



# ESG Policy 2024 - 2026

## Investing in perpetual value

ASR Dutch Prime Retail Fund





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# Mission

"We create **perpetual value** for our investors and society by investing in sustainable high-quality real estate."



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# Environmental, Social and Governance (ESG)

The ASR Dutch Prime Retail Fund (ASR DPRF) provides access to a mature, core and diversified retail portfolio in the most attractive locations of the Netherlands, as identified by a.s.r. real estate.

Responsible investment management is a top priority of the Fund. The Fund believes that it can only guarantee long-term value if properties are sustainable attractive to users and society. To develop and maintain a retail property portfolio with intrinsic long-term value is an essential part of the Fund's strategy. Long-term value can be created at locations that have continuing appeal for consumers and tenants, or at locations that have this potential. Retail facilities at these locations, which meet current and future demand, are also durable in terms of usage, flexibility and sustainability. Future-proof retail facilities are an essential part of this strategy. Sustainable stores are attractive to tenants for many different reasons, such as lower energy costs and a healthier indoor climate. They are also attractive to investors, since a sustainable portfolio adds value over time and helps to mitigate risks.

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**Sustainability and forward thinking is part of the Fund's DNA and essential for delivering long-term value**

Investing in perpetual value translates to:



## Environmental

Dedicated to decarbonisation



## Social

Making a positive impact on society

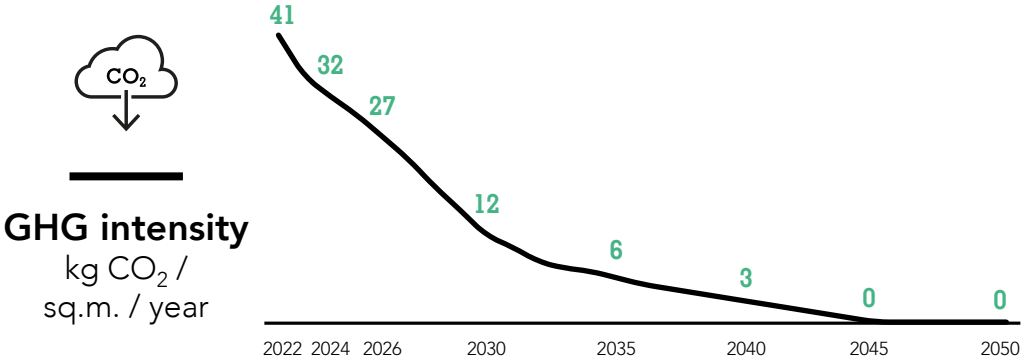
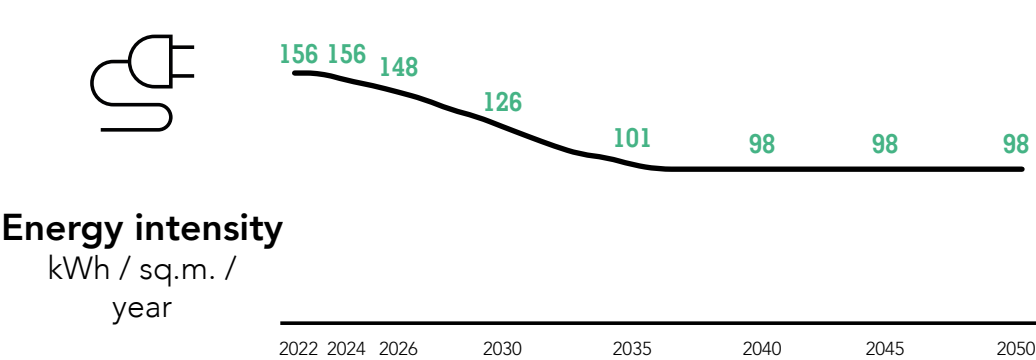


## Governance

Compliant with sustainability regulations

# Strategic objectives

On our way to  
net zero in 2045



## Objectives 2024

Coverage  
of A labels  
(%)

≥ 75

Energy  
intensity  
(kWh / sq.m. / year)

≤ 156

Coverage of BREEAM  
very good or higher  
(%)

≥ 20

Tenant  
satisfaction rating  
(score out of 10)

≥ 7.0

Employee  
satisfaction rating  
(score out of 10)

≥ 7.5

GRESB  
rating  
(# of stars)

5

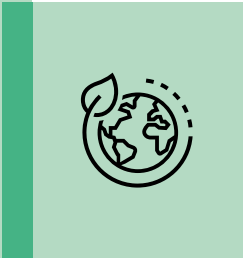


# Strategic objectives 2024-2026

The Fund has categorised its targets in three seperate themes: Environmental, Social and Governance (ESG). The three themes contain seperate, but complementary key targets, which allows the Fund to establish a future-proof real estate portfolio.

The Environmental and Social themes both have their own strategic objectives, which are listed in the table on the right. For the Governance theme a checklist applies. The Fund revises its one-year and three-year goals on an annual basis.

