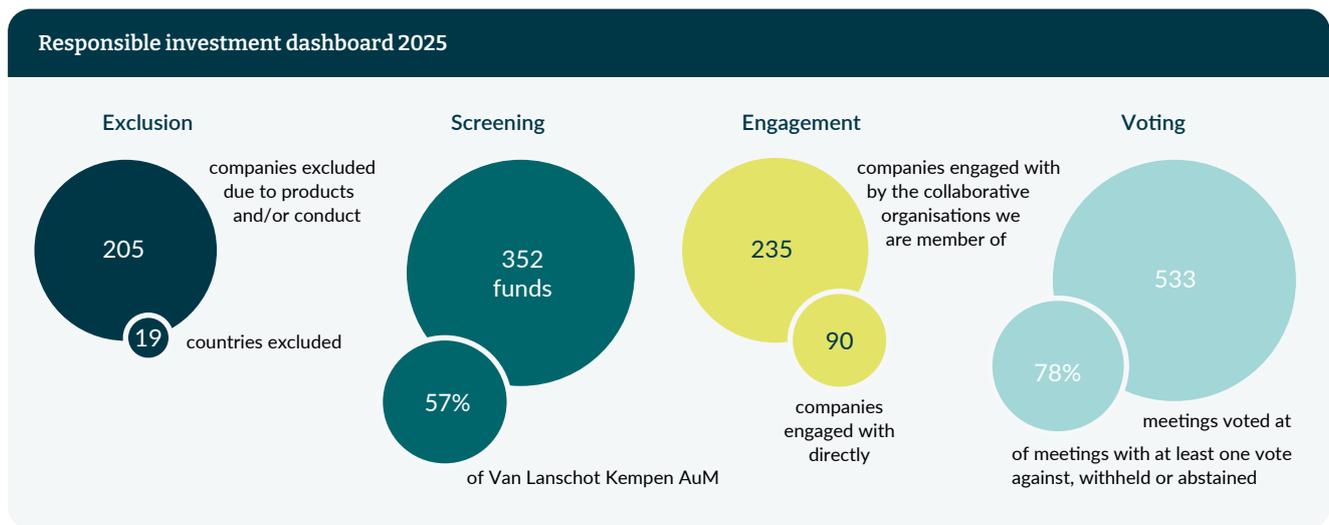
Ultimately, clients are responsible for selecting the sustainability tools they wish to apply to their investments and we guide them through this process:

- Depending on a client's policies and preferences, we can apply the Van Lanschot Kempen exclusion policy as the policy foundation for the client's own policy, on which they can expand if desired.
- We engage with external managers who are part of our clients' portfolios.
- We monitor that external managers apply the desired level of ESG.⁹
- For clients seeking to make positive impact, we can select and implement suitable impact solutions.

⁸ Best-in-class investment means selection of companies for investment that are frontrunners in meeting environmental, social and governance (ESG) criteria in their particular universe, asset class or category.

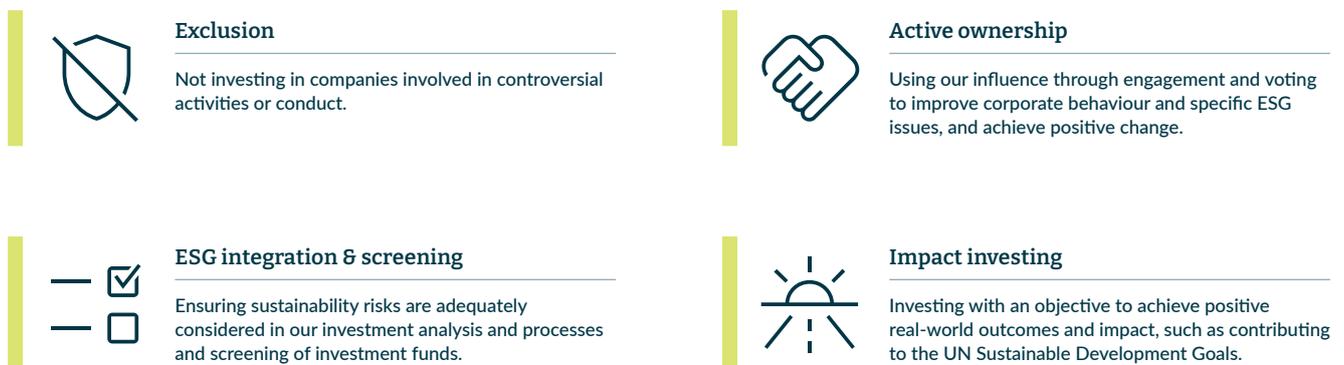
⁹ See 'ESG integration' on page 11 of this report for more information.

2025 in a nutshell



Four pillars for our ESG investment efforts

We organise our ESG investment efforts across four pillars. This allows us to take action on our focus themes of climate and biodiversity.



Please see next pages for an account of how these tools contributed in 2025.



Exclusion

Exclusion is a vital part of our sustainability approach in all our client groups. We are active owners and prefer inclusion over exclusion to drive the sustainability performance of a company. For our discretionary assets under management, our minimum standard is to 'do no significant harm'. This means we do not want to invest in companies and countries involved in activities with severely negative impacts on people and/or the environment. These activities may be product/service-based or related to conduct.

There are 205 companies currently on our exclusion list due to their involvement in controversial weapons or tobacco-related activities (among other areas), or their negative impact on people and/or the environment. We also do not invest in countries under EU/UN arms embargo sanctions (19 countries on the exclusion list at the end of 2025).

The exclusion list is based on our adherence to international guidelines and standards, and our support for the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the Fundamental Conventions of the International Labour Organization (ILO). These key standards form the foundation of our convention library, which includes 22 conventions, treaties and initiatives.

Obtaining reliable human rights data in conflict zones from some data providers may be difficult for some topics. Where there are data gaps, we look into broadening our data sources in order to integrate new, reliable information based on credible third-party research, if this indicates that investee companies are linked to controversies related to these guidelines and standards.

We use the same exclusion list for the discretionary assets under management of our private clients and for our investment strategies and solutions. Fiduciary clients may have their own socially responsible investment policies and can choose to include topics from our exclusion list in these.

In 2025, we updated our sustainability fund scores for all our assets in line with naming guidelines from the European Securities and Markets Authority (ESMA)¹⁰ and implemented the exclusions from the Paris-Aligned Benchmark (PAB).

- [Exclusion policy](#)
- [Exclusion list at end of 2025](#)



ESG integration & screening

Sustainability Score for individual companies

We incorporate ESG factors into our investment decision-making process, in particular for our discretionary managed assets. We employ a proprietary Sustainability Score approach for individual companies. This score combines external ratings – used as a default – with our own perspectives, additional data sources and in-depth knowledge about the firms in which we invest.

This way the scores we use become more forward-looking, allowing for a swift integration of the outcome of our own engagement and research, since our view could indicate likely improvements or deteriorations in sustainability status that were not (yet) reflected in the default scores.

In our scoring, we put additional emphasis on carbon emissions and corporate governance, using a more extensive combination of external data and resulting in a custom scoring framework for these issues. The framework reflects the targets the company has set, the way these have been managed, and how management is incentivised to reach them. All investment teams have access to the ensuing scores, resulting in an aligned view

The benefits:

- Our Sustainability Score can validate or override external ESG data;
- Quick integration of the outcomes of engagement in the score makes it more forward-looking;
- Resulting scores are absolute and can be used to compare risk between companies;
- Scores give a consistent view of how certain exclusion and engagement thresholds are set.

¹⁰ Funds were required to comply with ESMA guidelines by 21 May 2025. According to the guidelines, funds using sustainability-related terms must adhere to the PAB exclusions and allocate more than 50% of their assets to sustainable investments ('SI') as defined in the guidelines.

Scoring of internal and external funds

To determine the sustainability level of an investment solution, we apply our proprietary sustainability spectrum methodology, as shown in the figure below. The categorisation of funds and solutions enables us to assess the sustainability of funds which we may propose to our private and institutional clients, and to provide a proxy for the sustainability of private clients' overall portfolios.

Together, exclusions and ESG integration determine the sustainability category of the fund. As part of this exercise our manager research team mapped the vast majority of the managers we work with, to define where their products are positioned on the sustainability spectrum. The methodology is reviewed and improved every year, and subsequently made more ambitious.

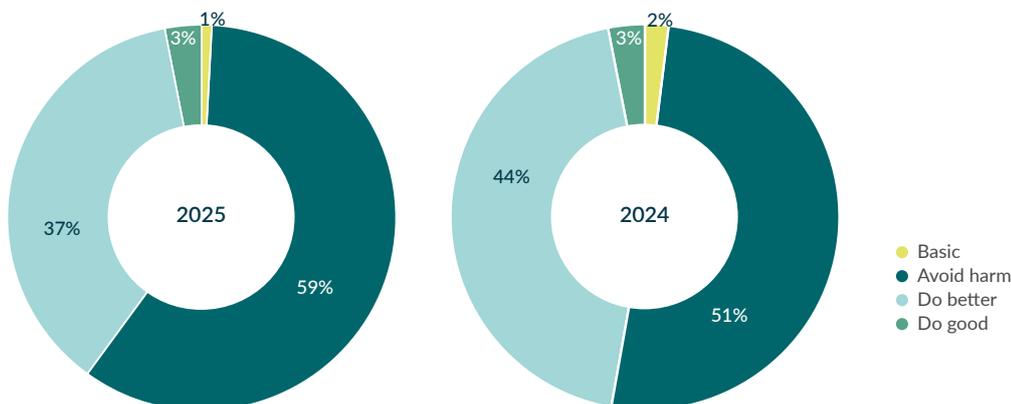
The five scores of our sustainability spectrum



The pie charts below show a breakdown of Van Lanschot Kempen's AuM by the five categories on our sustainability spectrum. We categorise each fund and assign it a category from 1 to 5, and only those investment managers who meet our minimum category of 3, 'Avoid harm', are offered to clients. However, a small number of clients are still invested in funds with a 'Basic' score (1% of scored AuM).

