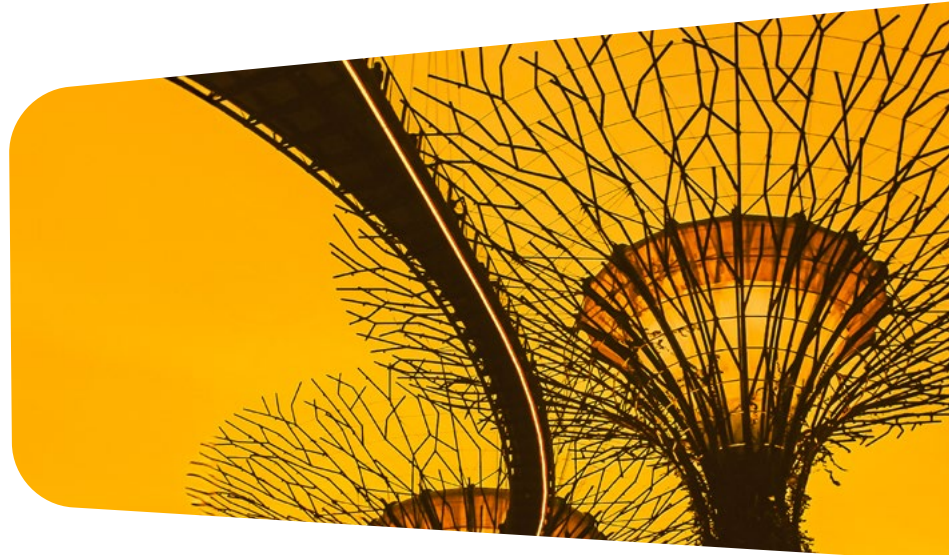




Sustainability in Action

April 2025



Stewardship and Sustainable Investing in 2024 - in Brief

Missed our Stewardship Report 2024? This Sustainability in Action provides a brief summary. What did we do and achieve over the past year? Here you can read more about our focus areas, engagements, and new developments within the client groups we serve.

Against the backdrop of an ever changing political landscape and increasing divisions over sustainability, we keep our cool as wealth managers and investors, by sticking to what we believe in: selecting companies based on a long-term vision, companies that are agile, and that we believe will come out as the winners of the future.

We choose to engage in dialogue. We actively discuss the changes with our clients, our investee companies and fund managers. Ultimately, our goal is to help our clients navigate the transitions of our time.



Erik van Houwelingen
Member of the Management Board of
Van Lanschot Kempen
CEO of Van Lanschot Kempen Investment
Management

Themes and Transitions 2024

For all client groups, we focus on three key themes: climate, biodiversity, and inclusion & diversity. We chose these themes because we believe we can achieve the best results in these areas, based on our scale, activities, and specialized knowledge. These themes provide the building blocks that bring the major transitions of our time to life.

In 2024, we assessed the risks and opportunities that transitions have to offer to investors. We specifically looked at the food transition, the energy transition, and the materials transition. Our investment process and client advice are based on our research on these transitions. This also helps us to focus on relevant information from our internal sustainability data points and integrate it into our investment process. It allows us to track and report on progress, for example regarding companies' carbon emission reductions or engagement trajectories.

In line with the Paris Climate Agreement, we aim to be a net-zero investor by 2050 by aligning our AuM with a long-term carbon intensity reduction pathway of 7% a year on average, in terms of weighted average carbon intensity (WACI).¹

Highlights 2024

We engaged directly with 106 companies and voted at 432 shareholder meetings. Together with peers, we participated in collaborative engagements with 272 companies.

We consider the theme of biodiversity by carefully choosing where to invest. In line with our commitment to the Finance for Biodiversity Pledge, we have set a key performance indicator (KPI) for our biodiversity engagements.

We refined our transition and impact investing framework, embedding it deeper into the manager due diligence, and entered a partnership with Collective Action.

