

ENGAGEMENT FACTSHEET

SAF Holland

ENGAGEMENT RATIONALE

We recommended that the majority of SAF Holland's board members, as well as members of its board committees, should be 'independent', i.e. have no current or prior executive role at the company. We believe that in a one tier board, the independence of its members is crucial to embed an effective supervisory framework and align directors with stakeholder's long-term interests. With the terms of three board members ending at the 2019 AGM, we urged the company to take this opportunity to move the board to be majority independent. We further encouraged SAF Holland to improve disclosure around ESG-related matters.

BACKGROUND

As a long-term engaged shareholder, we see it as our fiduciary duty to engage with all of our portfolio companies on various issues that drive shareholder value, ranging from strategy, financial performance and corporate governance. Kempen has been a shareholder in SAF Holland since 2017 and today is one of the company's largest shareholders.

THEME FOR ENGAGEMENT

x Governance, board independence, disclosure

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ENGAGEMENT OBJECTIVES

- x Establishment of a majority independent board
- x Increase disclosure around ESG risks

DEVELOPMENT



MILESTONE



ENGAGEMENT RESULTS

- x Since the 2019 AGM the board of directors is majority independent.
- x SAF Holland became a signatory of the United Nations Global Compact (UNGC) to improve its ESG-related disclosure and to formally commit to the implementation of the ten principles of the UNGC.
- x MSCI ESG upgraded the ESG Rating of SAF Holland from 'B' to 'BB' since the board became majority independent.
- x Due to the success of our fruitful dialogue the company subsequently consulted our Portfolio Managers on ESG and strategy questions.

NEXT STEPS

- x We are further engaging on ESG-related subjects and the corporate strategy of SAF Holland.

COMPANY

SAF Holland manufactures and supplies systems and components for trucks and trailers. It operates in EMEA, Americas, APAC and China segments. In these four regions the company sells original equipment, spare parts and services

COUNTRY

Luxembourg

SECTOR

Industrials /automotive

MARKET CAP

EUR 300 million

ISSUE

Board independence & levels of ESG-related disclosure

MATERIALITY

Independent board members can increase the quality efficacy of board decision making

RISK

Governance

MSCI ESG RESEARCH

UN Global Compact: Pass
ESG Rating: BB