No clients are invested in funds categorised as 1 ('Compliant'), and this category is therefore absent from the pie charts below. Out of the 352 funds which we had categorised by the end of 2025, 1% (as a percentage of scored AuM) scored 'Basic' and 59% scored 'Avoid harm', while 37% of the screened assets were invested in 'Do Better' sustainable investment solutions and 3% in 'Do Good' solutions.

Sustainability category of external managers





Active ownership: engagement

Engagement with individual companies in 2025

The teams managing our liquid credits and equities investment strategies may proactively engage with companies to encourage positive change. Where suitable, we use these engagements for the Mercier Van Lanschot funds as well. In 2025, we engaged directly with 90 companies on environmental, social and governance themes (106 in 2024). The total number of engagements was 97.¹¹

Of this total, 77 were engagements for change carried out by our portfolio managers and our ESG Advisory team. Close to half of these engagements concerned environmental issues, followed equally by engagements on governance and social issues. For engagement examples see page 16-19.¹²

We engage in order to:

- Be informed about corporate strategy, policies and programmes, and increase our understanding of a company;
- Ensure that companies' boards and management teams have proper oversight and management of sustainability risks, and that companies sufficiently embrace environmental and social opportunities;
- Encourage companies to adopt corporate governance best practices;
- Ensure a suitable environmental and/or social strategy.

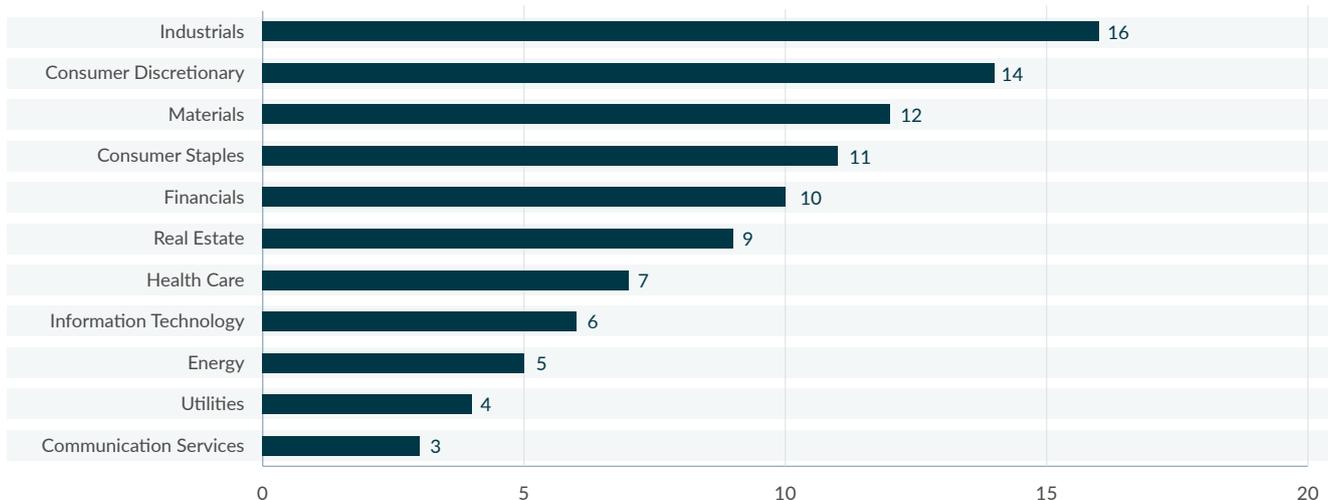
Engagements 2025 companies

Companies	Engagements		
	Awareness	Change	Total
Number of companies (unique)	20	73	90 ¹³
Number of engagements	20	77	97

Engagements 2025 per theme

Theme	Engagements		
	Awareness	Change	Total
Environmental	6	34	40
Social	9	22	31
Governance	5	21	26
Total	20	77	97

Number of engagements for awareness and change per sector in 2025



¹¹ Companies can be engaged on several themes at once and on both awareness and change issues, thus allowing for some overlap.

¹² With this report, we fulfill our statutory obligation under Chapter 5.6a of the Dutch Financial Supervision Act (Wft), which requires investment managers to report on their engagement activities.

¹³ Companies can be engaged for both change and for awareness at once, explaining why 20 company engagements for awareness and 73 for change does not add up to 93 companies.

Stronger together: collaborative engagements

In 2025, the organisations and initiatives we are member of or have joined, participated in collaborative engagements with 235 companies (2024: 272).¹⁴ Approaching a company collectively means that the pressure on them to change or improve increases and therefore also the likelihood of success.

The 235 companies comprise collaborative engagement initiatives with companies including those that we do not necessarily have exposure to. Although we did not actively participate in these engagements ourselves, we are members of organisations that have collectively engaged with this number of companies.

By participating in collaborative engagement initiatives, we can increase the effectiveness and leverage of our engagement activities.

When we initiate a collaborative engagement or join existing engagement initiatives, we typically assess which collaborations fit best with our values and engagement targets on a case-by-case basis.

In addition, we collaborate with other asset managers and asset owners with whom our engagement objectives are aligned. We are a member of several initiatives, most notably Climate Action 100+, Nature Action 100 and the Dutch Engagement Coalition.

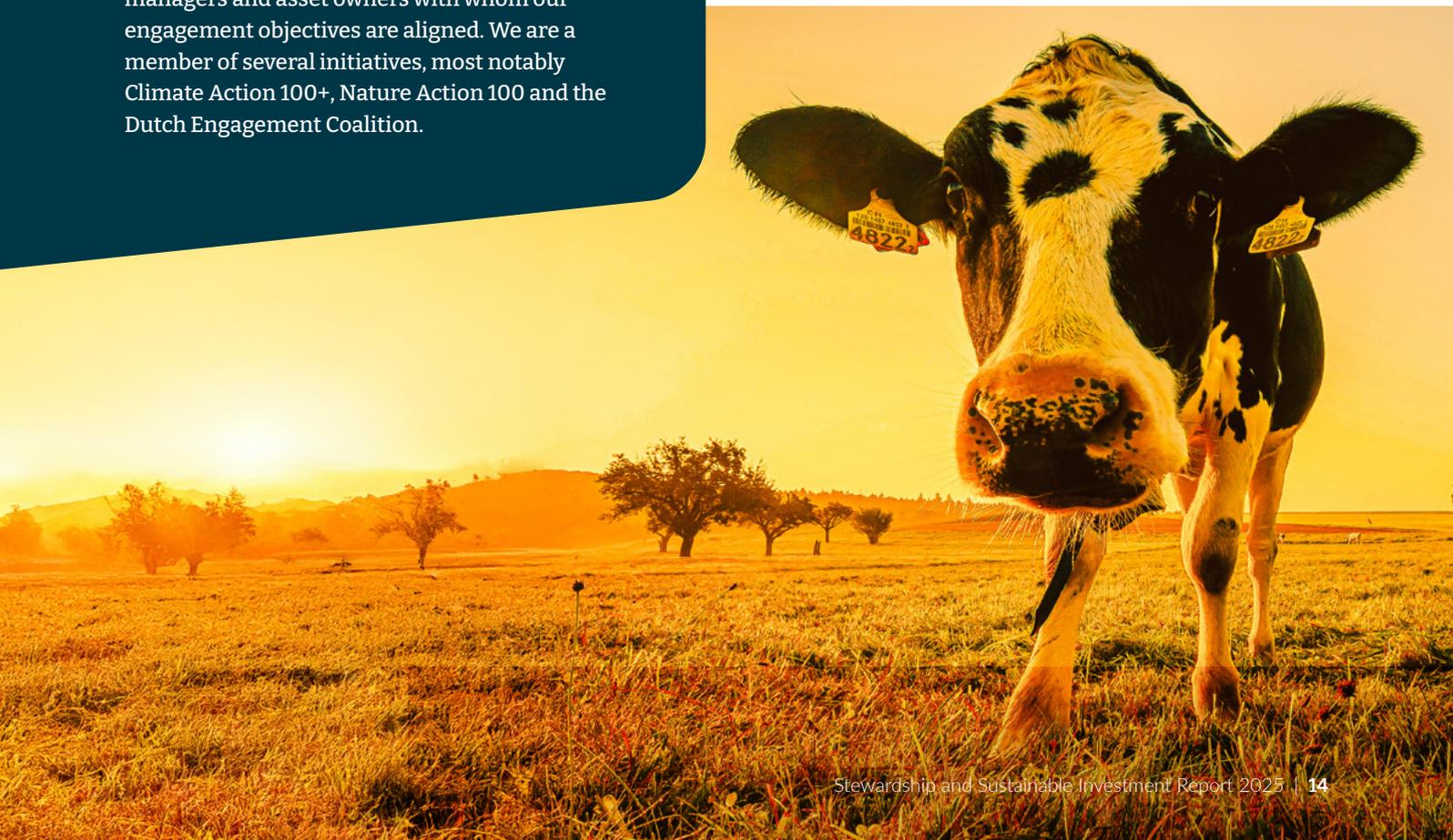
Given both the growing risks associated with climate change and our thematic focus, the majority of the 2025 collaborative engagements were focused on climate issues. This covers additional emissions disclosures, emission mitigation efforts and the development of cleaner technologies. We expect companies to be aligned with the Paris Agreement and to have set emission reduction targets.

On the theme of biodiversity, we were a participating investor in engagements by Nature Action 100 with the companies Sysco and Novo Nordisk. We also participated in a biodiversity-related engagement with Unilever through Dutch investor organisation Eumedion (see page 29 for more detail on the Unilever engagement).

