



PRESS RELEASE

April 1st, 2022

Group of Dutch investors urges oil and gas companies to take climate action

Joint statement of seven institutional investors with combined AuM of EUR 1.48 trillion

Today a group of institutional investors issues a joint statement urging oil and gas companies to take climate action. The group consists of Achmea Investment Management, ACTIAM, Aegon, Van Lanschot Kempen, MN Services (for PMT), NN Investment Partners and PGGM Investments, with combined assets under management of EUR 1.48 trillion.

In their statement they list three objectives and eight corresponding actions they expect oil & gas companies to meet before 2024. These objectives and actions are in line with the CA100+ Net Zero Company Benchmark, the Transition Pathway Initiative (TPI) framework, International Energy Agency (IEA) and the IIGCC Net Zero Standard for Oil and Gas, all of which receive broad support from oil & gas companies and investors.

Furthermore, they call on fellow investors to use their voting rights to accelerate the pace of the transition in all carbon intensive companies.

The full text of the investor statement can be found below.



Dutch investor statement on oil and gas

April, 1st 2022, The Netherlands - The world is now over two years into the critical decade in the fight against climate change. We (Achmea Investment Management, ACTIAM, Aegon, Van Lanschot Kempen, MN Services (for PMT), NN Investment Partners, and PGGM Investments) are a group of Dutch institutional investors with a combined assets under management of EUR 1.48 trillion. We support the objectives of the investor collaboration network of the Institutional Investors Group on Climate Change (IIGCC) and the Climate Action 100+ (CA100+) engagement initiative.

We want to underscore our unequivocal commitment to the Paris Agreement and limiting global warming to 1.5°C and expect all companies and investors worldwide to do the same. Although Paris-alignment is important for all companies, we believe the oil and gas sector in particular plays an essential role in the transition and we therefore urge oil and gas companies and their investors to be at the forefront of the transition. Avoiding climate disaster and meeting the Paris Agreement goals is essential in safeguarding the long-term value of the capital that we manage on behalf of our clients.

Since 2019, CA100+ and the IIGCC have, respectively, developed the Net Zero Company Benchmark and the Net Zero Standard for Oil and Gas. With this statement we want to highlight the importance that oil and gas companies meet all goals in both guidelines. However, taking into the current state of urgency, **we expect oil and gas companies to achieve the following three objectives before 2024.**¹

1. Set short and medium-term carbon intensity and absolute reduction targets aligned with 1.5°C warming, which include scopes 1-3.
2. Develop a decarbonization strategy that support these targets.
3. Demonstrate how planned capital allocation supports the decarbonization strategy.

Finally, we call on our fellow investors to use their voting rights to accelerate the pace of the transition in all carbon intensive companies. We believe doing so is an essential part of investors' stewardship duties and commitment to the Paris Agreement 1.5°C warming scenario. We can drive change if we are able to reach a common understanding on how to use our votes to encourage Paris alignment. Thus, we call on institutional investors to:

1. Take a critical approach to evaluating a company's climate transition plan and ensure voting guidelines are aligned.
2. Only vote in favor of a company's climate transition plan if it is aligned with the Paris Agreement, which should at least address the three aforementioned objectives.
3. Vote in favor of shareholder resolutions that encourage progress towards the Paris Agreement 1.5°C warming scenario.
4. Consider using escalation actions if objectives are not met, such as voting against the re-election of directors or voting against remuneration schemes that do not link executive pay to performance on climate targets.

We call on all parties with whom this approach resonates to endorse this statement and get in [contact](#) with MN and PGGM. We will convene all like-minded investors to discuss how to advance the energy transition in the summer of 2022.

¹ The underlying details of the 2024 objectives can be found in the appendix.

Appendix

Below are the underlying indicators for the three aforementioned objectives and are used to measure the companies' Paris Alignment. All our expectations are in line with the CA100+ Net Zero Company Benchmark, the Transition Pathway Initiative (TPI) framework, International Energy Agency (IEA) and the IIGCC Net Zero Standard for Oil and Gas, all of which receive broad support from investors and companies.

Short and medium-term reduction targets in line with a 1.5°C warming scenario

1. Implementation of short-term (up to 2025) GHG reduction targets aligned with the goal of limiting global warming to 1.5°C (Benchmark indicator 4.3). According to Transition Pathway Initiative (TPI), which scores the CA100+ Benchmark, this implies a carbon intensity of at most, and preferably week below, 52 grams per CO₂e/MJ by 2025.
2. Implementation of medium-term (2026-2035) GHG reduction targets aligned with the goal of limiting global warming to 1.5°C (Benchmark indicator 3.3). According to TPI, this implies a carbon intensity of at most, and preferably week below, 41 grams per CO₂e/MJ by 2030.
3. Disclosure of the expected impact of its medium and long-term targets on absolute emissions (Standard indicator 34).
4. Disclosure of the total expected contribution (in MtCO₂e) of netting off measures to medium- and long-term targets, which should only be used for residual emissions (Standard indicator 83).

Decarbonization strategy in line with a 1.5°C warming scenario

5. Implementation of a decarbonisation strategy to meet its long and medium-term GHG reduction targets (Benchmark indicator 5.1). This includes that:
 - a. The company identifies the set of actions it intends to take to achieve its GHG reduction targets over the targeted time frame. These measures clearly refer to the main sources of its GHG emissions, including scope 3 emissions where applicable.
 - b. The company quantifies key elements of this strategy with respect to the major sources of its emissions, including scope 3 emissions where applicable.
6. Public commitment that the company will stop approving new oil and gas fields for development in alignment with a 1.5°C pathway before 2024 (IEA NZ 2050, 2021).

