Periodic Disclosure 2024

APG EME Multi Client Pool

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: APG Emerging Market Equity Multi Client Pool
Legal entity identifier: 549300D87F2ANS41IR30

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It made **sustainable investments with a social objective:** ___%	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have a sustainable investment as its objective, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This product promotes the following environmental and/or social characteristics:

Exclusions
We do not invest in companies that carry out certain (undesirable) activities. The exclusion list was updated twice and communicated with:

- External Managers involved in this product;
- APG Internal portfolio managers.

Throughout the year, no breaches of the exclusion policy occurred.

Sustainability indicators 1, 2 and 3 relate to this E/S characteristic.

Related to PAI-indicator 14.

CO2-reduction
We monitor the CO_2-footprint of our portfolio and steer on reduction of this footprint. To manage CO_2-emissions, we look at the direct emissions of companies (scope 1) and the emissions associated with the energy they use (scope 2).

Sustainability indicator 4 relates to this E/S characteristic.

Related to PAI-indicator 1 and 2.

Reduction of fossil fuel exposure
The production of coal and tar sands is associated with large CO_2-emissions. Therefore, we aim to further reduce our investments in companies which derive (part of) their turnover from the extraction of coal and/or tar sands. The turnover limits are set at 5% for coal and 1% for tar sands.

As per June 1st, 2024, we implemented a new inclusion policy, which sets criteria for climate. As part of the implementation of this policy, companies which derive (part of) their turnover from the extraction of coal and/or tar sands are excluded from the investment universe.

Sustainability indicator 5 relates to this E/S characteristic.

Related to PAI-indicator 4.

Contribute to the United Nations Sustainable Development Goals (SDGs)
We assess how the products and services of our investments contribute to the achievement of the Sustainable Development Goals (SDGs), such as sustainable energy, safe and sustainable cities, decent work and economic growth, and health and well-being. When companies contribute to these goals with their products and services, our investments in those companies are considered to be Sustainable Development Investments (SDIs).
Sustainability indicator 6 relates to this E/S characteristic.

ESG-integration

As per June 1st, 2024, the revised inclusion policy applies to the listed equity investments in this product based on which we assess whether companies meet our expectations on ESG on:

a) Climate
b) Nature, Circularity & Biodiversity
c) Human & Labour rights
d) Business Integrity
e) Investor Alignment

Sustainability indicators 7 and 8 relate to this E/S characteristic.

Related to PAI-indicator 10 and 11.

Reference Benchmark
No reference benchmark is used to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

How did the sustainability indicators perform?

E/S characteristic	#	Sustainability Indicator	Observations over reporting period	Observations over prior reporting period
1. Exclusion Policy	1	Exposure to controversial weapons (anti-personnel mines, cluster bombs, landmines, chemical and biological weapons). *Related to PAI indicator 14.*	**No** investments in companies involved in the production, sale and/or distribution of controversial weapons (anti-personnel mines, cluster bombs, landmines, chemical and biological weapons).	No investments in companies involved in the production, sale and/or distribution of controversial weapons (anti-personnel mines, cluster bombs, landmines, chemical and biological weapons).
	2	Exposure to companies involved in the production, sale and/or distribution of nuclear weapons or key components thereof.	**No** investments in companies involved in the production, sale and/or distribution of nuclear weapons or key components thereof.	No investments in companies involved in the production, sale and/or distribution of nuclear weapons or key components thereof.
	3	Exposure to companies involved in the production of tobacco.	**No** investments in companies involved in the production of tobacco.	No investments in companies involved in the production of tobacco.
2. CO2-reduction	4	Greenhouse gas emissions (scope 1, 2). *Related to PAI indicator 1 and 2.*	The average GHG emission for the portfolio, over the reporting period was: 188.689 tCO2e.	The average GHG emission for the portfolio, over the reporting period was: 230.630 tCO2e.
3. Fossil fuel exposure	5	Exposure to companies that derive (part of) their turnover from the extraction of coal (>5%) and/or tar sands (>1%). *Related to PAI indicator 4.*	As per June 1st, no investments were made in companies that derive (part of) their turnover from the extraction of coal and/or tar sands. 5.7% of the total net asset value of investments in this product was invested in companies exposed to the fossil fuel sector (PAI 4).[1] This indicator covers 99.7% of the total net asset value of investments in the product.	2.4% of the portfolio was invested in the Energy sector (Oil, Gas and Consumable Fuels). Within this sector, no investments were held in energy companies which were marked as companies lagging on climate during 2023 as described in the inclusion policy.
4. Contribution to SDGs	6	Percentage of Sustainable Development Investment according to the SDI-AOP methodology.	The average Sustainable Development Investment in 2024 was 8.5%	The average Sustainable Development Investment in 2023 was 8.4%
5. ESG-integration	7	Number of companies in the portfolio that do not meet our minimum ESG-	One investment was held, for a couple of days, that didn't meet our minimum ESG-criteria. Once the	New indicator in 2024, as such no data was available for 2023.