## Strategic objectives 2024-2026



### Strategic objectives

#### Environmental

	Target 2024	Target 2026
Energy intensity (kWh / sq.m. / year)	≤ 156	≤ 148
GHG intensity (kg CO <sub>2</sub> / sq.m. / year)	≤ 32	≤ 27
On-site renewable energy (installed kWp)	≥ 1,950	≥ 2,200
Coverage of A labels (% sq.m.)	≥ 75%	≥ 80%
Coverage of BREEAM Very Good or higher (% sq.m.)	≥ 20%	≥ 25%
Climate change adaptation plans (% of properties with a (very) high risk profile)	100% prepared	100% executed
Enhance local biodiversity	Implement framework	Execute strategy



#### Social

##### Community & Tenants

Tenant satisfaction rating	≥ 7.0 / 10	≥ 7.0 / 10
Tenant engagement (# projects / year)	≥ 5	≥ 5
Encourage activities in inner cities and retail areas (# projects / year)	≥ 4	≥ 4
Green lease coverage for new lease agreements (%)	100%	100%

##### Our employees

Employee satisfaction rating (eMood® score)	≥ 7.5 / 10	≥ 7.5 / 10
Personal development		
- Training (% of annual salaries)	≥ 1%	≥ 1%
- Sustainable employability (% of annual salaries)	≥ 1%	≥ 1%
Health & well being (eMood® vitality score)	≥ 7.5	≥ 7.5
Diversity, equity & inclusion	Execute policy	Execute policy



#### Governance

	Compliant
Sound business practices	✓
Alignment with sustainability guidelines	✓
- SDGs	✓
- GRESB (yearly survey rating)	★★★★★





# Environmental

The Fund aims to decarbonise its portfolio and to limit its negative impact on nature, society and climate. The environmental strategic objectives focus on the Fund's Paris Proof roadmap, climate adaptation and biodiversity. This approach leads to a future-proof and resilient retail portfolio.

**Energy intensity**

**GHG intensity**

**On-site renewable energy**

**Coverage of A labels**

**Coverage of BREEAM Very Good or higher**

**Climate change adaptation plans**

**Enhance local biodiversity**





# Net zero in 2045

In 2020, a.s.r. real estate signed the Paris Proof Commitment of the Dutch Green Building Council, dedicating itself to achieving a GHG-neutral portfolio<sup>1</sup> by 2050. In 2021, a.s.r. real estate decided to raise its ambition and aims to achieve this goal by at least 2045.

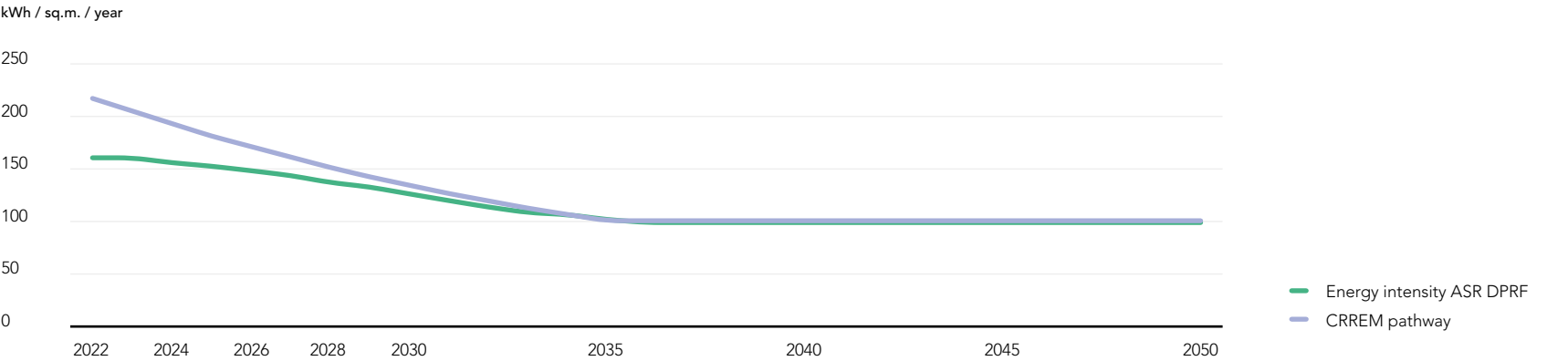
To achieve this goal, the Fund has drawn up a Paris Proof roadmap using the CRREM pathways. The pathways were developed by the EU to help investors in real estate measure their exposure to emissions related risks. The Paris Proof roadmap is based on the current energy intensity and reduction measures at the level of individual assets.

In 2022, a.s.r. real estate invested in a new software platform for ESG data, enabling the Fund to use a highly visual online dashboard. This has led to improved insights at the level of both the portfolio and individual assets, allowing the Fund to increase its focus on the properties with higher energy intensity levels and leading to a cost-efficient reduction path.

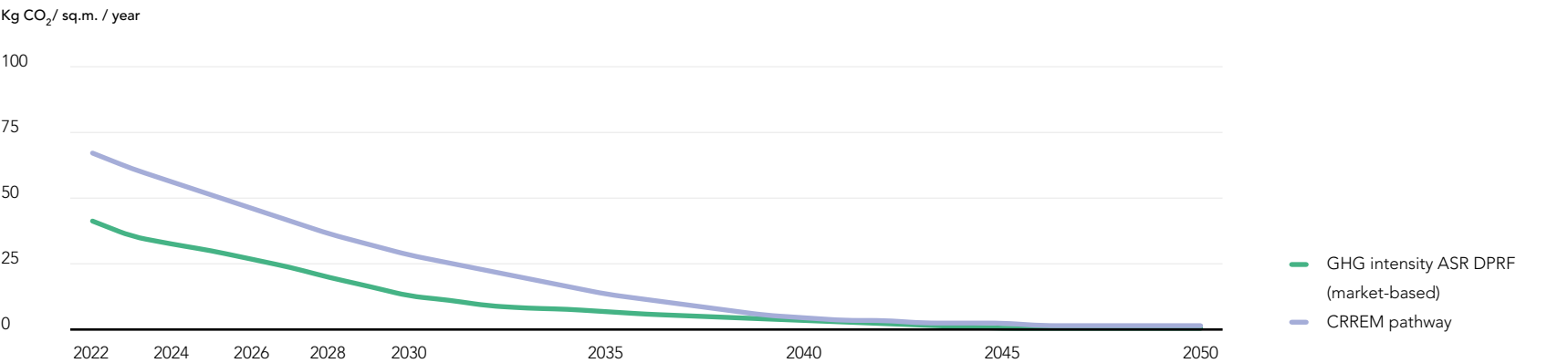
In the coming years, the Fund will continue to execute asset-level reduction strategies and will refine the Paris Proof roadmap with annual consumption data, lessons learned from projects and evolving insights.

