

pensioenfonds



Concentration risk in ESG investing

Pensioenfonds PGB – CFA Society Netherlands event

Anne Kock

- Boardmember, chair investment committee

Pensioenfonds PGB

- Program director Certified Pensioenexecutive

Vermogensbeheer, Erasmus University

July 3, 2025



Agenda

1 Introduction Pensioenfonds PGB

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2 ESG in our equity portfolio

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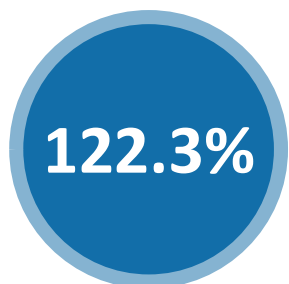
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Introduction Pensioenfonds PGB

Who are we?

Investment beliefs and sustainable
investing Pensioenfonds PGB

Who we are



Coverage ratio
(June 2025)



Invested capital
(June 2025)



**Flexible
design**



DB and DC



Multi-sectoral



**4,000+
employers**



**450,000
participants**

[illegible]

On the board table...



Ambition and beliefs

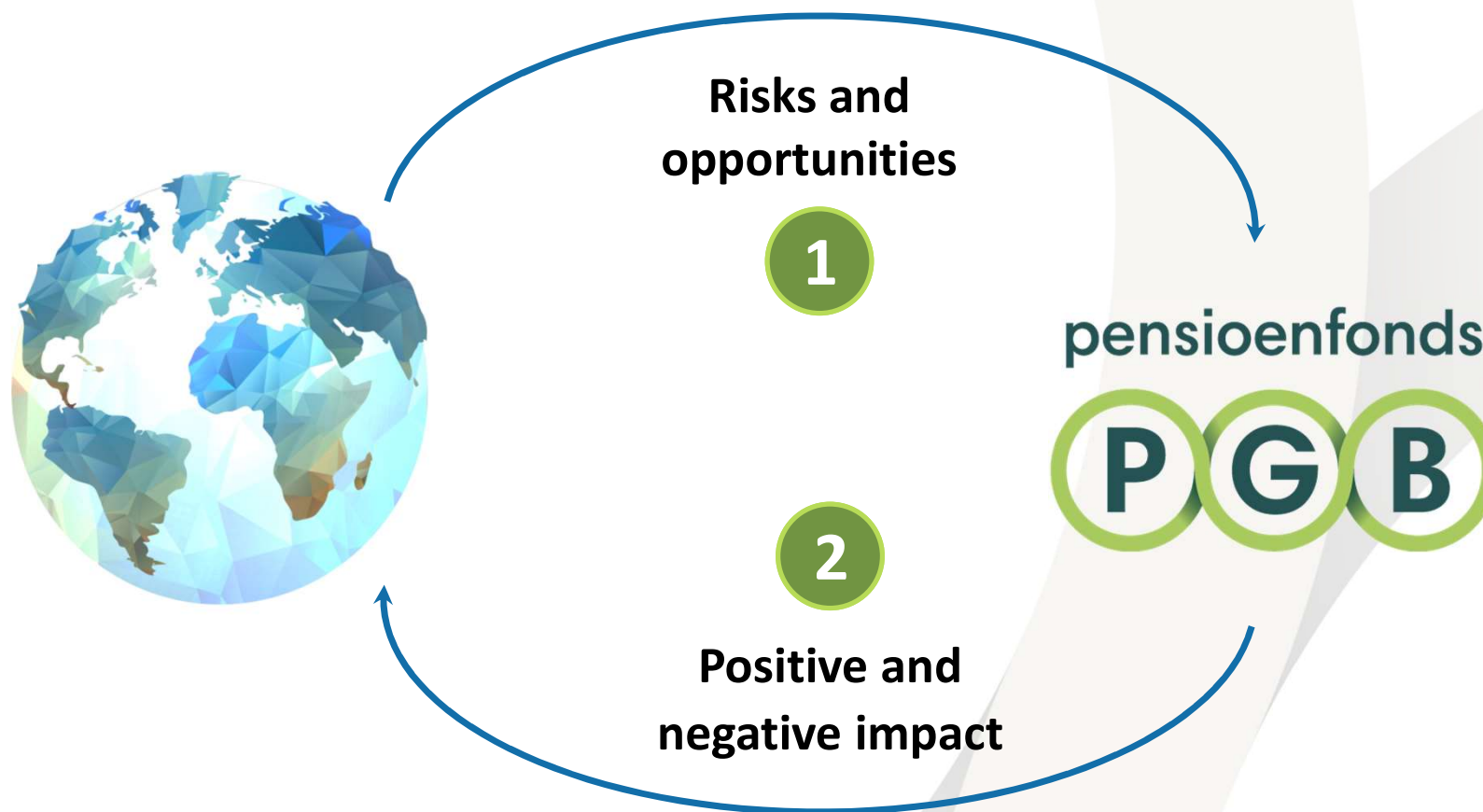
Our main duty is to ensure a **good pension in a liveable world**