Van Lanschot Kempen's impact funds and solutions have been listed in the [FT interactive impact investing listing](#), raising broader awareness of our solutions

Our Infrastructure team designed a Social Engagement Framework which enables companies, civil society organisations, and investors to jointly address social issues. Tackling the 'S' in ESG, can enhance the sustainability profile of infrastructure companies.

For our institutional clients, our fiduciary management team embarked on a thorough evaluation of key risk indicators, which measure the financial and non-financial ESG risks to client portfolios.

For our private clients, we worked on the decarbonisation of the sustainability profile 'Strongly committed' and the Sustainable discretionary management proposition. By mid-2025, both will be fossil-free.

In 2024, several Van Lanschot Kempen funds increased their sustainable investment commitments, with more than half of these funds doubling their sustainable investment commitment.

¹ 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 current WACI target is focused on Scope 1 & 2 emissions. Scope 1 emissions are direct emissions from sources owned or controlled by the company. Scope 2 are indirect emissions for the generation of purchased energy. Scope 3 emissions are all indirect emissions that occur in the value chain of the reporting company.

Engagements

Our investment teams proactively enter into dialogue with companies in order to encourage positive change. In 2024, we engaged directly with 106 companies on environmental, social and governance themes. The total number of engagements was 121.²

Engagements 2024 companies

Companies	Engagements		
	Awareness	Change	Total
Number of companies (unique)	32	78	106
Number of engagements	33	88	121

Engagements 2024 per theme

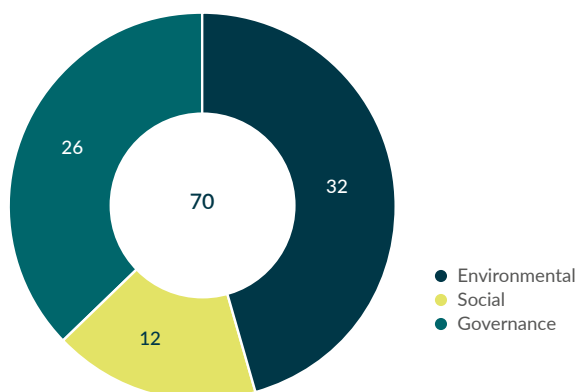
Theme	Engagements		
	Awareness	Change	Total
Environmental	11	42	53
Social	14	23	37
Governance	8	23	31
Total	33	88	121



Milestones

We measure the outcomes and results of our engagements with milestones. In 2024, we achieved 70 engagement milestones across 88 engagements for change highlighting the concrete results our engagement delivered during the year.

Milestones achieved in environmental, social and governance across all four milestones



Voting

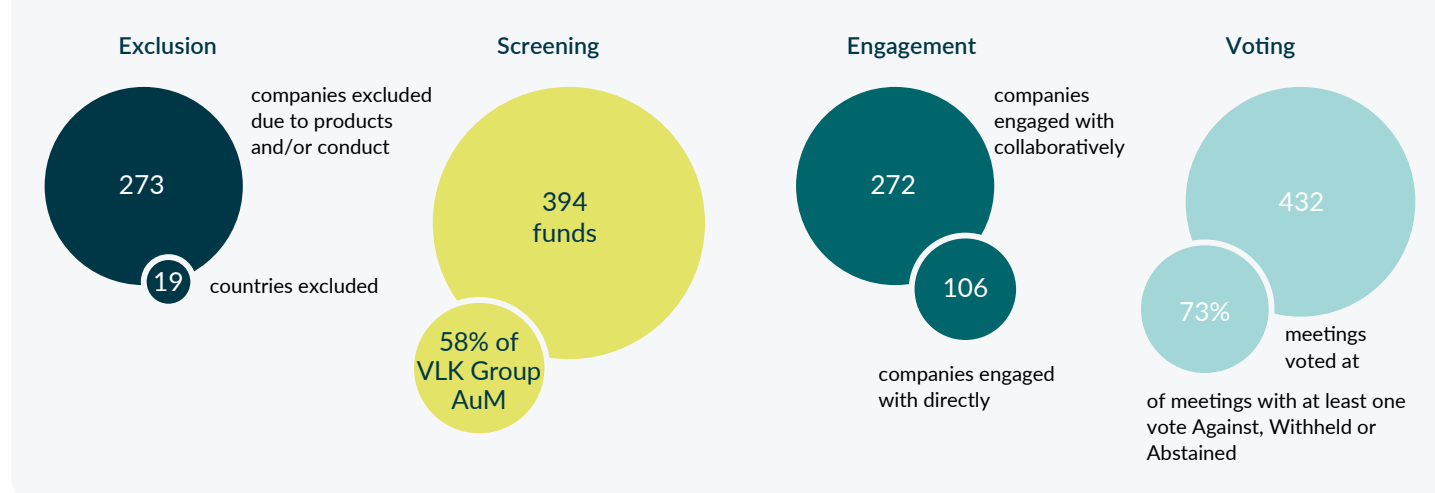
Voting during shareholder meetings of companies we invest in is a key tool in stewardship and active ownership. The 2024 figures:

Category	2024	
	Number	%
Number of votable meetings	460	
Meeting voted	432	94
Meetings with at least 1 vote Against, Withhold or Abstain	334	73
Votes with management	5,551	85
Votes against management	950	15
Votes on shareholder proposals	222	3
Votes against management on shareholders proposals	123	50

² Companies can be engaged on several themes at once and on both awareness and change issues, thus allowing for some overlap.

2024 in a nutshell

Responsible investment dashboard 2024



Investment Strategies

Van Lanschot Kempen remains committed to mitigate and combat climate change. In 2024, we again directed a substantial part of our voting and engagement efforts towards climate-related issues. Since the theme of biodiversity is closely related to practically all the transitions, it was also at the centre of our engagements in 2024. A Key Performance Indicator (KPI) has been set for 2025 to measure our biodiversity-related engagements.

See the [full report](#) for examples of our engagement.

Raising the Bar

In the last quarter of 2024, the Kempen sustainable funds have increased the minimum threshold for sustainable investments in their portfolios. This change comes from enhancing our definition of sustainable investments and their underlying components, and shows our dedication to keeping up with market best practices while continuing to hold ourselves to high standards.

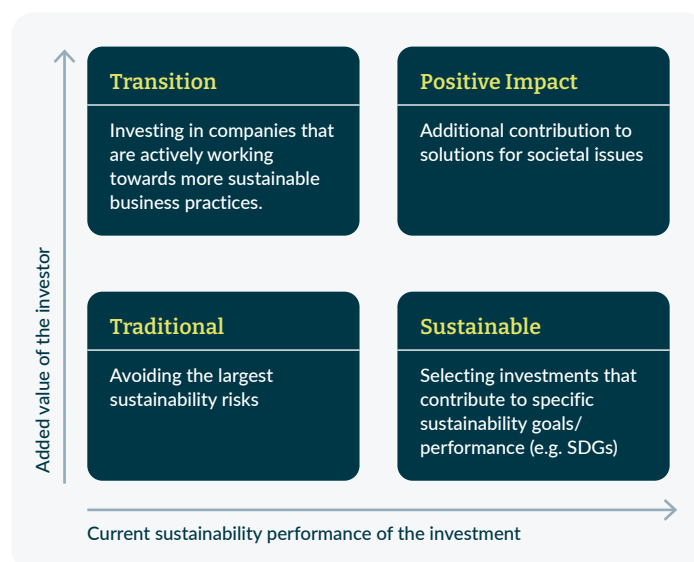
The rise in the minimum proportion of sustainable investments did not result in any change to the investment process, nor did it impact the investment universe or investments held.

The [full report](#) also includes an overview of the carbon intensity of our funds and information on our Social Engagement Framework.

Fiduciary Management

Our clients are increasingly emphasizing positive impact through their investments. To advise our clients and provide guidance, we use our extensive experience in alternative investments and the impact framework as seen below.