## Paris Proof roadmap

### Energy intensity



### GHG intensity



<sup>1</sup> The ambition of a.s.r. real estate includes the energy consumption of the landlord and tenant in scope 1, 2 and 3 of the GHG protocol. GHG-neutral means net zero emissions measured with a market-based approach (please see the next page for more information).



Paris Proof roadmap

Objectives for Energy intensity and GHG intensity							
	2022	2024	2026	2030	2035	2040	2045
Energy intensity (kWh / sq.m. / year) <sup>1)</sup>	156	156	148	126	101	98	98
CRREM pathway energy intensity (kWh / sq.m. / year) <sup>2)</sup>	217	193	171	134	100	100	100
On-site renewable energy (installed kWp)	1,342	1,950	2,200	3,300	4,000	4,800	5,700
On-site renewable energy (kWh / sq.m. / year)	4.3	5.8	6.5	9.7	11.8	14.2	16.7
GHG intensity (kg CO <sub>2</sub> / sq.m. / year) - market based	41	32	27	12	6	3	0
GHG intensity (kg CO <sub>2</sub> / sq.m. / year) - location based	42	39	34	21	15	12	10
CRREM pathway GHG intensity (kg CO <sub>2</sub> / sq.m. / year) <sup>2)</sup>	67	56	46	28	13	4	2

The Fund’s Paris Proof roadmap outlines the route to net zero GHG emissions in 2045. To do so, the Fund uses the CRREM pathways for Energy- and GHG intensities.

The energy intensity is the most important to the Fund as this reflects the performance of individual assets and can be directly influenced by the Fund. The Fund's Roadmap shows the energy intensity is below the CRREM pathway for the portfolio and the ambition for energy intensity will be realised in 2040. The GHG intensity is derived from the energy intensity and based on predictions of the expected mix of energy sources in the Netherlands. The market-based approach is common market practice and used for the net zero objective of the Fund. To reach the net zero objective, the on-site

renewable energy generation and procurement of off-site renewable energy will be maximised. The Fund procures 100% renewable energy from the Netherlands and encourages tenants to do so as well. This results in a net zero portfolio in 2045 (market-based approach).

To be fully transparent, the location-based figures are also reported. The location-based figures are not sufficient to meet the CRREM pathways, since this method doesn’t allow to take the procurement of off-site renewable energy into account and because the energy mix of the national energy grid (as estimated by CRREM) does not reach the net zero emission level.

1 The building energy intensity is the total energy consumption, before taking into account on-site renewable energy. The 2022 number represents only the building energy intensity from buildings for which the Fund has 100% data coverage. In 2022, this was 100% of the portfolio. The future targets are based on the Paris Proof roadmap.

2 As a benchmark, the Fund uses the CRREM pathways for the 1.5 degrees Celsius global warming target for the Netherlands. The Fund weighs the share of shopping centers (51%), high street assets (44%), multi-family assets (5%) and offices (1%) to define a weighted CRREM pathway for the portfolio of ASR DPRF.

GHG intensity: market and location-based approach

**Market-based:** the GHG emissions of a portfolio are calculated based on the mix of energy which is procured. All energy types (e.g., natural gas, electricity and heat networks) have a specific emission factor and the procurement of renewable energy is considered in the market-based approach.

**Location-based:** the GHG emissions of a portfolio are calculated using the expected energy mix and related emission factor per country as defined by CRREM. The energy mix of national energy grids is expected to become more sustainable, meaning the emission factor decreases every year. Procurement of renewable energy by the landlord and tenant is not considered in this approach.

The Fund monitors and reports both market and location based figures on an annual basis, to give a complete understanding of the fund's performance. The market-based approach is used for the objectives of the Fund, in line with standard market practice.

# Case study

## Decarbonising our portfolio

### Leidsestraat 101 in Amsterdam

The Fund acquired this listed building in 2011 in Amsterdam, which has been let to Starbucks since March 2011 and Star One (Computers, Audio & Video store) since July 2019. The building is currently being used as retail (mainly ground floor) and office space (upper floors).

### Facts & figures

To achieve a Paris Proof status for Leidsestraat 101, the following adjustments to the building will be made to reduce its energy intensity to below 80 kWh / sq.m. / year – the net zero carbon target for retail space non-food operations.

- Add 200mm of EPS isolation to the new outside walls/facades on the upper floors;
- Replace the wooden window frames and HR+++ windows;
- Seal the concrete strips with 50mm of resol isolation, 20mm of EPS isolation and a final layer of 5mm plaster;
- Replace rooftop isolation;
- Replace technical installations such as air, water and heat system with a heat pump, cassette units and a new ventilation system including heat recovery.