OECD RBC engagements

For an overview of our most significant 2025 engagements on themes covered by the OECD Responsible Business Conduct (RBC) guidelines, please [click here](#). The guidelines cover engagements on both actual and potential adverse impacts of business conduct, and on how these are mitigated.

¹⁴ The total number of collaborative engagements is lower as we are no longer part of the Platform for Living Wages



Engagement measurement

We measure the outcomes and results of our engagements with milestones:



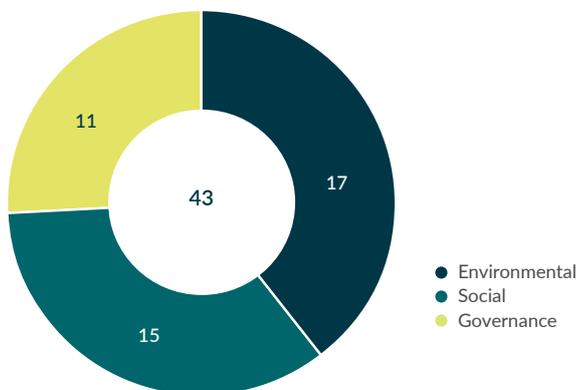
In 2025, we achieved 43 engagement milestones across 77 engagements for change, highlighting the concrete results our engagement delivered during the year.

The table below shows how the total engagements for change were split across the four milestones as at the end of 2025. In this past year, 19 engagements reached milestone 4, of which 15 were successfully completed by end of 2025.

Milestones for engagements (2025)

Theme	Milestone				Total
	1	2	3	4	
Environmental	8	9	9	8	34
Social	4	7	7	4	22
Governance	5	6	3	7	21
Total	17	22	19	19	77

Milestones achieved in environmental, social and governance



Milestone progress

The figure below shows how engagements for change progressed across our four milestones in 2025. A little more than half of the engagements showed no progress during the year – some we only initiated recently, while in other cases progress has stalled. In addition, some engagements take more time before a company can implement our request for change and the engagement can progress to the next milestone.

Milestones progress in 2025

Theme	Milestone delta (progress)				Total
	0	1	2	3	
Environmental	19	13	2	0	34
Social	11	7	4	0	22
Governance	13	6	1	1	21
Total	43	26	7	1	77

As the table above shows, 26 engagements reached one milestone in 2025, 7 progressed two milestones, and 1 reached a delta of three milestones.

The number of 43 milestones reached overall is calculated as follows: progressed by 1 counts as 1 milestone; progressed by 2 counts as 2 milestones; progressed by 3 counts as 3 milestones. So, an engagement that was at milestone 2 at the beginning of 2025 and milestone 4 at the end of 2025 counts as 2 milestones achieved for the year. For 2025 this means: $26 + (7 \times 2) + (1 \times 3) = 43$

➤ Our Stewardship and engagement policy is available [online](#).

Engagement examples with individual companies



The case for better capital allocation

We engaged with DB Insurance Group in South Korea to unlock value through a more efficient capital allocation strategy. The Korean insurance market has experienced slower growth in recent years, reducing the need for capital to fund expansion. Despite strong fundamentals, leading insurers (including DBI) continue to trade at significant discounts to global peers, largely due to historically low payout ratios. While this approach was appropriate during periods of rapid growth, it now constrains shareholder value.

We believe DBI can enhance shareholder returns without compromising its robust financial position. Our engagement focused on governance improvements, including:

- Cancelling treasury shares;
- Initiating a share buyback and cancellation programme;
- Accelerating progress toward a higher dividend payout ratio;
- Improving transparency through English-language reports and conference calls.

As a result, DBI has committed to achieving a 35% payout ratio within five years, with plans to exceed this target thereafter. The company will also provide English translations for conference calls. Furthermore, DBI is developing a detailed response to Korea's 'Value Up' programme, which is a government initiative aimed at improving corporate valuations through better capital efficiency.

Looking ahead to 2026, we will monitor the cancellation of treasury shares, track capital allocation developments following strong financial results, and evaluate DBI's forthcoming 'Value Up' plan to ensure alignment with our objectives. Overall, we see encouraging progress and continued recognition of our feedback on further buybacks and cancellations, which remain under board discussion.



BMW acknowledges need for 'just transition'

We believe it is essential that companies transitioning to a less carbon-intensive economy consider the social impact this may have on stakeholders. This should be part of the company's 'just transition' approach.¹⁵

In recent years, BMW has made significant progress in decarbonisation by setting long-term carbon reduction targets, increasing electric vehicle sales and reducing supply chain emissions. The car manufacturer has committed to net-zero value chain emissions by 2050. We welcome this progress, but initiated engagement in 2023 to discuss the social implications of their climate goals.

Actively engaging through investors' initiative Climate Action 100+, we have seen progress over the past couple of years: particularly noting the company facilitating a socially responsible transformation for their employees by offering training and education activities, helping them adapt to more sustainable business activities.

Last year, we were able to close our engagement with BMW successfully. BMW disclosed more information on its 'just transition' approach in its annual report and the 2025 Climate Action 100+ assessment showed that it has committed to decarbonising in line with the 'just transition' principles, recognising the social impacts of its decarbonisation.

The company has also committed to retain, retrain, redeploy or compensate workers affected by its decarbonisation efforts. A notable example is the retraining and redeployment of workers who have been involved in the production of traditional combustion engines.

We will monitor BMW's progress going forward.

¹⁵ The concept of a just transition is described as 'greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind'. (www.ilo.org)

Decarbonising real estate

Real estate is responsible for nearly 40% of global carbon emissions and this built environment not only shapes how and where people live, but is also at the centre of climate change debates.¹⁶ Climate risks such as rising sea levels and wildfires directly impact property values, insurance costs and maintenance expenses. Decarbonising real estate is therefore critical, both for achieving climate goals and for protecting investor value.

Over the past few years, significant progress has been made in reducing emissions within the real estate sector, with many companies improving their energy efficiency and lowering their carbon footprint. However, the pace of decarbonisation in portfolios has slowed, particularly due to the increasing share of energy-intensive assets such as data centres and cold storage facilities.



Scope 3: A major challenge

And one major challenge remains: most benchmarks and strategies only account for Scope 1 and 2 emissions, which cover direct and purchased energy emissions. About 70% of total real estate emissions come from building operations, but the remaining 30% (from construction and the production of building materials – Scope 3) is largely ignored.¹⁷ This omission means that much of the sector's true climate impact is not being addressed, despite the fact that some companies are beginning to focus on the reuse and recycling of materials.

Some companies are already exploring how to address the emissions that they cannot eliminate. For example, we helped **Omega**, which owns over 900 care homes across 42 US states, to design carbon compensation projects that sequester emissions for at least 40 years, have additionality and are independently verified. Omega selected a diverse mix of projects in North America and the United Kingdom, including initiatives within the real estate sector and the production of sustainable building materials, as well as projects that both avoid and remove carbon emissions.

Net zero pathway

Another engagement example is **Alexandria**, which owns laboratories, research centres, and offices. Following engagement with Van Lanschot Kempen, Alexandria set a 30% carbon reduction target by 2030, explicitly including Scope 3 emissions – a significant step forward. The company has unveiled plans to reduce these indirect emissions, although it has not yet committed to a fixed net-zero target for 2050. Nevertheless, Alexandria has pledged to follow the net-zero pathway, signalling a strong intention to align with long-term climate goals.

¹⁶ 40% of emissions come from real estate; here's how the sector can decarbonize – United Nations Environment – Finance Initiative.

¹⁷ idem.



Unlocking value through governance engagements in Japan

In recent years, Van Lanschot Kempen Investment Management has intensified its active ownership approach with Japanese companies, aiming to boost capital efficiency, improve governance structures and enhance shareholder returns. Our engagements are centred on constructive dialogue, pressing for transparent communication and effective use of capital – a consistent theme across all cases.

With **Seria**, a retail company operating a chain of ‘100 yen’ stores nationwide, we sought to influence smarter capital management, focusing particularly on the company’s share buyback strategy and corporate governance. Management’s initial reluctance stemmed from liquidity concerns and concentrated family ownership, but through ongoing dialogue we highlighted the risk of prolonged under-performance. Our engagement has contributed to Seria approving a substantial 16% buyback, which balanced founder interests with shareholder value, not least by increasing earnings potential per share. Additionally, the company has indicated growing openness to higher dividends and continued cost discipline.

Our engagement with chemical manufacturer **Kuraray** similarly tackled capital efficiency, shareholder returns and governance. We encouraged a reduction of commoditised business exposure, divestment of cross-shareholdings, and simplification of the business portfolio. We also advocated meaningful buybacks and disclosures. At board level, we urged Kuraray to deepen capital markets engagement, diversify board composition and improve alignment of incentives with financial and ESG performance.

Our input, alongside other investors’ feedback, helped prompt a significant JPY 30bn buyback and a reaffirmed commitment to return on equity.

At **Takuma**, a plant engineering company, our focus too was on correcting undervaluation through capital returns and improved governance. We also asked the company to raise the minimum dividend yield. Following our calls for higher buybacks and the elimination of cross-shareholdings, Takuma expanded its buyback to over 11% of shares, boosted payout ratios and promoted governance reforms. The company’s share price experienced a remarkable rally as a result, rising 50% over the last year.

In all three engagement cases, we helped catalyse material progress in governance, capital allocation and shareholder returns, underpinning sustainable value creation for all stakeholders.

Engagement with external managers

We also engage with external fund managers who manage solutions available for our private banking and institutional clients. Our engagements focus on the sustainability approach of managers in fixed income and equity, as well as in private market categories.

For example, this year we engaged with managers in our European Direct Lending Solution to discuss their sustainability ambitions and how they measure progress. We have seen strong improvements, with managers adopting sustainable frameworks and using best practices, such as implementing a theory of change.¹⁸

We also reviewed reporting on key Sustainable Development Goals (SDGs) and have seen good first steps and improvements. Notably, one manager has begun working with a third party to assess and report SDG alignment, a significant advance for this solution. Additionally, we can now report on the percentage of loans with sustainability requirements implemented in the loan documentation.

