

Only seven listed oil and gas companies retained in PFZW investment portfolio

- PFZW completes two-year intensive engagement programme
- 310 oil and gas companies that do not comply with Paris Climate Agreement sold
- PFZW to significantly increase investments in companies focused on the energy transition

PFZW completed the two-year engagement programme targeting fossil fuel companies at the end of 2023. Seven listed oil and gas companies with a compelling climate transition strategy will remain part of the portfolio. The remaining oil and gas companies have been sold. This contributes to the goal of investing more in companies that play a positive role in the global energy transition.

The seven companies (Cosan S.A., Galp Energia, Graanul Invest, Neste Oyj, OMV A.G., Raízen S.A. and Worley Limited) in which PFZW continues to invest are frontrunners in the energy sector. These companies are convincingly committed to switching from fossil fuel to low carbon energy sources. These sources include, for example, solar energy and biofuels. Galp, Neste and OMV are working towards having at least 30% of their production from such climate solutions by 2030. Worley is a service provider to oil and gas companies and is working towards increasing revenue from facilitating alternatives to fossil fuels. The companies Cosan, Granuul Invest and Raízen already produce energy primarily from sources with a low carbon footprint.

This round of disinvestments marks the completion of a two-year programme for PFZW. During this period, dialogue with oil and gas companies was significantly intensified to encourage them to produce verifiable transition plans that support the goal of the Paris Climate Agreement. Most of our fossil fuel investments have now been sold off, as these companies have made insufficient steps in the transition to a cleaner energy mix. This step means PFZW has parted ways with major players in the oil and gas sector, including Shell, BP and TotalEnergies. In total, the stakes of 310 companies were sold with a total value of 2.8 billion euros.

Joanne Kellermann, chair of the board of PFZW: 'The intensive shareholder dialogue over the past two years with the oil and gas sector on climate has made it clear to us that most fossil fuel companies are not prepared to adapt their business models to 'Paris'. While the largest companies in this sector do invest in sustainable forms of energy, the switch from fossil to low carbon is not nearly fast enough. Incidentally, this reflects the slow pace we see globally in the transition to renewable energy. The seven companies we will continue to invest in are the only ones that show a switch is possible. At the same time, it is disappointing that there are only seven. We encourage the biggest players in the oil and gas sector to also accelerate the switch to

a cleaner energy mix. During the COP28, it was once again concluded that haste is an absolute necessity. In addition, many of our participants let us know that they value a rapid energy transition.'

We are increasingly investing in companies that contribute to improving the climate and the energy transition. This should contribute to PFZW's ambition of having 15 per cent of its total assets invested in climate solutions by 2030, i.e. solutions that contribute to the United Nations' climate SDGs. Two billion euros will be allocated over the next two years to investments in companies with measurable impact on the climate and the energy transition.

With the completion of the two-year programme focused on the listed producers of gas and oil, PFZW's attention has now turned to the large fossil fuel consumers, such as power companies and producers of materials with a high carbon footprint. We also ask these companies to develop ambitious transition strategies to contribute to the goals of the Paris Climate Agreement. PFZW is working towards a climate-neutral investment portfolio by 2050. To achieve this, we first target 50% absolute carbon reduction by 2030 for equities, liquid credit and real estate.

Note to editors

[On our website](#) you can read back the course of our active shareholder programme towards the fossil energy companies. The current lists still include the names of fossil companies we have since parted ways with. On 1 April 2024, our [investment lists](#) will be updated.

PFZW Profile

PFZW is responsible for the pension policy and pension assets of approximately 2.9 million (former) employees in the healthcare and welfare sector. The pension fund manages the invested capital, which was worth €237.8 billion on 31 December 2023.

Zeist, 8 February 2024

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