Capital allocation alignment with a 1.5°C warming scenario

7. Explicit commitment to align future capital expenditure with the Paris Agreement's objective of limiting global warming to 1.5°C (Benchmark indicator 6.1b).
8. Disclose total capital expenditure in fossil fuel activities, upstream oil and gas activities and oil and gas (greenfield) exploration in the last financial year and a forward-looking budget (minimum three years ahead) (Standard indicator 109, 110, 111, 115).
9. Disclose "green" energy capital expenditure in the last financial year and a forward-looking budget (minimum three years ahead) where "green" is defined by the appropriate taxonomy (Standard indicator 122).
10. Set out the material assumptions underpinning the capital expenditure, e.g. projected levels of demand, oil and gas prices, carbon tax, and depletion rates of existing production (Standard indicator 108).

Achmea Investment Management is a leading player in the Dutch fiduciary and asset management market. Via robust portfolio construction, effective asset management, responsible investing and thoughtful risk management our goal is to create more capital for our pension fund clients to meet their obligations. We operate with a professional and dedicated team of over 300 professionals. Achmea Investment Management is an independent division of Achmea, a solid, non-listed Dutch insurance group with a cooperative tradition and a PRI signatory. We have supported pension funds in the Netherlands with tailored solutions for over 60 years. We manage assets of over € 220 billion for customers.

More information: www.achmeainvestmentmanagement.nl

About ACTIAM

ACTIAM offers sustainable investment strategies and solutions to insurance companies, pension funds, banks and distribution partners. ACTIAM scores high on all standards for sustainable investments. Over the past years, ACTIAM has often been awarded the highest possible score based on the [survey into responsible investments](#) carried out by the United Nations (UN PRI). In 2020, ACTIAM [scored an A+ on all 14 elements!](#) We are 'Responsible for Growth. Our mission is to deliver relevant investment solutions, maximising longer-term financial, environmental and social returns.

About Aegon Asset Management

Aegon Asset Management is an active global investor. Our 375 investment professionals manage and advise on assets of €410 (\$466/£344) billion (as at December 31 2021) for a global client-base of pension plans, public funds, insurance companies, banks, wealth managers, family offices and foundations.

We organize our investment capabilities around four focused investment platforms where we have extensive asset-class expertise: Fixed Income, Real Assets, Equities and Multi-Asset & Solutions. Each platform has dedicated teams, organized globally and committed to maximizing their specialist areas. We also manage a EUR32 billion (as at December 31 2021) Fiduciary and Multi-Manager business in The Netherlands. These platforms and the Fiduciary business are supported by a team dedicated to responsible investing.

By organizing our investment teams globally, we work to harness our expertise and research resources across regional boundaries. We believe this enhances our performance potential and helps provide better investment outcomes for clients.

Across platforms, we share a common belief in fundamental, research-driven active management, underpinned by effective risk management and a commitment to responsible investment. Our investment platforms have the flexibility to organize their resources and processes to best suit their area of focus.

We are a global business: Our 1,200 employees work across Europe, the Americas and Asia. We invest globally and serve clients locally.

About Van Lanschot Kempen

Van Lanschot Kempen, a wealth manager active in Private Banking, Investment Management and Investment Banking, with the aim of preserving and creating wealth, in a sustainable way, for both its clients and the society of which it is part. As a sustainable wealth manager with a long-term focus, Van Lanschot Kempen proactively seeks to prevent negative impact for all stakeholders and to create positive long-term financial and non-financial value. Listed at Euronext Amsterdam, Van Lanschot Kempen is the Netherlands' oldest independent financial services company, with a history dating back to 1737. To fully leverage the potential of the Van Lanschot Kempen organisation for its clients, it provides solutions that build on the knowledge and expertise across its entire group and on its open architecture platform. Van Lanschot Kempen is convinced that it is able to meet the needs of its clients in a sustainable way by offering them access to the full range of its products and services across all its businesses.

For more information, please visit vanlanschotkempen.com

About MN Services

MN is one of the largest pension providers in the Netherlands, with over 60 years of experience. We manage a combined €175 billion in assets for nine Dutch pension funds and two million pension plan participants. MN is a long term investor that has integrated ESG factors in the core of its strategy. By doing so, we not only aim to generate sustainable financial returns, but also hope every euro spent in the future has value in the real world.

About NN Investment Partners

As a responsible investor, NN Investment Partners (NN IP) is dedicated to improving both returns for clients and the world we live in. NN IP's professionals deliver on this commitment every day, continually adapting to changing markets and innovating to take advantage of opportunities wherever they arise.

With approximately EUR 301 billion in assets under management, NN IP has the opportunity to make a real difference for our clients and society as a whole. We put that capital to work, investing responsibly to generate attractive returns and contribute to a sustainable future. We put our resources, expertise and networks to use for the benefit of our customers, the advancement of our communities, the preservation of our planet and the promotion of an inclusive and sustainable economy.

About PGGM

PGGM is a not-for-profit cooperative pension fund service provider. As a pensions administrator, asset manager and advisor to pension fund boards, it executes its social mandate: to provide for good old-age incomes for 4.4 million participants in the Netherlands. On December 31, 2021 PGGM managed long-term pension capital of EUR 291 billion worldwide. Rooted firmly in the Dutch healthcare sector, PGGM develops innovative provisions for labour market issues in this sector, alone or with strategic partners. Our member organisation PGGM&CO supports 764,000 workers and pensioners with a background in healthcare.

Contact

PGGM: Maurice Wilbrink +31 (0)30 277 97 35
Maurice.wilbrink@pggm.nl