Based on a Whole Life Carbon calculation, this would lead to the following results:

### Whole building energy reduction pathway

	Situation 2019		Situation after renovation		Reduction	
	Energy Intensity (kWh / sq.m. / year)	GHG Intensity (kg CO <sub>2</sub> / sq.m. / year)	Energy Intensity (kWh / sq.m. / year)	GHG Intensity (kg CO <sub>2</sub> / sq.m. / year)	Energy Intensity (kWh / sq.m. / year)	GHG Intensity (kg CO <sub>2</sub> / sq.m. / year)
User's Operational Carbon	116	55	116	55	-	-
Building's Operational Carbon	110	26	29	17	-/- 81	-/- 9
Embodied Carbon (materials)	n.a.	-	3	3	3	3
Total	226	81	148	75	-/- 78	-/- 6

These results clearly show that, besides improving the sustainability performance of the building and its technical installations, the building energy consumption ('operational carbon') and especially the tenant's store operation and subsequent energy consumption is quintessential in reducing the energy intensity to below 80 kWh / sq.m. / year.



Leidsestraat 101, Amsterdam



# Energy intensity

The goal is to work towards a GHG-neutral portfolio in 2045. This is measured by the absolute energy- and GHG intensity ratios kWh and kg CO<sub>2</sub> / sq.m. / year. The 2024 and 2026 objectives for energy intensity are based on the Fund's Paris Proof roadmap. The Fund continues to strive towards renovating properties in a sustainable manner and incorporating energy label certification into the acquisition process. As a result, the Fund believes that over 75% of the assets can achieve an A Label in the coming years. On the long run, the portfolio will no longer include retail premises with a low energy performance.

In 2020 and 2021 the energy- and GHG consumption have been highly variable as compared to previous years, due to the COVID-19 pandemic and mandatory governmental measures. This has either caused unexpected in- and decreases of energy- and GHG intensities, due to a change in use of retail outlets, offices and residential units.

The absolute energy intensity in 2022 was 156 kWh / sq.m. / year (Fund objective: 161 kWh / sq.m. / year).

# GHG intensity

The 2024 and 2026 objectives for GHG intensity are based on the Paris Proof roadmap. To minimise GHG emissions, the Fund is aiming to scale back the energy consumption in its total portfolio.

The absolute GHG intensity in 2022 was 41 kg CO<sub>2</sub> / sq.m. / year (Fund objective: 42 kg CO<sub>2</sub> / sq.m. / year).

Objective  
**Energy intensity**  
(kWh / sq.m. / year)

2024  
≤ 156

2026  
≤ 148

Objective  
**GHG intensity**  
(kg CO<sub>2</sub> / sq.m. / year)

2024  
≤ 32

2026  
≤ 27

# On-site renewable energy

The Fund aims to implement renewable energy solutions where feasible. PV panels are the most suitable solution for the Fund's portfolio. Last years, the Fund has actively worked on the on-site generation of renewable energy. Supermarkets, in particular, appeared to be suitable for the installation of solar panels due to their large roof area and high energy demand. As at Q3 2023, ca. 4,600 solar panels at 14 different locations have been installed. In addition, the Fund is exploring options for installing another 868 solar panels at seven different locations in 2023 and 2024. Five of these locations are inner-city high street premises, indicating the Fund further expands its renewable energy ambition beyond supermarkets. So far, only flat rooftops have been explored and used for installing solar panels. Going forward, possibilities for installing solar panels on pitched roofs will be explored as well. By 2026, The Fund aims to have installed a total capacity of 2,200 kWp, generating 6.5 kWh / sq.m. / year.

In total, 4,671 solar panels at 14 different locations were installed as at 30 September 2023, equal to an installed total capacity of 1,546 kWp.

Objective  
**On-site renewable energy**  
(installed kWp)

2024  
≥ 1,950

2026  
≥ 2,200



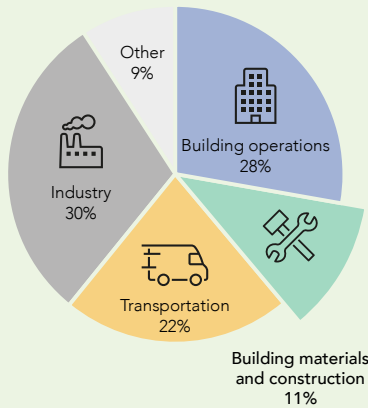
# Embodied carbon: the next step in decarbonising our portfolio

11% of the total GHG emissions are embodied carbon emissions. Embodied carbon emissions are GHG emissions arising from the extraction, production, transportation, and assembly of building materials, but also from the dismantling and demolition processes.

a.s.r. real estate has undertaken a study to identify and evaluate existing standards for measuring and limiting embodied carbon. Currently, the DGBC standard is the most suitable standard for real estate in the Netherlands. This standard uses a Global Warming Potential (GWPa) indicator and establishes target values for embodied carbon per asset type.

The Fund is assessing the integration of the GWPa indicator in its acquisition and renovation plans. Goal is to collect project data and challenge partners to adopt an integrated approach that addresses both operational and embodied carbon emissions.

Carbon emissions per sector in the Netherlands



Source: KEV, NIBE (2019)

The Fund identified two key strategies to mitigate embodied carbon:

## 1. Preservation of existing real estate

In addition to acquiring properties with a low carbon footprint, the Fund critically assesses its existing assets. Investing with a focus on perpetual value entails maximising the lifespan of standing investments. By doing so, utilisation of existing materials is optimised and the need for additional resources is reduced.

## 2. Application of biobased materials

To reduce embodied carbon in projects, the Fund explores the use of biobased building materials. Investment in biobased materials not only contributes to the reduction of embodied carbon in projects but also accelerates the transition to a more sustainable, biobased construction industry.