[1] In accordance with the SFDR, a company is considered active in the fossil fuel sector when they derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

		criteria. Related to PAI indicator 10 and 11.	breach was identified, the position was sold.	
	8	Violations of the of the UN Global Compact Principles or the OECD Guidelines. Related to PAI indicator 10 and 11.	One investment was flagged for violation of UNGC Principles or OECD Guidelines per Q4 2024.	No investments in companies involved in violations of the UNGC principles.

The reported sustainability indicators can differ from the sustainability indicators that were included in prior reporting period. A prior year comparison can only be made for the sustainability indicators that are currently included.

…and compared to previous periods?

Refer to the sustainability indicators table for a comparison with previous reporting period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable, as this product is not committed to make sustainable investments. We are obliged to report on the Taxonomy-aligned investments in this product as the product promotes environmental characteristics. Taxonomy-aligned investments are reported separated and for now not considered part of the sustainable investment category.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

This product considers PAI 1, PAI 2, PAI 4, PAI 10, PAI 11, and PAI 14. Please refer to the E/S characteristics section on further details on how these PAI indicators are considered.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **2024**.

What were the top investments of this financial product?

#	Largest investments	Sector	Country	% Assets
1	Taiwan Semiconductor Manufacturing Co Ltd	Information technology	Taiwan	8.9
2	Samsung Electronics Co Ltd	Information technology	South Korea	6.5
3	SK Hynix Inc	Information technology	South Korea	1.9
4	Alibaba Group Holding Ltd	Consumer Discretionary	China	1.5
5	HDFC Bank Ltd	Financial institutions	India	1.3
6	Tencent Holdings Ltd	Communication Services	China	1.3
7	Grupo Financiero Banorte SAB de CV	Financial institutions	Mexico	1.1
8	Infosys Ltd	Information technology	India	1.1
9	MediaTek Inc	Information technology	Taiwan	1.1
10	Bank Central Asia Tbk PT	Financial institutions	Indonesia	1.0
11	ICICI Bank Ltd	Financial institutions	India	1.0
12	Emaar Properties PJSC	Real estate	United Arab Emirates	0.9
13	Naspers Ltd	Luxury goods	South Africa	0.9
14	Bank Rakyat Indonesia Persero Tbk PT	Financial institutions	Indonesia	0.8
15	Reliance Industries Ltd	Materials	India	0.8

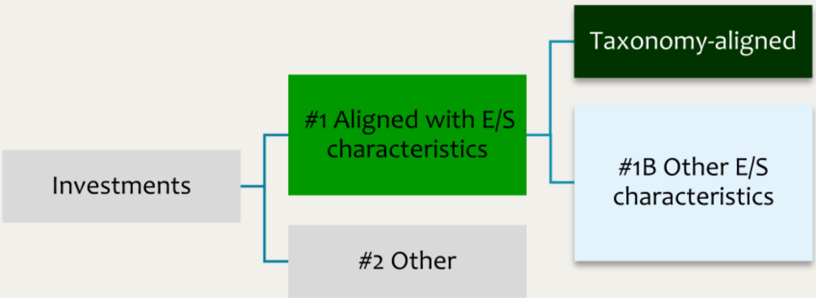
The top investments are calculated based on a quarterly average as a percentage of net asset value.

