

PRESS RELEASE

ERAFP updates its shareholder engagement guidelines with a focus on the fight against climate change

Paris, February 29, 2024 – At its meeting on February 8, the ERAFP board of directors updated its guidelines for shareholder engagement and its voting policy at general meetings (GA) for 2024.

After several years of implementation, ERAFP will continue in 2024 to deepen and enrich its orientations and will focus, in terms of shareholder engagement, on the fight against climate change, in particular through the promotion of strategies consistent with the objectives of the Paris Agreement, the fight against tax optimization practices by promoting increased transparency and will integrate the new theme of biodiversity, by promoting policies and strategies integrating these issues within portfolio companies.

In terms of voting, as part of the next general meeting season, ERAFP will continue to highlight on the fight against climate change, with a strengthening of its requirements in this area towards companies, since:

- the profit allocation policy can be evaluated with regard to the Capex necessary for the implementation of a 1.5°C alignment plan;
- external resolutions and Say on Climate resolutions will be assessed based on ERAFP's commitments, translated by its fossil fuel and climate policies;
- for companies operating in a sector with high climate challenges, director, Supervisory Board member, or chief executive officer reappointments may be evaluated using an identical grid of criteria to the methodology for analyzing climate-related resolutions; a negative vote on the appointment and renewal of the auditors will be recommended in the event of manifest violations of the interests of shareholders in the evaluation of ESG and climate data.

These guidelines, which are implemented in accordance with the Scheme's fiduciary duty to its 4.5 million public servant beneficiaries, can be downloaded from the Publications section of the RAFP website (www.rafp.fr).

ERAFP : France's number one public service pension scheme and full-SRI institutional investor

With almost €43 billion in financial assets wholly invested in accordance with a fully socially responsible investment approach, ERAFP is among the leading SRI institutional investors. From its inception in 2005, ERAFP's board of directors has sought to maximise returns on its financial asset portfolio in accordance with SRI-driven principles. As a signatory of the UN Principles for Responsible Investment, ERAFP adopted an SRI Charter in March 2006 hinging on five values: respect for the rule of law and human rights; social progress; social democracy; environment; and high standards of governance and transparency.

ERAFP is also one of the world's largest public pension funds in terms of member numbers, with almost 4.5 million beneficiaries, 44,000 employers and nearly €2 billion in annual contributions in 2022. As a mandatory points-based pension scheme, it has been managing supplementary pension benefits for French civil servants in state-run bodies, local authorities and public hospitals since January, 1st 2005.

For more information about ERAFP → www.rafp.fr

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