Engagement with impact managers

We actively collaborate with managers in our Private Global Impact Solution (PGIS – see page 24 for details), focusing on setting clear impact targets and strengthening measurement practices, as robust measurement is essential to verify outcomes, drive accountability, and enable continuous improvement. Impact data delivery is reviewed annually with all funds within PGIS. For example, on the right we highlight our 2025 engagement with the Ecosystem Integrity Fund on refining impact measurement.

Manager visits are also an integral part of our processes. Meeting managers enriches our research and deepens our understanding of their real-world impact. We also visit portfolio companies to assess outcomes and connect with businesses and consumers. In 2025, members of our impact team visited Quadria, a specialist private equity healthcare investor in Singapore, to discuss our new partnership and toured one of their investments in Malaysia to see first-hand how their strategy delivers meaningful impact in practice.

A driver's income: engaging on impact measurement

One of PGIS sub-funds, the Ecosystem Integrity Fund (EIF) invests in two relatively similar companies operating in different geographies: Ampersand, headquartered in Kigali, Rwanda, provides electric motorcycles to taxi drivers through a lease-to-own model and operates battery swap stations. A similar company called Battery Smart operates in India, running the country's largest electric vehicle battery swapping network for two- and three wheelers.

As well as helping to reduce carbon emissions and supporting the energy transition, these companies claim to help drivers earn more income compared with petrol vehicle drivers. However, we observed significant differences in reported higher earnings: Ampersand cites a 20–35% increase, while Battery Smart claims drivers see a 250% income boost. We asked EIF to explain this difference.

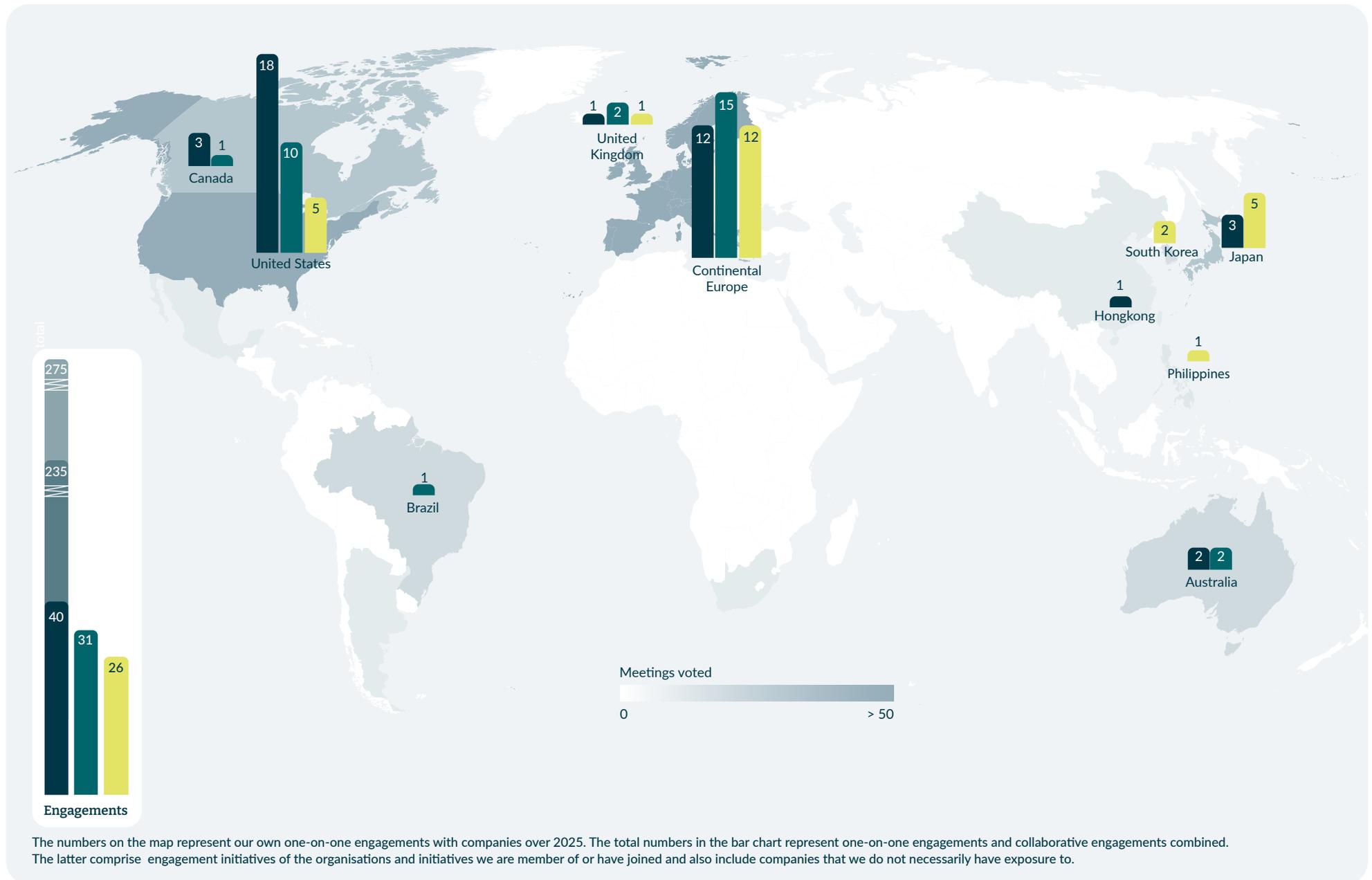
EIF provided a detailed explanation of the calculations used by both companies. They clarified that Ampersand's driver earnings are based on operational savings, while Battery Smart drivers benefit from both greater efficiency and higher utilisation. The main differences arise from the types of vehicles and use cases. We were very satisfied with EIF's thorough and well-substantiated response, and have now concluded this engagement.

Engagement with listed managers

We also engaged with 51 listed fund managers over the past year, continuing our work of ensuring alignment of the Paris-Aligned Benchmark (PAB) exclusions with the ESMA fund-naming regulation which came into force in May 2025. During this period, we successfully concluded most of these engagements, confirming that the exclusion criteria adopted by the respective managers are consistent with our own requirements and standards.

¹⁸ The framework of the theory of change outlines which societal or climate related change investors want to achieve, linking these outcomes to investable activities and measurable goals.

Voting and engagement map 2025





Active ownership: voting

Voting at shareholder meetings of investee companies is a key tool in stewardship and active ownership. We vote for our discretionary assets in our credits and equities funds, our Mercier Van Lanschot funds and Van Lanschot Kempen Mandate Fund World Equity. In addition, we advise on and implement the voting decisions for our fiduciary clients, in line with their voting policies.

In 2025, we voted at 533 different company meetings, with 16% of our votes cast against management.

We vote based on our voting policy, which stipulates our expectations on matters including good governance, such as board diversity and meaningfully structured remuneration.

We use Institutional Shareholder Services (ISS) as a voting platform. ISS also provides custom research and voting recommendations according to our own voting policy. Although we use ISS's services, we review company meetings individually and in depth and make our own decisions rather than always following the default recommendation.

There were 418 meetings at which we voted against or withheld/abstained on at least one agenda item. We tend to abstain in order to give a company's management time to resolve an issue, but on the understanding that we will vote against management in future if no changes are implemented.

We voted against management on 111 of the 236 shareholder proposals tabled at general meetings in 2025. Of these 111 votes, 34 were related to corporate governance, 8 called for enhanced reporting on inclusion and diversity, 24 focused on climate change and pollution, 17 were votes on social proposals around health and safety and human rights, and 9 were related to AI/data protection policies. The remaining 15 votes were primarily concerned with the election of directors, company governance, and routine or non-routine business matters.

- › [Our voting records are published in full here.](#)
- › [Our significant votes for 2025 can be found here.](#)

2025 proxy season in a world of changing regulatory and policy landscapes

The season unfolded amid significant regulatory changes. New SEC guidance reshaped shareholder engagement, reducing the number of environmental and social proposals reaching ballots.

Governance-focused proposals retained traction, underscoring continued emphasis on board accountability and capital allocation.

According to data from the PRI Resolution Database, the number of sustainability-related shareholder resolutions filed this proxy season fell by 25% in 2025. Despite this, proposals put forward by well-known 'anti-ESG' advocates still receive very little support.¹⁹

Almost half of the shareholder proposals that we voted for (against management), were related to disclosure requirements. These disclosures enable us to assess how well a company identifies and manages material risks – such as regulatory changes, market shifts, or reputational issues.

¹⁹ Proxy season by the numbers: [What 2025 filings tell us about investor priorities](#) | [Blog post](#) | [PRI](#).

Voting statistics

Category	2025		2024	
	Number	%	Number	%
Number of votable meetings	569		460	
Meeting voted	533	94	432	94
Meetings with at least 1 vote Against, Withhold or Abstain	418	78	334	73
Votes with management	6605	84	5,551	85
Votes against management	1276	16	950	15
Votes on shareholder proposals	236	3	222	3
Votes against management on shareholder proposals	111	47	123	50

Examples of relevant votes supporting shareholder proposals in 2025

<p>Alphabet Inc. Report on meeting 2030 goals</p>	<p>Mastercard Inc. Oversee and report on a racial equity audit</p>	<p>PepsiCo Report on plastic packaging</p>	<p>JP Morgan Report on social impacts of climate transition finance</p>
<p>The Kansai Electric Power Co., Inc. Require individual compensation disclosure for executive officers</p>	<p>Amazon Report on impacts of data centres on climate commitments</p>	<p>Bank of America Corporation Report on clean energy supply financing ratio</p>	<p>Tesla Inc. Report on the use of child labour in connection with electric vehicles</p>
<p>Meta Report on combating risks of online child exploitation</p>	<p>Digital Realty Trust Inc. Adopt a policy on the human right to access water</p>	<p>JP Morgan, Colgate-Palmolive Company, The Home Depot, Inc. Require independent board chair</p>	<p>Wells Fargo & Company Report on prevention of workplace harassment and discrimination</p>



Investing with impact

Impact investing seeks to generate positive, measurable social and environmental outcomes alongside competitive financial returns. By directing capital toward businesses, projects, organisations, and real assets that are actively working to address global challenges – such as climate change, social inequality, and excessive resource extraction – investors can be part of the solution while also achieving their financial goals.