Our Impact Framework



Using a defined step-by-step plan, we guide clients in robustly embedding impact investments into their investment process, without losing sight of risk and return.

Steps towards measurable impact investing



It is also important to make sustainability goals measurable. Over the past year, we have defined multiple indicators for a large variety of impact themes, allowing individual clients to make their own selections at their own discretion and reflecting their own priorities.

Evaluating Key Risk Indicators

In 2024, we guided our clients through the ESG risk management process, aiming to identify key risks for their portfolios. These risks are measured using Key Risk Indicators (KRIs). We evaluated the list of relevant KRIs using an extensive set of criteria.

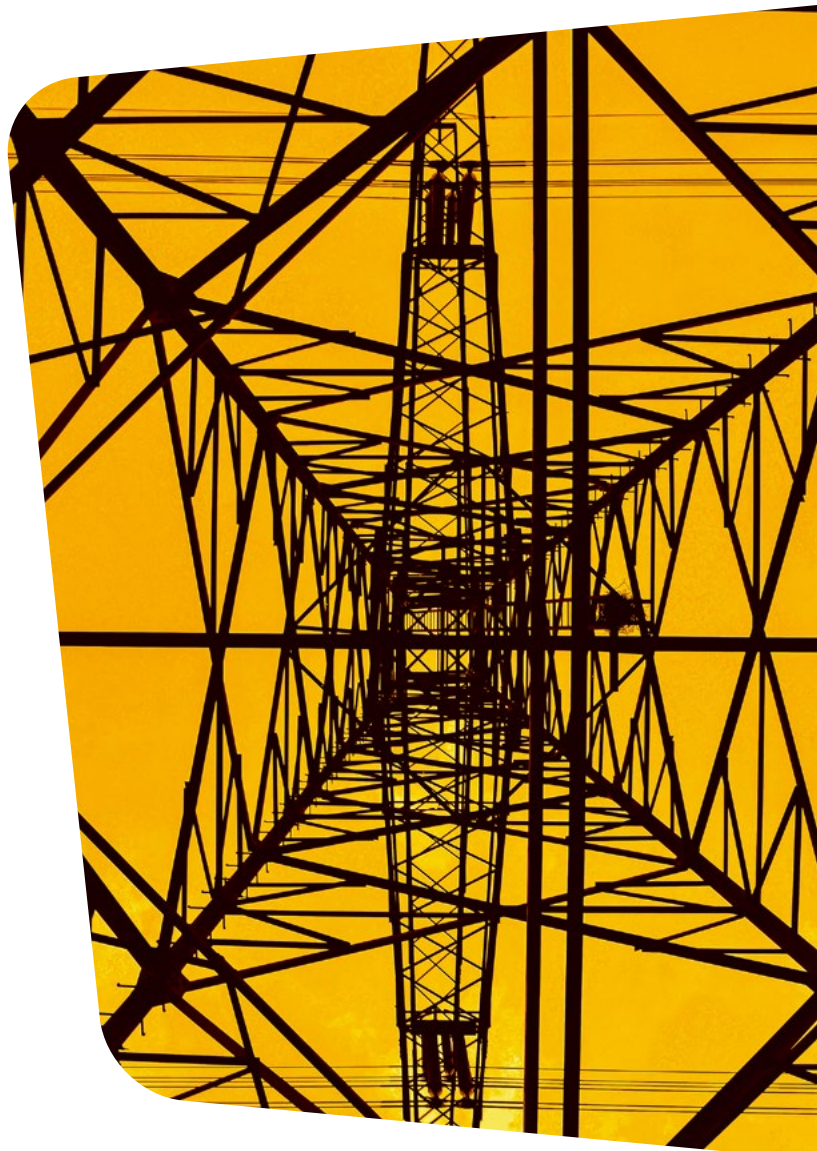
We also conducted additional research into KRIs for the sustainability risk of physical climate risk and compared several providers to offer our clients the best option.