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?

The asset allocation of this product is split between investments "aligned with E&S characteristics" (99.8%) and "other" (0.2%). Taxonomy-aligned investments (0.1%) are considered part of the "aligned with E/S characteristics" category, not "sustainable investments".



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	% Assets
Convenience goods	5.7
Energy	1.3
Healthcare	2.6
Industrial companies	4.0
Financial Institutions	29.5
Information technology	28.5
Luxury goods	11.7
Materials	4.3
Real estate	3.5
Telecommunications	3.4
Transport	3.1
Utilities	2.4

The sectors are calculated based on a quarterly average as a percentage of net asset value. In 2024, the exposure to companies active in the fossil fuel sector (PAI 4) as defined by SFDR[2], was 5.7% of the total net asset value of investments in this product.

[2] In accordance with the SFDR, a company is considered active in the fossil fuel sector when they derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Through its investments, the product contributes to the following environmental objectives as set out in article 9 of the EU Taxonomy:

- climate change mitigation: 0.1%
- climate change adaptation: 0.0%
- sustainable use and protection of water and marine resources: 0.0%
- transition to a circular economy: 0.0%
- pollution prevention and control: 0.0%
- protection and restoration of biodiversity and ecosystems: 0.0%

The figures provide the share of taxonomy aligned activities as a share of turnover. The taxonomy-alignment percentages are calculated based on a quarterly average. In limited cases in which the company did not publicly report on their taxonomy-alignment, equivalent information where obtained from a third party data provider. The Taxonomy figures were neither subject to an assurance provided by an auditor nor reviewed by a third party. The fund does not commit to make any investment with an environmental objective aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[3]?***

☐ Yes:

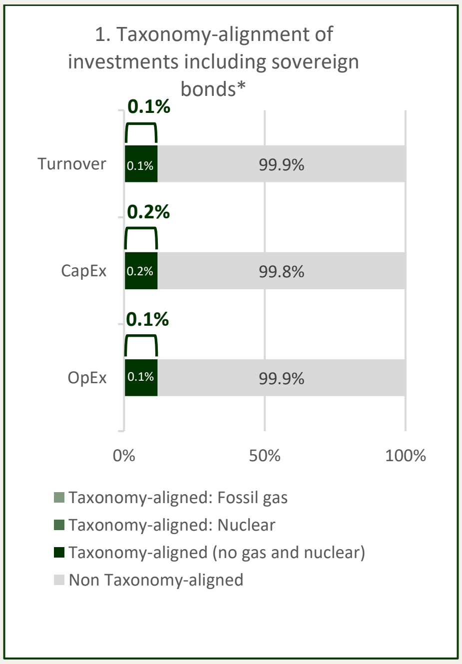
☐ In fossil gas ☐ In nuclear energy

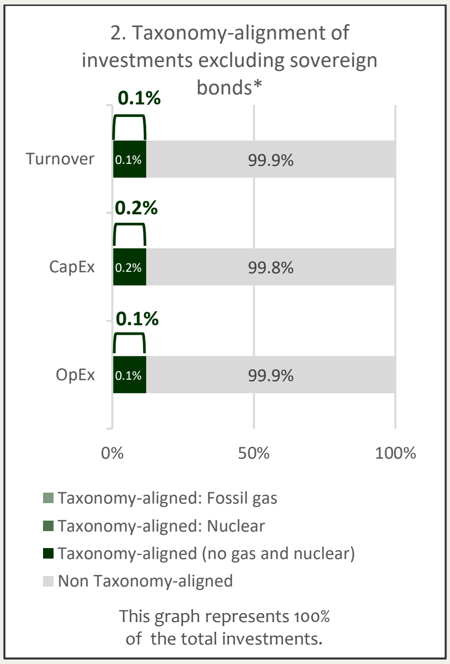
☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds**.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** For the purpose of readability, the shaded areas in the graph are zoomed in. The size of these areas therefore no longer matches their relative proportion compared to the total.*

The taxonomy-alignment percentages are calculated based on a quarterly average. In limited cases in which the companies did not publicly report on their taxonomy-alignment, equivalent information were obtained from a third party data provider.