Impact investments need to be intentional: they're about supporting companies whose missions are rooted in creating meaningful and sustainable solutions. Additionally, these impacts must be both measurable and 'additional,' ensuring that the investment directly contributes to outcomes beyond what would have happened otherwise. Both additionality and intentionality are more pronounced in alternative – less liquid – asset classes.

For over 20 years, we have advised our clients on alternative investment categories, the building blocks of an impact portfolio. We construct portfolios where financial and societal returns go hand in hand, support clients in designing bespoke impact policies, select and monitor high-quality impact managers, and create forward-looking solutions tailored to their needs.

Since 2018, we have also offered our own Private Global Impact Solution, which is described on page 24.

The new impact investing

Over the past twenty years, our perspective on impact investing has evolved in line with market best practice. In the emerging phase, the focus was on providing immediate relief for urgent issues. Now, the approach to impact investing has matured into a sophisticated strategy that aims for a systemic transformation of climate, societal and environmental challenges.

To this goal, we have further refined our impact framework, applying a systemic lens to impact investments. This means we focus on designing layered investment portfolios for our institutional clients – portfolios that aim to address interconnected challenges holistically rather than in isolation. By applying our theory of change across different impact themes and asset classes, we seek solutions that draw on multiple areas of impact and steer towards transparent, risk-adjusted outcomes.

This evolution reflects our recognition that broad, system-wide change requires smart diversification across asset classes, regions, and sectors within each portfolio. Such diversification enhances both risk-return profiles and the breadth, depth, and scale of the impact achieved. We refer to this comprehensive approach as the new era of impact investing, in which the focus is not only on financial and social returns but also on achieving lasting, systemic transformation.

Please see page 31 for more information and examples of the new impact investing.





Van Lanschot Kempen offers two internally managed impact strategies:

The **Private Global Impact Solution (PGIS)** delivers both positive societal and environmental outcomes while aiming to generate market rate returns. It invests in funds that take an entrepreneurial approach to scaling sustainable technologies and concepts, not least in accelerating the transition to a low-carbon economy and improving access to quality, affordable healthcare. Investments range from the development and construction of mainly European renewable energy projects to supporting one of India's fastest growing eyecare clinic chains, which helps address the country's significant, yet reversible burden of avoidable blindness.

In 2025, we again saw increased interest in impact investing and new commitments coming in, especially from our private banking clients. The strategy marked its eighth anniversary at the end of 2025, and over the year the fund's total AuM grew to €290 million.

We were delighted to successfully implement three new investments last year – an Asian private equity healthcare fund, a European multi-thematic private equity fund and a global private equity fund focused on the food and agricultural value chain.²⁰ This brings the total number of investments to 19 (18 funds and one co-investment).

The **SDG Farmland strategy** is a leading natural capital solution, offering institutional investors access to sustainable real assets with measurable impact. Transitioning from traditional to regenerative agriculture plays a pivotal role in addressing global challenges such as food security, demand for nutritious produce, soil health, biodiversity loss and climate change.

In 2025, we strengthened and diversified our global farmland portfolio with a focus on building resilience and scale in key agricultural regions such as the US and the Iberian peninsula. To enhance transparency and provide clients with deeper insights into sustainability outcomes, we further evolved our data-driven KPI dashboard. We have nine sustainability themes, including soil health, energy use and biodiversity, and over 20 prioritised KPIs. Each farm within the fund has a sustainability transition plan, with local agricultural expertise aligned to a global framework.

Our collaboration with [Climate AI](#) has progressed as we leverage advanced machine learning and over 100 global climate models. This innovation supports our investment decision-making in terms of crop selection and region for our long-duration assets, with a focus on climate resilience.

²⁰ The latter is selected in collaboration with Collective Action, a renowned centre of excellence and collaboration platform specialising in impact-driven private investments. We partnered with Collective Action in 2024.



Investment strategies

Working on our climate goals

In this chapter we refer to our direct investments in the investee companies in our liquid equity and credit strategies.

Van Lanschot Kempen wants to help limit climate change in accordance with the Paris Agreement. We aim to be a net-zero investor by 2050, by aligning our discretionary AuM with a long-term carbon intensity pathway of minus 7% a year on average.²¹ To this aim, we can use the full spectrum of available sustainability tools (see pages 10-24).

In 2025, we again directed a substantial part of our voting and engagement efforts towards climate-related issues; see pages 13-22 for numbers and examples.

Carbon intensity of our funds

Our aim in 2025 was to have our credit and equities funds aligned with the Paris pathway of an average annual reduction of 7%, against a 2019 benchmark. We have reached this target in 2025.

In addition, the figures you see on page 26 show that three quarter of the Van Lanschot Kempen funds are less carbon-intensive than comparable current benchmarks, indicating that the companies in the portfolios currently have a lower carbon intensity than their industry peers. In line with the goals of the Paris Agreement, a relatively lower carbon intensity – besides an absolute carbon level – is required.

²¹ In terms of weighted average carbon intensity (WACI). The WACI measures a portfolio's exposure to carbon-intensive issuers and serves as a proxy for a portfolio's exposure to climate transition risks. Our climate ambition applies to our discretionary AuM within credit and equities strategies, and a selection of our wealth solutions funds. See our climate transition plan for details and scope regarding this commitment.



Carbon footprint breakdown for investment strategies in scope of our climate commitment

	Weighted average carbon intensity (tCO ₂ e) EURm Revenues 2025	Average yearly progress over period 2019-2025 against 2019 benchmark	Carbon intensity 2025 compared to 2025 benchmark	Weighted average carbon intensity (tCO ₂ e) EURm Revenues 2024
Kempen (Lux) Euro Credit Fund	76	-15%	Lower	64
Kempen (Lux) Euro Sustainable Credit Fund	50	-11%	Lower	59
Kempen (Lux) Euro High Yield Fund	88	-10%	Lower	97
Kempen European High Dividend Fund	66	-14%	Lower	69
Kempen (Lux) European High Dividend Fund	65	-15%	Lower	68
Kempen Global High Dividend Fund	125	-9%	Higher	130
Kempen (Lux) Global High Dividend Fund	125	-9%	Higher	130
Kempen Sustainable Global High Dividend Fund	42	-19%	Lower	48
Kempen (Lux) Global Value Fund	118	-9%	Higher	94
Kempen (Lux) Global Small-cap Fund	61	-11%	Lower	80
Kempen (Lux) Sustainable European Small-cap Fund	24	-23%	Lower	34
Kempen Orange Fund	42	-27%	Lower	47
Kempen (Lux) Global Property Fund	45	-9%	Lower	43
Kempen Global Property Fund	45	-9%	Lower	43
Kempen (Lux) European Property Fund	32	-18%	Lower	29
Kempen (Lux) Global Listed Infrastructure Fund	1099	-9%	Higher	1060

The table contains preliminary portfolio data as of the end of 2025, based upon ISS ESG data that can be compared with carbon data for benchmarks that are relatively similar to the funds. The numbers may differ from the data disclosed under SFDR Annex IV covering 2025, which originates from MSCI data points. For those 2025 figures, please see Annex IV as published in the document section of the fund information on our website, which are based on MSCI ESG data points.

We receive continuous ESG data updates, and the difference between the 2024 numbers shown here and the numbers published in our 2024 stewardship and sustainable investment report are caused by more recently published information by our investee companies.

Deepening sustainability: Kempen Euro Sustainable Credit strategy

The Kempen Euro Sustainable Credit strategy combines disciplined credit selection with sustainability integration through our proprietary ESG risk score. In July 2025, the strategy adopted the Paris-Aligned Benchmark (PAB), a milestone that strengthened its climate credentials and ambitions.

The PAB starts with 50% lower carbon intensity than the broad market index and targets a 7% annual reduction in emissions. It also applies stricter ESG criteria, excludes companies with the highest controversy scores and allocates more to green bonds. This benchmark is used by other institutional investors to guide climate-focused allocations.

In addition, the strategy has formally committed to a minimum proportion of sustainable investments of >50%, so as to comply with ESMA guidelines for funds using sustainability-related terms in their names.²²

This commitment and the transition to this new benchmark required only limited trading, because sustainability has long been embedded in our process for the strategy. This continuity shows that alignment is not a marketing exercise but a natural extension of how we invest.

Today, the portfolio demonstrates clear progress with a weighted average carbon intensity of 50 (versus 53 for the benchmark), with close to 55% of holdings classified as sustainable investments²³, and an average AA MSCI ESG rating with zero severe controversies.

Repositioning in line with evolving regulatory expectations

The Kempen Sustainable Global High Dividend strategy increased its minimum committed proportion of sustainable investments to over 50% to comply with the ESMA guidelines for funds with sustainable in their name.

In contrast, the Kempen Sustainable European Small cap strategy maintained a threshold of 30% and, as a consequence, was renamed as the Kempen European Small caps strategy, removing 'sustainable' from its name. We believe that increasing the threshold to 50% would significantly constrain portfolio construction and potentially hinder ability to generate alpha, while offering minimal additional sustainability benefits.

²² Funds were required to comply with ESMA guidelines by 21 May 2025. According to the guidelines, funds using sustainability-related terms in their names must adhere to the PAB exclusions and allocate more than 50% of their assets to sustainable investments ('SI') as defined in Article 2(17) of the SFDR.

