

Kempen European Sustainable Equity

Aiming to deliver financial and sustainable returns through responsible ownership

Strategy Overview 2024
 For professional investors only

Why Van Lanschot Kempen for Sustainable Equity?

- **Structured and disciplined investment process:** Our investment process combines quality and sustainability analysis to identify quality companies with strong sustainability profiles. We apply this framework consistently to ensure all investment cases are rigorously constructed.
- **A unique sustainability approach:** We use proprietary ESG Risk and Sustainable Solution (SDG-alignment) frameworks to identify companies able to reduce ESG risks and benefit from sustainable transition opportunities.
- **Responsible Ownership:** Our long-term investment horizon and low-turnover portfolio means we can build deep relationships with portfolio companies, allowing us to act as a valuable partner.
- **A team of sustainable pioneers:** Our dedicated investment team each have years' of experience in sustainable investing and innovation. Our team-based investment process harnesses their deep expertise and complementary skills.

Investment Philosophy

Our core belief: By investing with a long-term horizon in quality companies with strong sustainability profiles, we believe we will be able to generate financial and sustainable returns.

- **Sustainable:** Companies must adapt to long-term sustainable transitions to remain competitive.
- **Quality:** Quality companies create long-term value as high Return On Capital Employed (ROCE) tends to persist thanks to strong competitive advantages.
- **Long-term:** As the market is short-term focused, long-term investors can outperform.
- **Active Ownership:** Dialogue improves our understanding of companies and can drive positive change.
- **Concentrated:** We believe high active share, low turnover portfolios have the best chance of outperforming.

Investment universe
 European listed equity

Style
 Quality & Sustainability

Benchmark
 MSCI Europe

Financial Return (target)
 2.0% p.a. outperformance (gross)

Sustainable Return (target)
 CO₂ Intensity <50% of benchmark/Paris-aligned (Net Zero 2050)/Min. 45% Sustainable Investments

Number of holdings
 30 - 50

Active Share
 80%-90% (historic)

Turnover (annual)
 10%-15% (historic)

Sustainability Classification
 SFDR Article 8/Towards Sustainability (Febelfin)/ISR

“

The transition to a sustainable economy will create radical shifts in consumption and production. We look for companies with a long-term competitive edge that can both navigate and contribute to these profound changes.

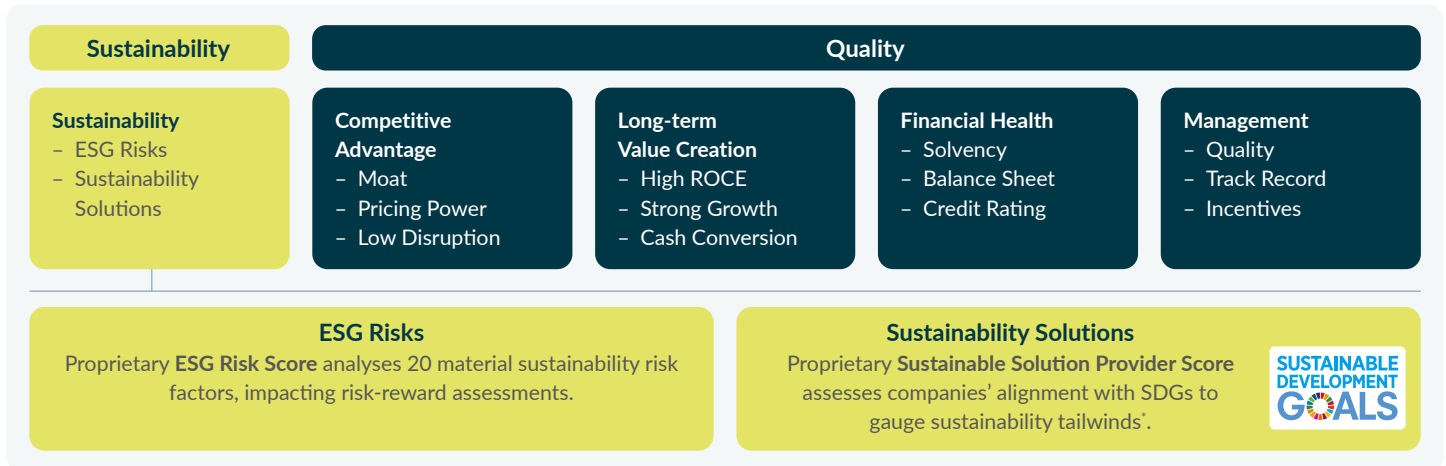


Ivo Kuiper
 Portfolio manager

Company Scorecard assesses Sustainability and Quality





- We use a Company Scorecard to identify strong companies based on five factors: Sustainability, Competitive Advantage, Long-term Value Creation, Financial Health, and Management.
- This scorecard enables a disciplined and structured approach when evaluating companies across sectors and integrating our quality assessment into our financial models.
- Sustainability is broken down into two core factors: ESG Risks and Sustainable Solutions.

Our Company Scorecard



* Sustainable Development Goals (SDGs) are used to judge the alignment of companies with long-term sustainable transitions. However, the Sustainable Equity Strategy does not measure or report on SDG impact. The Sustainable Equity Strategy promotes sustainability characteristics but does not have as its objective sustainable investment.

Our team

 Ivo Kuiper, CFA, PhD Portfolio Manager	 Herman Kleeven Portfolio Manager	 Huib van der Riet, CEFA Portfolio Manager	 Chong Peng Portfolio Manager
--	---	--	---

Disclaimer

Van Lanschot Kempen Investment Management (VLK IM) is licensed as a manager of various UCITS and AIFs and authorised to provide investment services, and, as such, is subject to supervision by the Netherlands Authority for Financial Markets. This document is for information purposes only and provides insufficient information for an investment decision. This document does not contain investment advice, no investment recommendation, no research or an invitation to buy or sell any financial instruments, and should not be interpreted as such. The opinions expressed in this document are our opinions and views as of such date only. These may be subject to change at any given time, without prior notice.

General risks to take into account when investing in Sustainable Equity Strategies Please note that all investments are subject to market fluctuations. Investing in a sustainable equity strategy may be subject to country risk and equity market risks, which could negatively affect the performance. Under unusual market conditions the specific risks can increase significantly. Potential investors should be aware that the strategy may restrict its investments to financial instruments issued by institutions that are active in the same sector, region or on the same market and is also subject for the investment selection to sustainability criteria. As a result, the strategy may be subject to more volatility and a greater risk of loss than a more broadly diversified fund

Capital at risk The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested. Past performance provides no guarantee for the future.

Sustainability Sustainable Development Goals (SDGs) are used to judge the alignment of companies with long-term sustainable transitions. However, the Sustainable Equity Strategy does not measure or report on SDG impact. The Sustainable Equity Strategy promotes sustainability characteristics but does not have as its objective sustainable investment.