

De Nederlandsche Bank

Nijkerk, 30 April, 2014

Subject: structurally disregarding complaints from participants and pensioners by PFZW and PGGM

Dear Professor Knot,

Being a supervisor you have indicated that you find it very important to be well informed about complaints regarding institutions under your supervision.ⁱ Christians for Israel is deeply concerned about the structural disregard of the many complaints from participants and pensioners regarding the pension fund PFZW and its service provider PGGM.

Christians for Israel has received hundreds of copies of letters containing many indignant reactions and complaints regarding PGGM/PFZW's decision to exclude various companies and banks in Israel. According to its own words PGGM/PFZW has been evaluating its investment policy in Israel under the title of socially responsible entrepreneurship.

Pension assets should be invested in the interest of participants and pensioners. Their mutual interest is a widely diversified investment portfolio. It is comprehensible that PGGM/PFZW uses an exclusion list for the manufacturers of cluster bombs, in accordance with law. We can also imagine that PGGM/PFZW chooses to exclude tobacco producers, because – we venture to think – that hardly any employee inside the health and social care branch would object that. But this is clearly not the case with this new step in PGGM/PFZW's exclusion policy.

We know of hundreds of indignant reactions and complaints from participants and pensioners. Month after month they see on their pay slip how much pension contribution is statutorily written-off and deposited into the account of PGGM/PFZW. The pursued exclusion policy is considered by them as abuse of those entrusted funds.

To them it is as clear as daylight that PGGM is applying a double standard. Apart from arms and tobacco factories PGGM's list with excluded companies contains only five non-Israeli companies.ⁱⁱ Apparently PGGM chooses to point its arrows especially at Israeli companies. Not at companies from neighboring countries where even the most elementary women's rights are violated; not at companies from countries where every form of religious freedom is oppressed; and not at banks that settled with their supervisors for billions because of their role in a mortgage crash which resulted in the eviction of millions of families. How can such a one-sided policy by PGGM be above suspicion of a political stance?

Together with the above mentioned exclusion of Israeli companies, PGGM/PFZW's statements also show evidence of activities that it develops to pressure the Israeli companies' policy.ⁱⁱⁱ The drafting of exclusion guidelines, their execution and the unfolding of these activities involves a lot of energy and time. In this way PGGM/PFZW spends pensioners' time and money on targets that belong in the political domain.

PGGM/PFZW told us that they will not change their policy and will not adopt another course. Apparently PGGM is not interested in the indignant reactions and complaints that show how its double standard contradicts the interests and preferences of many of its participants. We consider this reaction very alarming, given the fact that both institutions exist by the grace of solidarity and compulsory participation and with that the quality of internal governance inside PGGM/PFZW in general.

We would like to be informed about the number of complaints that PGGM/PFZW has received. We can imagine that it is exponentially more than the hundreds of copies we received. Finally we would appreciate an investigation into the amount of time and money spent to realize all activities mentioned above.

If you would like further information regarding the above mentioned, please do not hesitate to contact us. We are more than willing to participate in an explanatory conversation and provide inspection of the copies of the complaints and answers from PGGM so far as we have them. We very much welcome your invitation.

Yours sincerely,

D.G. Schutte
(Chairman of Christians for Israel Netherlands)

cc. PGGM, Zeist and Binyomin Jacobs, chief rabbi IPOR, Amersfoort.

ⁱ See http://www.dnb.nl/en/binaries/U%20heeft%20een%20klacht_tcm47-146109.pdf

ⁱⁱ See <http://pggm.nl/wat-doen-we/Documents/20140106%20Uitsluitingen%20met%20toelichting.pdf>

ⁱⁱⁱ See <http://pggm.nl/wat-vinden-we/Documents/PGGM%20Vermogensbeheer%20Uitsluitingenbeleid.pdf>