

Press Release

ABP Implements Stricter Climate Voting Policy

April 22, 2022

This voting season, ABP has implemented stricter rules for voting on climate at shareholder meetings. These stricter rules apply to all companies that have a major impact on climate, both in the energy sector and in other sectors.

As a shareholder, ABP is entitled to exercise its voting rights at the General Meeting of Shareholders (AGM) of all listed companies in which the fund invests. The AGM season has recently commenced. In the coming months, ABP will vote on thousands of proposals at the listed companies in which it invests, including proposals related to the climate. ABP is now implementing stricter rules for the management of climate risk, transparency, and targets. These stricter rules include votes on companies' climate plans, climate resolutions submitted by shareholders, the appointment of the chairman of the Supervisory Board and remuneration policy.

Climate Plans

More and more companies are submitting their climate plans to their shareholders for approval, with several dozen climate plans expected to be put to a vote this year. ABP will only vote in favor of a climate plan if a number of conditions are met. For example, the company must:

- commit to achieving 'net zero emissions' for all relevant emissions;
- set medium-term climate targets;
- conduct a strategy that is demonstrably aligned with a 1.5°C target.

Climate Resolutions

Shareholders can in some cases introduce their own resolutions for voting at the AGM, including with regard to climate. In practice, this often involves a call for the company to implement a stricter climate policy. The resolutions that the shareholders' collective Follow This submits to a number of oil and gas companies each year are one example. ABP will, in principle, vote in favor of climate resolutions by shareholders. ABP will only vote against such resolutions if there are legal objections to the proposal or if the proposal undermines ABP's approach to climate change.

Appointment of Chairmen

The appointment or reappointment of the chairman of the Supervisory Board (SB) is a recurring agenda item at AGMs. ABP will only vote in favor of such appointment or reappointment if the company reports fully and transparently on its CO₂ emissions. Companies that have a major impact on the climate must perform well in terms of risk management, transparency and targets.

Remuneration Policy

Voting on executive pay is also a recurring item on the agenda of AGMs. ABP will only agree to remuneration proposals if achieving sustainability targets is part of the process of determining remuneration.

Applies to 2,000 Companies

This stricter climate voting policy applies to approximately 2,000 listed companies. These are companies in both the energy sector and in other sectors that have a major impact on the climate. Examples include the mining sector, the steel industry, and the transport sector. We will announce how we voted [on our website afterwards](#).

ABP announced in October 2021 that it would sell its investments in fossil energy producers. Most of these investments are expected to be sold by the first quarter of 2023. ABP recently reported on [the progress](#) of the sale. ABP will make use of its voting rights in fossil energy companies as long as it is a shareholder.

The ABP pension scheme is administered by APG