

## Looking ahead

We face a large number of environmental, social and political challenges. In this context, the expectations of society, regulators and clients – as well as of the younger generations – towards the asset management industry are growing. We put our long-term efforts into meeting these expectations – and making sure we do so while achieving positive financial investment results.

In 2024, we aim to bring further focus into our ambition to help clients navigate transitions. With many changes and transitions taking place in a world in turmoil, we think it is important for us, as a specialist wealth manager, to centre our attention, research and actions on the transitions where we have the most expertise and can act to do good. We will put our efforts into enabling and furthering the energy and food transitions, investing with conviction and using and combining the tools of engagement, voting, integration and exclusion to make better investment decisions and provide better advice for the benefit of our clients.

This will entail focusing on continuing to reduce the emissions of our assets under management: as per our KPI, we aim to reduce the annual weighted average carbon intensity (WACI) of our discretionary AuM by 7%.<sup>13</sup> In addition, we seek to increase the percentage of AuM invested in sustainable and/or impact wealth management solutions by at least 3% annually.

With climate change, the energy transition and the food transition being deeply interrelated with biodiversity, we will increase the number of strategic engagements with

companies on this theme. We will also be engaging more with companies on circularity and labour rights-related controversies: our focus on energy and food transitions does not have to preclude aligning our investments to related transitions, such as the materials transition.

As well as an increased emphasis on focused engagements, we will also work on expanding our research into the impact of the transitions on asset allocation. Our extensive in-house expertise in real estate will enable us to do this for this sector in 2024.

Our voting approach is becoming increasingly emphatic on supporting climate-related shareholder proposals. We have adopted an additional voting policy focused on shareholder proposals which means we go further in scrutinising whether the management of our investee companies is taking sufficient action on climate change mitigation.

And, last but not least, as mentioned earlier in this report, we will focus more on impact and transition investing, as described on page 22, so as to contribute to more sustainable outcomes through our investments. We will do this both by enabling companies to green their assets and by investing in companies already offering sustainable products and services. This will be reflected in our 2024 efforts to build a broader impact investing framework and in a broadening of our (advisory) impact proposition.

<sup>13</sup> Against a 2019 baseline.