# Coverage of A labels

All stores in ASR DPRF's portfolio are energy label certified. A large proportion of these properties are located in historic city centres and qualify as listed buildings. ASR DPRF seeks to achieve an A Label for ≥ 80% of its portfolio by 2026. In order to achieve this, properties will be made more sustainable or converted as soon as possible in the operating process. As per year 30 September 2023, 77% of the portfolio has achieved A Label certification. This means that the Fund is on track in achieving its objective of having obtained an A Label for at least 75% of the assets by the end of 2024.

The Fund continues to advise and encourage tenants to make their retail properties more sustainable as the energy labels for high street retail properties are largely determined based on installations and modifications made by tenants. To further increase the coverage of A Label properties, the Fund is focusing on renovating properties in a sustainable manner, converting the spaces above shops into apartments and incorporating energy label certification into the acquisition process.

Strict sustainability requirements have been set for purchases, new developments and renovations in the Fund's Programme of Requirements and Technical Due Diligence process. More details on agreements between ASR DPRF and its partners are included in the Partners chapter.

**As at 30 September 2023, 77% of the portfolio has achieved A Labels, representing a significant improvement compared to 2018, when the coverage was 50%.**

Objective  
**Coverage of A labels**  
(% sq.m.)

2024  
≥ 75

2026  
≥ 80

# Coverage of BREEAM Very Good or higher

The Fund will take steps to improve owner-related BREEAM credits and will scan non-certified assets with respect to these credits as well, in order to identify the areas of improvement. As per year-end 2021, 100% of all standing investments in commercial units in the Fund's portfolio were BREEAM-certified. Therefore, having received structured insight into the possibilities of making its premises more sustainable, the Fund is committed to achieving at least a 'Very Good' BREEAM certification of for 25% of the portfolio by 2026. To be able to do so, the integration of all aspects of the BREEAM rating system in its 'Program of Requirements' for refurbishment and redevelopment activities as for new acquisitions is quintessential.

In addition to this, the Fund aims to involve its tenants in the process of BREEAM certification and, more importantly, in the process of making the sustainability improvements required for BREEAM certification. The Fund's tenants are an important partner in the BREEAM certification process and the associated improvement measures, since they play a major role in the final BREEAM score.

**As per 30 September 2023, 12.8% of the portfolio has achieved a Very Good or higher BREEAM certification (30 September 2022: 10.1%).**

Objective  
**Coverage of BREEAM Very Good or higher**  
(% sq.m.)

2024  
≥ 20

2026  
≥ 25



# Climate change adaptation plans

As the impact of climate change is evident, maintaining a resilient portfolio is important. By understanding and anticipating on the long-term risks of climate change, the Fund strives to build a portfolio that is progressively adaptable.

The Sustainable Finance Disclosure Regulation (SFDR) framework and EU Taxonomy serve as a basis for consistent disclosure of climate-related financial risks and opportunities. The Fund is developing an ESG risk-framework to address current or anticipated physical and transition risks or impacts of climate change at the asset level. In accordance with the framework, the Fund mitigates the most important physical risks by implementing physical and non-physical solutions ('adaptation solutions') on and around properties.

The Fund conducted a comprehensive climate risk assessment for all properties in its portfolio based on the Framework for Climate Adaptive Buildings (FCAB). This assessment identifies vulnerabilities to climate-related impacts, including four major climate risks: heat, drought, flooding and extreme weather. The climate risk score is calculated based on the environmental score and the building score:

- The environmental score is an estimate of the climate effects for the immediate vicinity of a building.
- The building score is an estimate of the vulnerability of a building to the various climate effects by looking at the building-specific characteristics. The methodology for determining the building score was published by the DGBC in July 2023 and has already been implemented by the Fund.

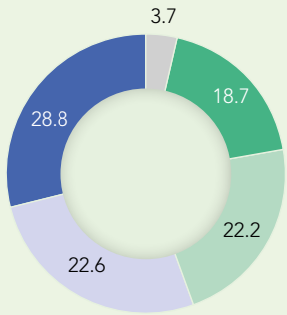
The Fund identified the assets which are exposed to high risks and established a risk appetite to determine the acceptable level of climate risk and the actions appropriate to mitigate climate risk to the best of its ability. The combined outcome of the climate risk assessment and risk appetite is summarised in the figures on the right.

Objective  
**Climate change adaptation plans**  
(% of properties with a (very) high risk profile)

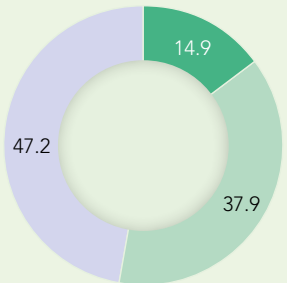
2024  
**100% prepared**

2026  
**100% executed**

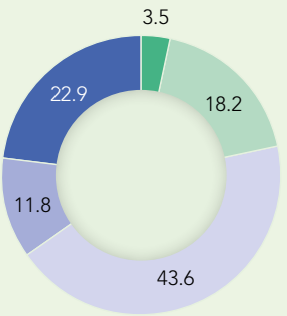
Climate risk assesment (%)



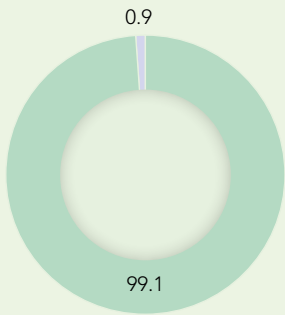
Extreme weather



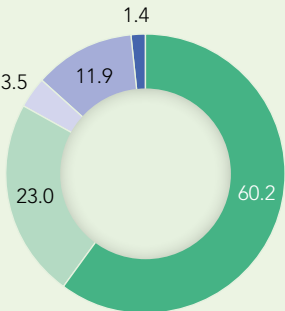
Heat



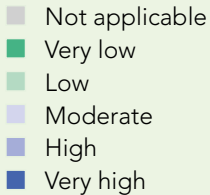
Pile rot



Flooding



Soil erosion (drought)