Beliefs

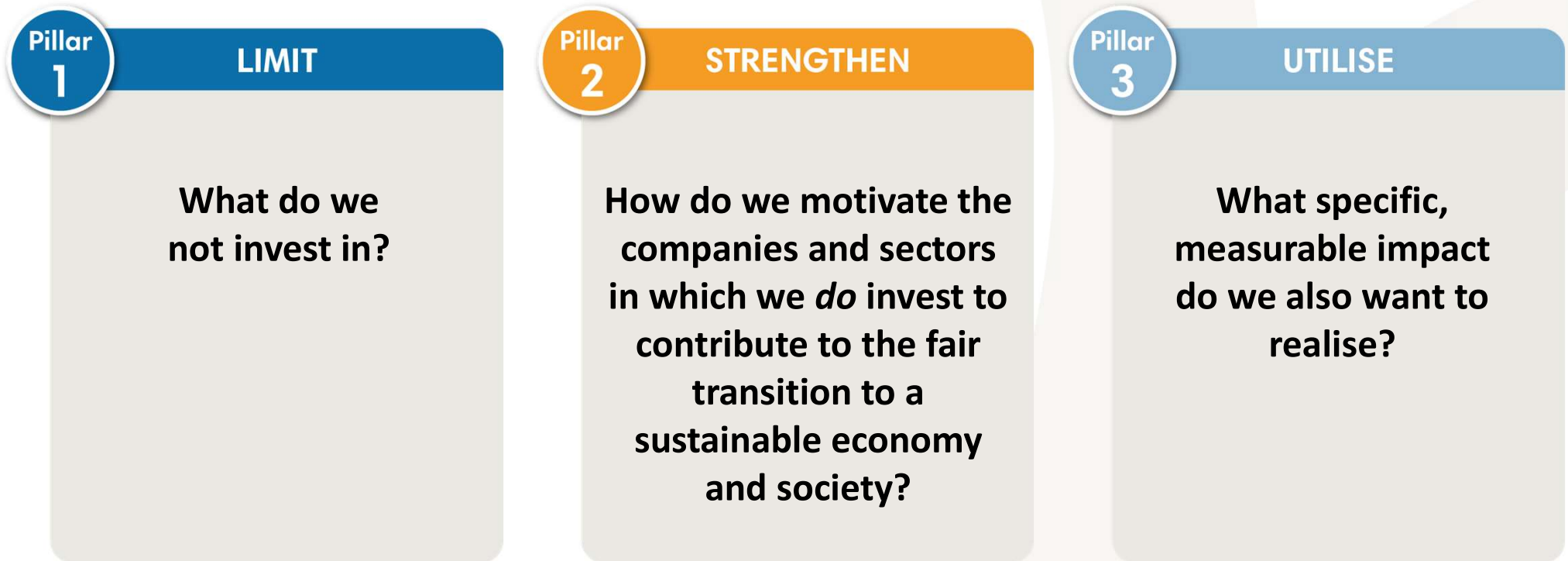
- Focus on participants
- Active decisions only when markets are not efficient and for sustainability reasons
- Focus themes:
 - Climate
 - Biodiversity
 - Nutrition
- Sustainability gives risks and opportunities
- Future developments (Wtp): more transparency



Double materiality matters



3 Pillars sustainability policy



2 ESG in our equity portfolio

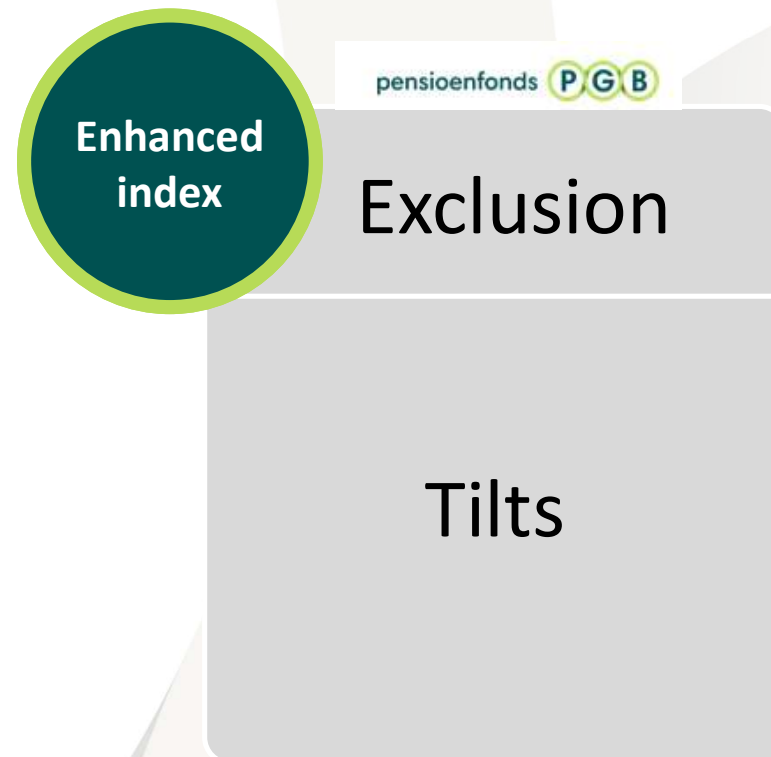
What is our approach and why?

Foundations of equity portfolio PGB

- **Liquid asset class, transparent market** → no active decisions except for sustainability
- **Real world impact** (not only impact in our portfolio) → focus on active ownership rather than exclusion
- We believe in the **power of engagement** but acknowledge that we can't really 'know what we own'



Our approach



Challenges

- Concentration risk from another perspective (e.g. allocation to magnificent 7 and US)
- Participants look at the portfolio from a different viewpoint: *“why are we invested in company X and not in company Y”*

Our answer: **talk to each other**

- Organisational shift:
 - In the organisation shift from product-based to **customer-based thinking**.
 - **Engage** with the stakeholders and be **curious** about their preferences on sustainability, risk and return.



Key take aways



- Our approach is to integrate sustainability by **exclusion** and **tilts**, because:
 - **No appetite to deviate** too much from the benchmark
 - Wide **variety in (sustainability) preferences** stakeholders
 - Belief in **the power of engagement**, but acknowledge limitations of 'know what you own'



Thanks for your attention!



Prof. E.M. Meijerslaan 2, 1183 AV Amstelveen | Postbus 2311, 1180 EH Amstelveen | 020 541 84 18 | pensioenfondspgb.nl

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