What was the share of investments made in transitional and enabling activities?

The product invested 0.0% of its investments in enabling activities and 0.0% in transitional activities.

The figures provide the share of taxonomy aligned transitional and enabling activities as a share of turnover. The taxonomy-alignment percentages are calculated based on a quarterly average. In limited cases in which the companies did not publicly report on their taxonomy-alignment, equivalent information was obtained from a third-party data provider.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

The following table shows the percentages of EU Taxonomy-aligned investments (no gas and nuclear) including sovereign bonds for previous reference periods.

	2023	2022	2021	2020	2019
Turnover	0.0%	n.a.	n.a.	n.a.	n.a.
CapEx	0.1%	n.a.	n.a.	n.a.	n.a.
OpEx	0.0%	n.a.	n.a.	n.a.	n.a.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" are derivatives. Derivatives are only used for efficient portfolio management and risk management purposes in accordance with the Dutch Pension Act (*Pensioenwet*). Derivatives use shall comply with APG AM's counterparty policy, collateral policy, liquidity policy and market risk policy.
There are no minimum environmental or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Inclusion

The new Inclusion policy was successfully implemented in the Emerging Markets Equity Multi-Client Pool in June 2024. The main objective of the new inclusion policy is to enable moving towards a more responsible portfolio without compromising the ability to meet risk-return expectations.

Based on the Inclusion methodology, Inclusion classifications categorize companies based on their ESG practices into distinct groups.

Under Inclusion, companies are systematically evaluated and validated every six months in Major Revisions. In addition to the Major Revision classifications, there is a Maintenance between two Major Revisions process to allow for ad-hoc classifications and other small adjustments to ensure an up-to-date Inclusion List used. The engagement process is an essential part of Inclusion 2.0, whereby clear and measurable engagement plans are drawn and monitored to drive change at the selected entities. For the Inclusion 2.0 process it is relevant to know whether a company has an approved engagement plan.

Many engagement trajectories have been undertaken in the reporting year. For example, engagement took place with TSMC on board diversity. TSMC stated that it is establishing a "Nominating, Corporate Governance and Sustainability Committee" and aims to further expand and strengthen the functions and responsibilities of its committees.

Furthermore, a few key changes were shared in our 2024 voting policy with the investor relations and ESG teams of Uni-President Enterprises, following a discussion in the previous year about clients' expectations on board diversity and independence. A range of topics were raised including board succession planning, management leadership, top executives' compensation and disclosure, management of climate risks and opportunities.

Exclusion
The exclusion list has been updated, this takes place twice a year. The list of companies involved in the production, sale or distribution of controversial weapons, or the production of tobacco is then updated and communicated with the benchmark provider and external managers.

SDI
The product is working towards a longer term SDI ambition as per 2025 of 7% of AuM. In current year the product is, where possible, working towards that goal without interfering with the risk/return characteristics of the product. When possible the product will choose an SDI investment over a non-SDI investment, when risk/return characteristics are aligned between the two investments. These kind of choices have been made during the year for numerous investments. The SDI exposure stayed above target in 2024 and slightly increased from 8.4% to 8.5% per end of the year.

Carbon footprint
The product steers towards a lower carbon footprint, to make the long term goal of the product. Current year the product also contributed to this long term goal. The aim of the product is to lower the carbon footprint, without changing risk / return characteristics of the product significantly. Investments are weighted against each other and investment with a lower carbon footprint and with the same risk / return characteristics are preferred as compared to alternative companies with the same risk / return characteristics. This weighting is performed on an ongoing basis, throughout the year.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark is used to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.