# Case study

## Building a resilient real estate portfolio

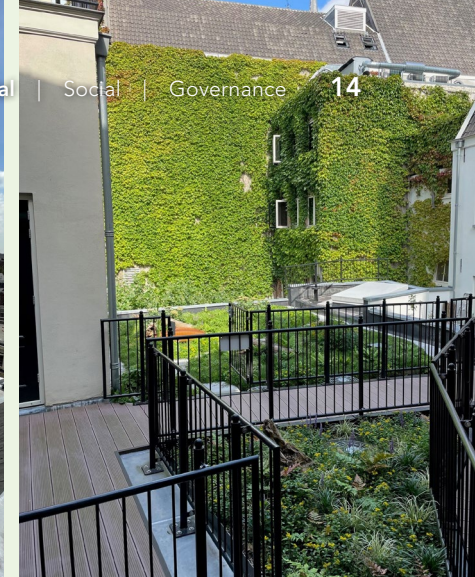
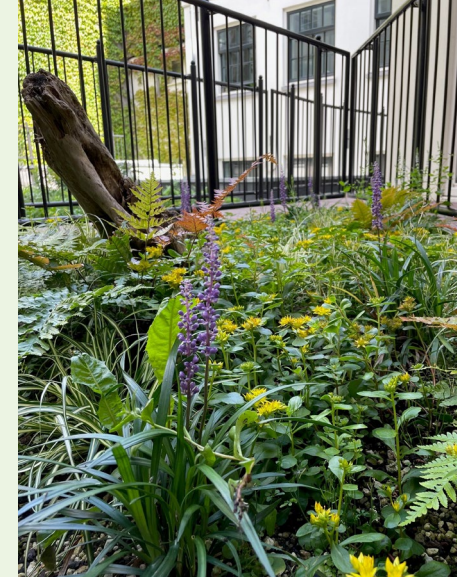
The risk assessment based on the FCAB methodology identifies various properties in the real estate portfolio with a (very) high risk profile for Drought. This is due to the fact that these buildings are founded on wooden piles in historic city centers of e.g. Amsterdam and Utrecht, where sandy soil with a high exposure to the groundwater level is present. The Fund is aware of these risks and has already taken measures for some properties in the past to mitigate this risk.

### Koningsplein in Amsterdam

The Fund acquired the monumental Koningsplein estate that comprised nine historical buildings in the city centre of Amsterdam. After extensive historical, construction and ecological research the renovation and repositioning works of Koningsplein started in 2016. In 2022, the works were finalised and resulted in state of the art retail space (5,500 sq.m.) and 29 apartments – a true testimony of the Fund's dedication to creating perpetual value for our investors and society by investing in sustainable high-quality real estate.

### Facts & figures

- To be able to replace the wooden piles with 195 new piles ('schroefinjectiepalen') and put the 135 meters of steel sheet pile wall in place for the new 820 sq.m. of concrete basement (to house the new supermarket) – the buildings were put on 'high heels' (a temporary steel construction).
- During the process, the local groundwater levels and potential 'verschilzetting' on the site and neighbouring properties were closely monitored.
- Facades have been restored to its original aesthetics following extensive historical research.
- Nesting sites for birds and bats alongside a variety of rooftop gardens creating an natural habitat for bugs, bees and butterflies, and PV panels have been put in place on the rooftops.
- The Koningsplein estate is awarded with a BREEAM Excellent label.



Koningsplein, Amsterdam



# Enhance local biodiversity

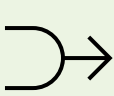
Biodiversity is a fundamental pillar of ecological balance and sustainability. A loss of diversity leads to adverse impacts on the well-being and quality of life, as well as on food security, resilience to natural disasters and availability of water and resources. The built environment disrupts important habitats for animal and plant species. The Fund therefore aims to contribute as much as possible to conserve and enhance the biodiversity on and around its properties.

Biodiverse landscapes can act as natural buffers against climate-related hazards including heat, drought, flooding and extreme weather. By integrating biodiversity into its properties, the Fund reduces the risks associated with climate change and enhances the resilience of its portfolio. The Fund believes that properties with rich biodiversity and well-maintained green spaces have a higher aesthetic and economic value.

The Fund has drawn up a Biodiversity Framework in collaboration with an external ecologist to further improve the biodiversity of the portfolio. The Framework contains quantitative and qualitative guidelines to increase the natural variation on and around properties, in line with ecological values and based on the Fund’s green roofs and facades (see box on the right). The Fund will further implement this framework into its day-to-day operations.

Objective  
Enhance local biodiversity

2024  
Implement framework  
2026  
Execute strategy



Integrate

nature and biodiversity within the Fund’s acquisition and renovation plan (program of requirements).



Renovate

sites and buildings to make them more natural and varied.



Manage

existing and new greenery in an ecologically responsible manner.

Fund characteristics	
Undeveloped plot area (%)	8
Average height (floors)	3
Average plot area (sq.m.)	2,140
Average built (roof) area (sq.m.)	1,963

- Opportunities
- Different approaches for shopping centres and high street.
  - Focus on locations with potential for greenery.
  - Ecological management of existing greenery.
  - Work proactively with environmental partners.

- Limitations
- Limited roof surface (including PV panels).
  - Limited availability of undeveloped plot area.
  - Locations in (petrified) city centres.
  - Proportion of monumental buildings with limitations.