²³ As at 31 December 2025.



Working on our biodiversity goals

The theme of halting and reversing biodiversity loss was an important element in our engagements in 2025. As a signatory of the Finance for Biodiversity Pledge, Van Lanschot Kempen supports enhancing transparency and accountability on this topic.

The biodiversity engagements that we undertake directly may be linked to an investee company's biodiversity and/or land use controversies. They may also be linked to cases where companies score low on biodiversity management while having high business exposure to biodiversity.

In addition, we take part in collaborative biodiversity engagements if there is a link with our investment objectives and strategic engagement agenda. This includes engagements in which we encourage investee companies to address their impacts and dependencies on nature in alignment with global biodiversity goals.

Data to measure biodiversity risks

To better identify and assess risks associated with biodiversity loss, we continuously track data developments and corporate disclosures. We distinguish two types of risk: the loss of biodiversity itself and the operational or reputational challenges that companies face because of biodiversity loss. Our biodiversity investment framework enables us to establish indicators to measure these biodiversity risks. It also allows us to help clients set measurable and relevant goals, track negative impact and improve transparency.

In 2025, we enhanced the framework through the addition of two data points from the MSCI nature & biodiversity dataset. The metrics added are:

1. 'Extent of local ecosystem degradation intensity', which relates to the average number of species in an area compared to how many would be there in a healthy, untouched ecosystem;
2. 'Total global potential species extinction intensity', which measures the percentage of species lost in an area each year, due to the company's impact.

Selecting relevant data points is fundamental to measuring and managing the impact of financial and non-financial ESG-related risks in portfolios. The inclusion of the data offers deeper insight into a company's biodiversity performance, allowing us to make more informed investment decisions. It also empowers us to hold companies accountable and engage with those whose performance and approach fall short. As both the availability of data and demand for biodiversity metrics continue to grow, our reporting capabilities will be further augmented.

Continuing engagements against plastic waste

Plastic pollution is closely connected to biodiversity loss, as unsustainable production and disposal of plastics as waste harm ecosystems and undermine efforts to restore natural habitats. Several of our engagements were directed at reducing plastic pollution.

Most European companies showed some progress on their biodiversity targets over 2025, though often at a slower pace due to constraints such as limited capacity at packaging manufacturers and slow government action on recycling and reuse.

Regrettably, some US firms – including PepsiCo and Coca-Cola, two of the world's largest plastic polluters – have backtracked on commitments to reuse, recycle and reduce the use of virgin plastics. We are concerned by this regression and will continue active engagement.

Mixed bag of US engagements

We have communicated our concerns about biodiversity and plastic pollution to **PepsiCo**, asking for clarity on adjustments to their plastic and packaging goals. In late 2024, the company highlighted several aspirations in terms of making their packaging recyclable, compostable, reusable or biodegradable in 2025, and a planned launch of compostable packaging initiatives. In 2025 however, PepsiCo announced that it would eliminate its standalone reusable packaging target and lowered its ambitions for reducing virgin plastic and increasing recycled packaging. The company pointed to challenges such as limited recycling infrastructure and supply, and other challenges beyond their control.



PepsiCo's announcement followed **Coca-Cola's** similar move to abandon ambitious targets for virgin plastic reduction and refillable packaging, blaming business growth. Although Coca-Cola is increasing recycled PET use and reducing packaging weight, these efforts lag behind production growth. Coca-Cola now focuses on recycled materials and collection rates but offers little transparency about the fate of collected packaging. The company remains involved in government initiatives to improve recycling infrastructure and is continuing with refillable packaging efforts in select markets. Despite some progress, these changes mark a disappointing shift away from strong reuse and reduction goals.

We will maintain engagement with PepsiCo and Coca-Cola, holding them accountable on plastic waste, recycling and reuse.

Other US companies have not retreated as openly from targets and commitments. For instance, **Colgate-Palmolive** has kept its targets for recyclable packaging, using renewable electricity, and reducing virgin plastic, though the pace of progress is slow. Answering our query, the company highlighted ongoing climate action, water stewardship, sustainable sourcing, and projects for biodegradable ingredients and zero waste, aligning with the nature focus areas of the Taskforce on Nature-related Financial Disclosures (TNFD). We await their upcoming sustainability reports for further updates.

We also engaged with **Procter & Gamble** (P&G) about their management of plastic pollution. P&G outlined its 2030 goals to make all consumer packaging recyclable or reusable, and halve virgin petroleum plastic use compared with 2017 levels. While progress has been made, in our view the company risks missing its 2030 targets unless it accelerates efforts. Engagement with P&G continues.

Meanwhile, in Europe

Among European companies, we recently reached out to **Nestlé** again to follow up on their progress toward key plastic reduction goals, referencing their latest sustainability report. Our questions focused on whether the company remains on track to reduce virgin plastics use by one third by 2025 and to ensure that over 95% of its plastic packaging is recyclable. We also inquired about their next major actions to achieve these targets and sought greater transparency on their waste management projects in a dozen countries, as previously mentioned by Nestlé.

Nestlé responded that updates will come in the first quarter of 2026 with their next non-financial statement release and next five-year plan. They acknowledged the need for broader plastic neutrality actions, but also said that building the necessary infrastructure for circularity will take time, especially in regions with underdeveloped systems. While the core strategy remains unchanged, Nestlé suggested that the tactics or 'levers' for reaching their goals may evolve to address these ongoing challenges.

On the theme of plastic pollution we have also engaged **Unilever** through the Dutch sustainable investors alliance Eumedion. While the company has always been a clear leader on sustainability, they received an MSCI orange flag on biodiversity and land use, mainly due to plastics pollution. In three separate meetings, we inquired about Unilever's biodiversity policy and their specific targets to reduce their plastic footprint.

Unilever restated its goal that all plastic packaging will be reusable, recyclable, or compostable by 2030 – except, however, for flexible plastics, which are now only expected to meet this standard by 2035. Currently, Unilever has achieved 57% progress toward its overall target and says it is already fully compliant in regions such as Europe where robust recycling infrastructure exists. Here, flexible plastic should still be fully recyclable by 2030.

Unilever has developed roadmaps for each region, prioritising paper packaging and investing in reuse and refill solutions in India and Southeast Asia, where recycling facilities are less developed. Additionally, Unilever is striving to collect more plastic than it sells, especially in high-risk areas such as India.



Fiduciary management

The new impact investing: close to home and further away

Institutional players can invest to make a positive contribution to societal issues and their solutions. While interest in this approach continues to grow, the key challenge is to achieve meaningful impact, without compromising important factors such as risk and return, as well as making sustainability targets clearly measurable. In 2025, our fiduciary specialists further strengthened our process to firmly embed impact investing in our investment framework.

For over two decades, the fiduciary team at Van Lanschot Kempen Investment Management has supported clients in selecting and implementing alternative investment categories – which often serve as the foundation of an impactful portfolio. In addition, we offer our own global and local impact strategies (see page 24 and 32). Since 2024 we have also partnered with Collective Action, a dedicated collaborative platform specialising in impact-driven private markets.

We construct portfolios for our clients that bring together both financial and social returns, supporting them in designing customised impact policies, selecting and managing best-in-class impact managers and devising forward-looking solutions.

Direct and systemic impact

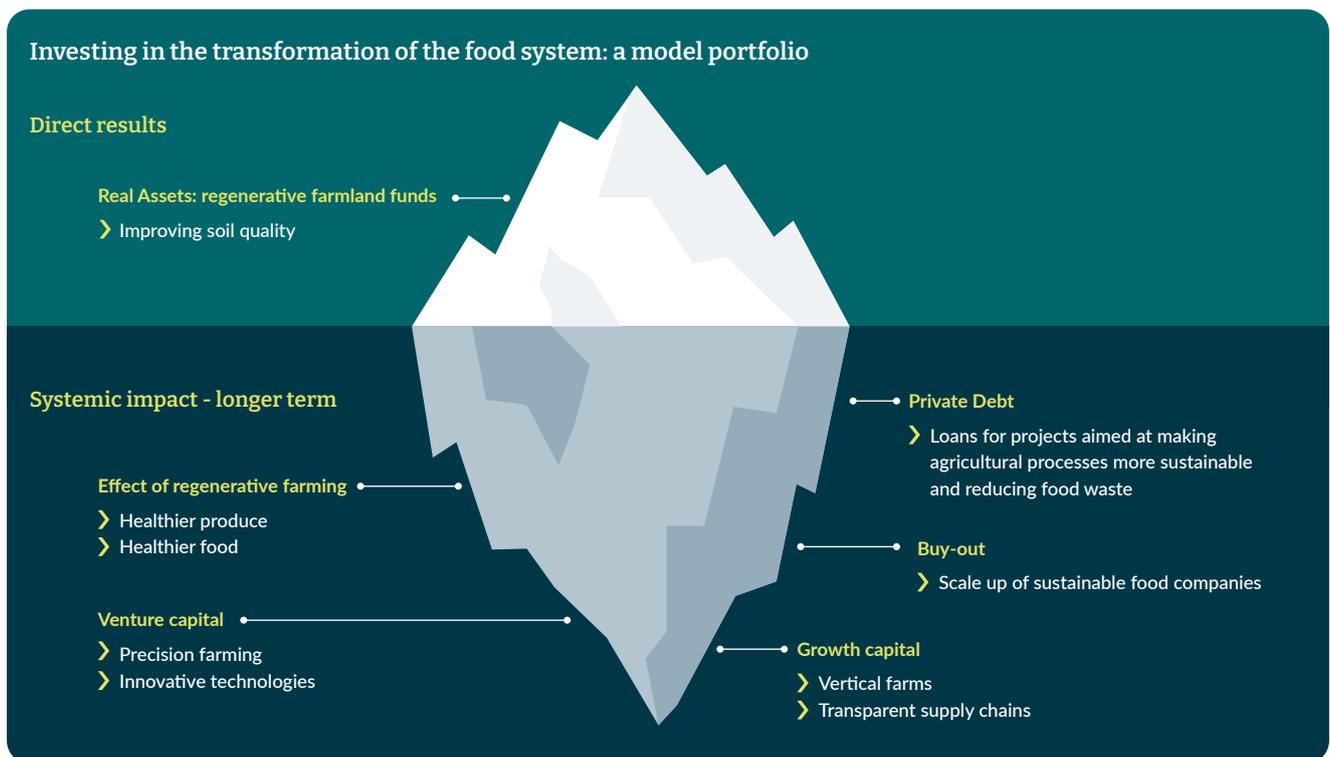
Impact investing is no longer in its infancy and our view on making impact has likewise evolved. In 2025, we further developed our framework for systemic impact investing and we're increasingly taking a broad-based, systemic approach for our clients, resulting in layered portfolios focused on real and positive change. This approach addresses a whole range of societal issues in conjunction rather than separately, often by way of various investment classes that each add elements to the overall impact.