In addition, we developed a process to define appropriate KRIs around biodiversity, aiming to measure both the risk to biodiversity from business operations, and the risk to the company due to biodiversity loss (e.g. reputational risk or operational risk).

➤ [Read more in the full report.](#)



Anna Ferschtman
Sustainability writer



Private Banking

Towards Fossil-Free

In 2024, we examined whether it is possible to construct a fossil fuel-free sustainability profile and investment solution. It turned out to be feasible to eliminate altogether the already very limited fossil exposure in the portfolio of the Sustainable Investment Solution. The large majority of external fund managers we engaged with were open to removing fossil fuel from their portfolios. The outcome is that the 'Strongly Committed' investment profile and the Sustainable Investment solution are expected to be fossil-free from mid-2025.

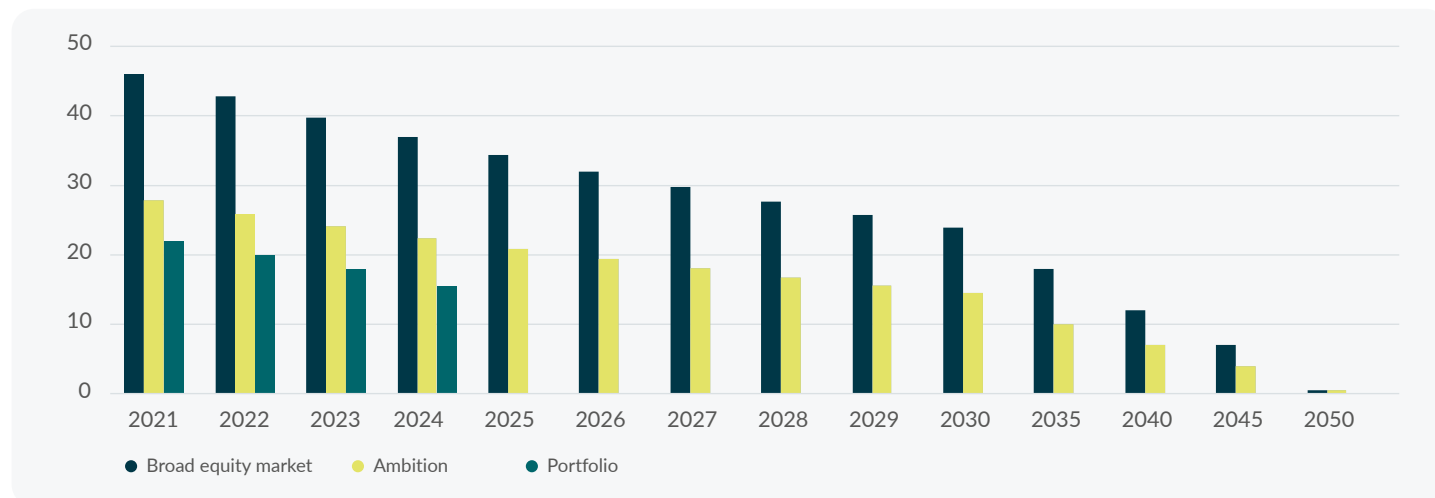
Sustainable Investment Solution in 2024

Within our Sustainable Investment Solution, a significant number of the investments is focused on contributing positively towards environment, people, society and responsible governance.

Companies included in this investment solution were leading in the reduction of carbon emissions, as shown in the graph on the next page.

Additionally, investee companies in the equity portfolio have a 120% higher positive impact on the UN's Sustainable Development Goals (SDGs) than the broader market. The section of the portfolio invested in bonds has specifically created room for impact funds. These invest in green bonds, social bonds and bonds issued by development banks.

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



Source: Van Lanschot, ISS ESG South Pole. Portfolio composition of Sustainable neutral Q4 2024 with a size of €1 million, annual (direct) Scope 1 and 2 carbon emissions of selected companies (equities) in tons 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.

➤ [Read more in the full report.](#)

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