# Social

The Fund strives to make a positive impact on society, enhance engagement and improve community standards for our tenants and employees. Diversity, equity and inclusion and well-being are valued within both our organisation and communities. Therefore, the Fund continues to challenge its impact and added value on the social factors of its portfolio.

## Community & tenants

**Tenant satisfaction rating**

**Tenant engagement**

**Encourage activities in inner cities and retail areas**

**Green lease coverage for new lease agreements**

## Our employees

**Employee satisfaction rating**

**Personal development**

**Health & well-being**

**Diversity, equity & inclusion**



# Community & Tenants

## Tenant satisfaction rating

Tenants are important partners, and the Fund aims to involve them and ensure that they are satisfied. The last tenant satisfaction survey was carried out in 2021 (average score of 6.7). This survey will be repeated periodically. The next survey takes places in Q4 2023. The survey includes questions on the services of a.s.r. real estate and the (external) manager, and tenants are also asked to evaluate the store, the surrounding area and other important aspects such as accessibility. In future, steps will be taken to make tenant satisfaction surveys part of the ongoing contact between the manager and the counterpart, such as follow-up surveys after complaints.

**In the years ahead, the Fund aims to score at least a 7.0 out of 10 and to outperform the benchmark on tenant satisfaction.**

Objective  
**Tenant satisfaction**  
(score out of 10)

2024  
≥ 7.0

2026  
≥ 7.0

## Tenant engagement

The Fund believes that tenants who are more involved are more satisfied and aware. Therefore, the Fund continuously works on various forms of tenant participation. The Fund welcomes feedback from tenants and uses this to make more sustainable investments and maintain long-term relationships. Furthermore, the programme provides the Fund with insights into the retail market. Knowledge about tenants’ experiences can also be applied elsewhere. The Fund holds periodic meetings with large tenants (such as chain retailers) and ESG is a standing item on the agenda for these meetings. In addition, the Fund focuses on knowledge-sharing events.

In 2024, tenant participation will remain an important theme. Priorities will include collaboration on energy efficiency projects, exchanging ideas on energy usage data and knowledge sharing. The Fund aims to have at least five projects each year related to tenant engagement.

**Last year, the Fund actively advised its tenants on possibilities for improving ESG performance while operating stores by publishing and distributing a booklet (‘Het Groene Boekje’).**

Objective  
**Tenant engagement**  
(# projects / year)

2024  
≥ 5

2026  
≥ 5

## Encourage activities in inner cities and retail areas

ASR DPRF contributes to society by investing in inner cities and retail areas through social amenities and green spaces near its properties. The Manager also participates in initiatives to make inner cities more attractive and liveable, and contributes to society by participating in city centre associations (e.g. The Hague and Utrecht) and supporting charities ('Helping by taking action'). During 2022, the Fund supported seven initiatives, including the 'Haagse Passage' in The Hague: facilitated art expositions (by art-designer Pink Steenvoorden) and exclusive tours through the Haagse Passage in the company of a tour guide.

The Fund aims for a minimum of four contributions or initiatives per year. As at 30 September 2023, the Fund was supporting four initiatives.

Objective  
**Encourage activities in inner cities and retail areas**  
(# projects / year)

2024

≥ 4

2026

≥ 4

## Green lease coverage for new lease agreements

As far as new rental contracts are concerned, ASR DPRF strives to sign 'green lease' contracts, whereby the landlord and the tenant agree on how the leased asset will be made more sustainable.

As at September 2023, 100% of all new retail rental contracts (excluding temporary contracts) were green lease contracts. This means that the number of standing green lease contracts is still growing (67% as per 30 September 2023), and the Fund aims to further increase their total in future and have more substantive talks with tenants on achieving green lease objectives.

Last year, we have refined the green lease agreement.

Objective  
**Green lease coverage for new lease agreements**  
(%)

2024

100

2026

100



Haagse Passage, The Hague



# Our employees

## Employee satisfaction rating

A weekly survey is conducted among a.s.r.'s employees: the Employee Mood Monitor (eMood®). This in-house developed tool intends to provide up-to-date information on the well-being and connectedness of the employees. The eMood® survey considers three categories:

- Employee satisfaction;
- Vitality;
- Productivity.

The outcome provides insight into the needs of a.s.r. real estate employees. Where necessary, steps are taken to improve a.s.r.'s standing as an excellent employer.

Objective  
**Employee satisfaction rating**  
(eMood® score)

2024  
≥ 7.5

2026  
≥ 7.5

## Health & well-being

Prioritising health and well-being and avoiding stress in the workplace is an important issue. Awareness, prevention and guidance are three important instruments in this regard. A wide range of workshops are provided and a dedicated team is in place to support employees. Human resources also devotes a lot of attention to ensuring a healthy office (or home office) and flexible working conditions.

The weekly eMood® survey provides specific insight into the vitality of a.s.r. real estate employees. Additionally, the health and well-being of employees are formally monitored every three years.

Objective  
**Health & well-being**  
(eMood® vitality score)

2024  
≥ 7.5

2026  
≥ 7.5

## Personal development

The main focus of the human resource management policy is personal development of a.s.r. employees in terms of professional expertise, competences and skills. 1% of annual salaries is devoted to training and development and 1% is devoted to sustainable employability. A dedicated human resources team provides guidance for employees who wish to develop their talents and take control of their own future by developing their talents, moving to another position (sustainable employability) or leaving.