As part of this process, we make a distinction between investments that create immediate, directly quantifiable impact and those that promote positive, long-term systemic change and have great impact potential.

This approach optimises the expected risk and return profile and benefits from a smart combination of various asset classes, regions and sectors within a single portfolio, while broadening the timing, depth and scale of impact – what we call the new impact investing.

The figure below captures the opportunities offered by a smartly constructed impact portfolio. The example pictures the theme of food transition. At the top of the iceberg we see the immediate impact of an investment – in regenerative agriculture in this case – while the level below the water captures the systemic impact of adding various other investment classes focused on a variety of sectors.

Example of systemic impact and categories informing the theme of food transition



Impact close to home

Investor appetite for worldwide impact investing is growing, and we also see a deepening commitment to effecting positive impact closer to home. Aside from expected financial returns, we're talking about addressing recognisable social challenges people encounter or may encounter in their daily lives, such as the energy transition, housing shortages and making companies greener.

In view of this, 2025 saw us come up with multiple local impact propositions, giving investors a choice as to what theme they'd like to contribute to and what investment class to invest in:

- A private debt solution that has so far allocated over €220 million to corporate loans that help drive sustainability at companies and loans to finance the development of sustainable energy sources (infrastructure debt). We offer this solution to our clients together with Eiffel Investments.²⁴
- A local strategy investing in unlisted real estate for the construction and rental of sustainable and affordable senior housing. Over €100 million has now been allocated to this strategy, which is managed by [Bouwinvest](#).

In 2026, we'll also continue to develop new investment propositions 'close to home'. Propositions aimed at generating competitive returns while at the same time helping to address 'local' societal issues – including circularity and grid congestion.

More insight into sustainability

Our fiduciary team spent 2025 further developing ways of providing institutional clients with even better insight into their portfolios' sustainability features. For one thing, it expanded the coverage of carbon data in the investment portfolio to include reporting on carbon emissions for government bonds, i.e. more insight into a significant proportion of client portfolios. This allows us to better identify and tailor our advice to the climate impact of investments.

Meanwhile, our investment management portal now boasts additional options for analysis, with clients able to filter for underlying investment levels and specific sustainability features of their overall portfolio, by investment class, fund and/or by a mandate and its underlying constituents. This enables clients and portfolio managers to take an even more targeted approach towards managing portfolios for ESG objectives and to respond to changing laws, regulations or requirements.

What's more, sustainability reporting and dashboards have been updated to provide greater access to relevant information, including creating standalone responsible investment (RI) reports. We've also introduced additional sustainability criteria for selecting and monitoring investments, such as explicit targets for carbon reduction, as well as exclusions in line with the Paris Aligned Benchmark (PAB) and real-world impact indicators.

Our dashboard for key risk indicators (KRIs) has featured in our data portal for clients since 2025. This provides insight into the portfolio's most important sustainability risks, with clients themselves having identified which KRIs are most relevant for them.

These steps do not merely deepen insight into and integration of sustainability in investments; they actively support monitoring and managing of sustainability risks.

²⁴ [Eifel Investment Group](#) is a European asset manager with c. €7 billion under management (as of 30/06/2025). It finances companies and their assets and invests for a sustainable world: its investment strategies aim to generate not only strong financial performance but also positive social and environmental impacts.



Investment Management for our Private Bank

Choices in sustainability

Van Lanschot Kempen Investment Management provides discretionary investment solutions for the private banking clients of Van Lanschot Kempen in the Netherlands, Belgium and Switzerland.

Private bankers work closely with their clients to advise on the best ways for them to achieve their financial and societal goals. In this dialogue we offer our private banking clients a wide range of sustainable investment solutions to help them navigate the key transitions of our time. It's up to the clients themselves to decide to what extent they are looking to invest sustainably, and in what way.

In 2025, to deepen the conversation about sustainability with our clients, private bankers completed a training to develop skills and knowledge on the issue. They ask all clients what their sustainability preferences are and, depending on their answers, assign them one of three sustainability profiles: 'neutral', 'committed' or 'strongly committed'.

The sustainability profile 'strongly committed' is linked to the sustainable wealth management concept. For this concept, investments are selected based on the Van Lanschot Kempen sustainability spectrum (see page 12), ensuring they align with our clients' individual sustainability preferences.

The sustainable wealth management concept only includes investments which match score 4 of the spectrum, and we impose more rigorous additional sustainability criteria for this wealth management solution, such as portfolios' total carbon emissions.

Clients looking to take their sustainability investing even further are offered the opportunity to invest in one of our tailored 'personal touch' investment vehicles to complement a diversified core portfolio. Depending on personal preference and appetite, portfolios may be tilted towards impact investing via private markets. For more information, see page 34.

Stricter exclusion criteria

Our sustainable wealth management concept is at the forefront in terms of sustainability. These sustainable portfolios invest in the sector's most sustainable players, while also aiming to reduce the portfolio's overall carbon footprint. Through a thorough screening framework we also exclude companies and sectors that have a negative impact on people, environment and society.

In 2025, we brought the sustainable wealth management concept in line with the thresholds as outlined in the Paris Aligned Benchmark (PAB) criteria. This means we now apply strict thresholds to the most polluting segments of the fossil fuel industry, such as coal and oil, and set firm standards for less polluting segments, such as natural gas.²⁵

²⁵ Investment portfolios that exclude the fossil fuel industry should comply with the thresholds as outlined in the PAB criteria, established by the European Union. According to these criteria, companies are excluded if they generate more than 10% of their revenue from the extraction, production, or distribution of oil; more than 50% from the extraction, production, or distribution of gaseous fuels; or more than 50% from power generation with a carbon intensity exceeding 100 g CO₂e/kWh. See the glossary below under "Fossil-free portfolios" for more information on these thresholds.

The fossil fuel industry comprises the whole chain of exploration, extraction, production, refining and distribution of coal, oil and natural gas. The sector may be a key contributor to global energy provision and economies, but it also has major drawbacks, such as environmental pollution, and is a key driver of climate change.

At the same time, this industry has an important role to play in the energy transition, as fossil fuel companies have substantial financial resources, infrastructure and expertise in large-scale energy projects. This doesn't always make the sector's exclusion straightforward, which is why we offer our clients the choice to make up their own minds: to completely exclude the fossil fuel industry in our sustainable wealth management portfolio or invest instead in one of our other investment concepts with less rigorous sustainability criteria.

Adding impact to your portfolio through 'Wealth Management with a Personal Touch'

'Wealth management with a personal touch' offers a distinctive way to tailor investments to the convictions and interests of our private banking clients.

Primary financial objectives are achieved by a broadly diversified core portfolio drawing on the active, index, smart or sustainable wealth management concepts. Surplus capital can then be allocated to specific investments that align with the client's personal interests and have low correlations to listed markets.

Impact is one of four specific themes available to 'personal touch' clients. This theme is covered by our Private Global Impact Solution (PGIS) which provides access to high-grade private impact funds in private markets. It is spread across regions, investment classes and urgent impact themes that offer investment opportunities and meet investment needs.

The impact funds in which the PGIS strategy invests are experts in their investment classes, regions and impact themes, selecting investments with social added value as well as financial potential. All impact locked in is measured and reported.²⁶

²⁶ See the strategies prospectus in [our fund library](#).

²⁷ As at September 2025.

Case Study

Fewer wildfires, more biodiversity

The Private Global Impact Solution invests in a range of sub funds, including one that primarily supports venture capital enterprises that advance climate innovation and nature conservation.

One such enterprise is Vibrant Planet, an American public benefit corporation devoted to preventing wildfires and fortifying the resilience of both ecosystems and local communities. The company uses artificial intelligence and big data to step up the ability to predict wildfires and optimise forestry management.

A key theme, as whole swathes of the United States are destroyed by wildfire every year, causing massive damage to people, planet and biodiversity. Vibrant Planet marries a clear impact mission with a scalable revenue model, using a software-as-a-service (SaaS) license per hectare. The company boasts a growing client base and strong partners, and has locked in over \$34 million in venture funding.²⁷

Sustainable wealth management concept in 2025

A large proportion of our sustainable wealth management investments are focused on making a positive contribution to the environment, people, society and governance. Such investments may accelerate the transition to a sustainable and liveable world. The implementation of our four pillars as described on page 10 has helped us achieve the following outcomes in 2025:

- Equities of companies included in this proposition lead the way on reducing carbon emissions compared with the broader market – see graph below.
- 98% of the selected companies have similar or higher sustainability scores (MSCI ESG scores) than the broader market.
- Within the bond allocation of the portfolio, some room is created for impact funds. These invest in green bonds, social bonds and bonds issued by development banks.
- Of the companies included in the equity portion of the proposition, 82% make a positive societal contribution, and the socially positive impact is 50% higher than that of a comparable basket of equities. The strongest contribution is to the following three SDGs.



