

Summary Statement on principal adverse impacts of investment decisions on sustainability factors



Stichting Pensioenfonds ABP ('**ABP**', LEI: 549300CT8FEJ1IUK9C94) considers principal adverse impacts of its investment decisions on sustainability factors.

This statement on principal adverse impacts of investment decisions on sustainability factors is applicable for the reference period of 1 January 2022 – 31 December 2022.

The Sustainable Finance Disclosure Regulation (SFDR) requires that when the principal adverse impacts of investment decisions on sustainability factors are considered, a statement on the due diligence policy relating to those impacts shall be made available, taking into account the size, nature and scale of the activities and the type of financial product made available. Sustainability factors are defined in the SFDR as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Based on the scientific research and dialogue with our stakeholders, we have identified the main potential and actual risks of adverse impacts on society and the environment. We have prioritized these based on the severity, magnitude and irreversibility of the greatest potential and actual risks.

A number of principal adverse impacts that we deem important are structurally and systematically considered, where possible and feasible. The way principal adverse impacts are considered can differ between pension schemes and will be documented and reported in the disclosures of the relevant pension scheme in accordance with the requirements and timelines of the EU Sustainable Finance Disclosure Regulation (SFDR).

We have selected the following principal adverse impacts from the list of 18 mandatory indicators prescribed by the SFDR. In the field of environment, these are: greenhouse gas emissions (GHG or CO₂ emissions), the carbon footprint (CO₂ footprint) and greenhouse gas intensity (CO₂ intensity) of companies, exposure to companies active in the fossil fuel sector. The principal adverse impacts in terms of social and working conditions are: violations of the UN Global Compact, the UN Guiding Principles on Business and Human Rights or OECD guidelines for enterprises, the lack of gender diversity in the Board of Directors and possible exposure to controversial weapons. We take action on these principal adverse impacts. The measures consist of the following parts of our SRI policy: exclusion policy, inclusion policy, SDI approach, climate change policy and voting.

The extent and manner in which the principal adverse impacts are considered in the investment process depends on various factors, such as the type of investment and the data availability. Where possible and feasible, in line with the nature of the investments, minimum requirements apply to all financial products. The exact application may vary between financial products and be documented in the disclosure of the products of our asset manager APG, in accordance with the requirements and timelines of the European Union SFDR.

This adverse impacts statement contains the following elements:

- Description of the principal adverse impacts on sustainability factors
- Description of policies to identify and prioritize principal adverse impacts on sustainability factors
- Engagement policies
- References to international standards
- Historical comparison