- Companies with a negative impact are underrepresented in the portfolio.

The box on the right gives an example of a company included in the sustainable wealth management concept.



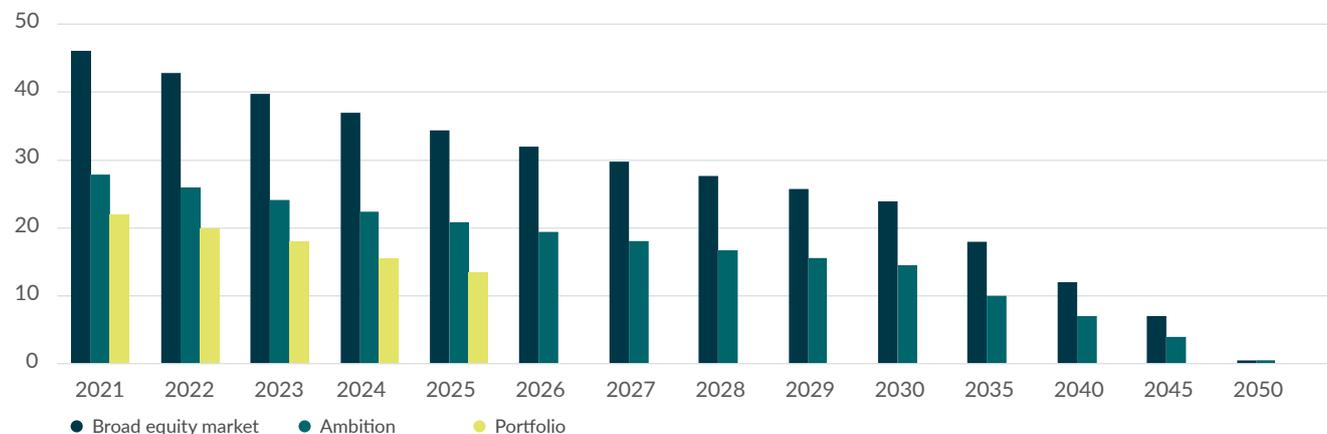
Investing in a healthier world

A company featured in our sustainable wealth management concept, AstraZeneca invests heavily in research and development and boasts an extensive patent portfolio. The Anglo-Swedish biopharmaceutical firm focuses on Oncology, BioPharmaceuticals and Rare Diseases.

The company is looking to create a healthy world by making healthcare more accessible, bolstering health care systems and significantly reducing its climate impact. A great [example is Tagrisso](#), its innovative therapy for lung cancer, which helps thousands of patients across the world achieve better health outcomes. In addition, AstraZeneca invests in green production processes and circular packaging to reduce its ecological footprint.

AstraZeneca is aiming to reach one billion people through better access to healthcare by 2030, including 40% from disadvantaged populations. This way, the company demonstrates that scientific innovation and social responsibility can go hand in hand.

Comparison of direct CO₂ emissions of included companies (equities) with broad market



Source: Van Lanschot Kempen, ISS ESG. Portfolio composition of 'sustainable neutral', Q4 2025, with a size of €1 million, annual (direct) Scope 1 and 2 carbon emissions of selected companies (equities) in tonnes per million euros invested. The general equity market is represented by an equity benchmark. The ambition relates to the general equity benchmark with an accelerated reduction in carbon emissions of the EU Climate Transition Benchmark.



Glossary

Additionality

A term used in impact investing to describe the positive outcomes that may not otherwise occur without the value of engagement or capital investment. It refers to whether a positive external outcome, such as increased access to healthcare services, would have happened without the investors' involvement.

Article 6, 8 and 9 funds

These are the three classifications that are applied to all investment products sold within the EU under the EU's Sustainable Finance Disclosure Regulation (see below), in effect since 2022. They compel asset managers to reveal the differing levels of sustainability integration that an investment strategy contains. The regulation aims to create a more transparent playing field, partly to prevent greenwashing – where some financial firms claim that their products are sustainable when they are not. We have qualified our investment funds according to the criteria as established in the articles of the SFDR. Article 8 funds aim to promote sustainable characteristics without having sustainability goals as their main objective. Conversely, Article 9 funds do have a sustainable objective. For more information, see the sustainability-related disclosures of our funds in our fund library.

Best-in-class

Assets or investments that are the best performers among their peer group in terms of environmental, social and/or governance factors.

Carbon dioxide equivalent (CO₂e)

A unit to express the impact of a greenhouse gas (GHG), expressed as the amount of CO₂ with an equivalent impact on global warming. The amount of CO₂ is commonly expressed as tonnes, also known as metric tonnes, each equivalent to 1,000kg.

Controversial weapons

Weapons that have a disproportionate and indiscriminate impact on civilians, sometimes years after a conflict has ended, are generally considered controversial. This typically includes anti-personnel mines, nuclear weapons, cluster weapons, biological and chemical weapons, depleted uranium and white phosphorus munitions. Most weapons commonly considered controversial are subject to international treaties such as the Convention on Cluster Munitions and the Anti-Personnel Mine Ban Convention.

Corporate governance

Procedures and processes by which an organisation is directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among the different participants in the organisation and identifies procedures for decision-making.

Divestment

In the context of investments, ceasing to hold an investment (i.e. selling the investment) on the basis of environmental, social and/or governance considerations.

Do no significant harm (DNSH)

The 'do no significant harm' principle was introduced by the EU Sustainable Finance Disclosure Regulation (SFDR), which classifies an investment as sustainable if it contributes to an environmental or social objective and does not significantly harm any other environmental or social objective.

Energy transition

This refers to the global shift from traditional, fossil fuel-based energy systems to cleaner, more sustainable sources of energy. It involves the adoption of renewable energy technologies such as solar, wind, hydro and geothermal power, as well as the improvement of energy efficiency and conservation practices. The goal of the energy transition is

to reduce greenhouse gas emissions, mitigate climate change, and create a more sustainable and resilient energy system.

Engagement

The practice of seeking to influence the behaviour of a company in which a fund is invested in order to improve its environmental, social and governance practices. This includes, for example, engaging with a company's board of directors to improve that company's labour practices.

Environmental, social and governance (ESG)

The three central factors commonly used when assessing the sustainability of a business's activities or an investment.

ESG integration

This is generally understood to mean the inclusion of environmental, social and governance risk factors within financial analysis and decision-making, alongside financial risk factors, for the purposes of judging the fair value of a particular investment and enhancing investment performance. It may also include the monitoring and reporting of such risks within a portfolio.

EU taxonomy alignment

The EU taxonomy is a classification system that sets out a list of environmentally sustainable economic activities. The taxonomy forms part of the EU's plan to scale up sustainable investment and implement the European Green Deal.

Food transition

Also known as the sustainable food transition, this is aimed at transforming the way we produce, distribute, and consume food. It involves shifting from conventional agricultural practices that rely heavily on synthetic fertilisers, pesticides and intensive livestock farming towards more sustainable and regenerative practices. The goal of the food transition is to protect ecosystems, ensure food security, promote biodiversity and improve the health and well-being of both humans and the planet.

Global Compact (United Nations Global Compact)

A corporate sustainability initiative asking companies to align strategies and operations with universal principles on human rights, labour practices, environmental concerns and anti-corruption, while taking actions that advance societal goals.

Green bond

A fixed income instrument in which the proceeds raised from sale are used to fund green projects.

Impact

This refers to the effects a company's activities may have on the environment and/or society. It can also refer to the effects ESG issues may have on a company's bottom line, i.e. business impact.

Impact investing

Investments made to deliberately (intentionally) create measurable social or environmental good, and contribute to solutions that would otherwise not occur (additionality). For example, investing in a for-profit company which makes affordable water purifiers for the developing world.

Intentionality

Impact investments intentionally contribute to social and environmental solutions. This differentiates them from other strategies such as ESG investing, responsible Investing and screening strategies.

Just transition

A concept that involves greening the economy – helping to make the transition from fossil fuels to renewable energy – in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no-one behind. The perception of what a just transition involves can vary between countries and regions.

MSCI

MSCI is a financial services company that creates market indexes, analytics and ESG ratings, evaluating companies, funds or portfolios on how they manage ESG risks and opportunities. These ratings help investors gauge sustainability performance and make more informed investment decisions.

Net zero

A situation in which global greenhouse gas emissions from human activity are in balance with carbon emissions reductions. At net zero, CO₂ emissions are still generated but an equal amount of CO₂ is removed from the atmosphere as is released into it, resulting in zero increase in net emissions. This can be achieved by reducing emissions while offsetting any that remain through activities such as reforestation or carbon capture.

Paris Agreement

An international agreement signed in December 2015 with the objective of combating climate change and accelerating the investments needed for a sustainable low-carbon future. The central aim is to keep the global temperature rise well below 2 degrees Celsius (above pre-industrial levels) and to pursue efforts to limit this to no more than 1.5 degrees.

Paris Aligned Benchmark criteria and thresholds

Paris Aligned Benchmark criteria (PABs) are a set of criteria established by the European Union, which evaluate the alignment of investment portfolios with the objectives of the Paris Agreement on climate change. Investment portfolios aligned to these criteria should exclude companies that generate more than 1% from thermal coal mining; more than 10% of their revenue from the extraction, production, or distribution of oil; more than 50% from the extraction, production, or distribution of gaseous fuels; or more than 50% from power generation with a carbon intensity exceeding 100 g CO₂e/kWh. Portfolios that aim to reduce fossil fuels can also apply other exclusion criteria beyond the PAB, such as thresholds of no more than 20% from oil/tar sands production. These exclusions reinforce a clear commitment to align investment practices with the transition towards a low-carbon economy.

Proxy voting

Entitled shareowners delegate their proxy votes to others who vote on their behalf. Proxy voting allows shareowners to exercise their right to vote their proxies without committing the time involved to actually attend company annual meeting.

Disclaimer

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