Objective  
**Training**  
(% of annual salaries)

2024  
≥ 1%

2026  
≥ 1%

Objective  
**Sustainable employability**  
(% of annual salaries)

2024  
≥ 1%

2026  
≥ 1%

# Diversity, equity & inclusion

a.s.r. believes that differences make the organisation stronger and better, and a.s.r. stands for equal opportunities for all. Different perspectives, backgrounds, knowledge and experiences contribute to the realisation of a.s.r. its objectives and are positively used and deployed in innovative, sustainable solutions for our tenants and investors. At a.s.r., diversity, equity and inclusion are permanently on the agenda of human resources. a.s.r. continues to work on this theme and the policy is evaluated and further developed every year. a.s.r. real estate further implements this by facilitating a diversity, equity & inclusion discussion group for all employees twice a year.

Every year, a.s.r. carries out an organisational success survey, conducted by Denison. In the diversity, equity & inclusion module the progress within the organisation is measured on the basis of four pillars:

- Perceptions of inclusion and respect;
- A working environment that is safe and free from discrimination;
- Fair and equal access to opportunities;
- Leadership with an eye for diversity values.

Objective  
**Diversity, equity & inclusion**

**2024**  
**Execute policy**

**2026**  
**Execute policy**



Employees of a.s.r. real estate





# Governance

In accordance with the mission of 'investing in perpetual value', the Fund believes that sustainability is a key factor in its long-term strategy. To achieve the strategic objectives, a dedicated sustainable governance framework is in place. The Fund closely participates in, align with and comply to sector-wide sustainable initiatives, guidelines and regulations.

**Sound business practices**

**Alignment with sustainability guidelines**

**SDGs**

**GRESB**



## Sound business practices

For a.s.r. real estate, it goes without saying that ESG can only be fully embedded by means of sound, transparent business practices. Important principles of the governance are (among others) its Integrity & Compliance regulation, Risk Management, Code of Conduct, Privacy Policy, Customer Due Diligence policy and Whistleblowing procedures. Furthermore, a.s.r. real estate has been licensed under the AIFMD by the Dutch authority AFM since 2015 as a provider of financial services in the field of collective and individual asset management.

## Compliant with SFDR and EU Taxonomy

The Fund adheres to the EU Sustainable Finance Disclosure Regulation (SFDR) and has published the SFDR statement on its website. Under this disclosure regulation, the Fund is classified as a financial product that promotes environmental characteristics within the meaning of Article 8(1) of Regulation (EU) 2019/2088. As of 1 January 2023, the second set of rules is disclosed for the Level 2 SFDR and EU Taxonomy Regulation.

The Fund promotes the climate and environmental objective ‘climate change mitigation’ as included in article 9 of the EU Taxonomy Regulation. The Fund promotes this objective in its underlying investments by promoting the stabilisation of greenhouse gas concentrations in the atmosphere consistent with the long-term temperature goal of the Paris Agreement.

The Fund continues to implement updated Regulatory Technical Standards (RTS) related to the SFDR and related legislation. For more information on the SFDR and EU Taxonomy, please refer to the pre-contractual and periodic disclosure in the Fund’s [prospectus](#), annual report and [ESG annual report](#).

## Embedding ESG

### Organisational

The ultimate oversight and responsibility for sustainability performance and compliance lies with the fund director. The fund director is informed by a specialised sustainability team on the ESG performance and relevant market trends. A designated ESG coordinator oversees and implements the ESG strategy and related actions on the fund level. The fund director, sustainability team and ESG coordinators meet on a regular basis.

### Partners

The Fund works with a number of long-term partners, such as its investors and direct maintenance partners. ESG is a standing item on the agenda of periodic meetings with investors and direct maintenance partners (contractors and consultants). In addition, there are guidelines for the Fund’s partners to follow and quantifiable sustainability targets set out in agreements between parties. An independent party assesses maintenance teams in terms of sustainability during implementation. The Fund also seeks cooperation with governing bodies on sustainability initiatives.

### Contracts

Both external documents and internal documents provide for ESG checks and goals, which are continuously updated. Strict sustainability requirements apply to tendering procedures. The Fund includes ESG provisions in lease agreements with its tenants and in agreements with parties such as developers, utility companies and government bodies.



# Alignment with sustainability guidelines

The Fund’s strategy is aligned with guidelines set by the following organisations:

## UN Global Compact

a.s.r. signed up to the UNGC in 2011, embracing, supporting and implementing (within its sphere of influence) its principles relating to human rights, labour standards, the environment and the fight against corruption.



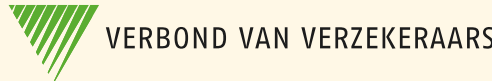
## UN Sustainable Development Goals (UN SDGs)

The UN SDGs selected by a.s.r. as well as the Fund are an integral part of the ESG policy.



## Dutch Insurance Code

a.s.r. real estate, as part of a.s.r., has adhered to the Dutch Insurance Code since 1 January 2011.



## INREV (European Association for Investors in Non-listed Real Estate Vehicles)

The Fund is 100% compliant with the INREV Sustainability Reporting Module.



## TCFD

a.s.r. real estate, as part of a.s.r., has adhered to TCFD since 2019. TCFD is an industry-led initiative for consistent disclosure of climate-related financial risks and opportunities.



## UN Principles for Responsible Investment

a.s.r. obtained an UNPRI A+-rating for its strategy and governance and an A-rating for its properties.



## IVBN (Foundation for Dutch Institutional Investors in the Netherlands)

a.s.r. real estate is present in multiple IVBN working groups in which the industry discusses and sets targets on multiple topics (including sustainability).



## Finance for Biodiversity pledge

a.s.r. signed the Finance for Biodiversity pledge, with the intention to commit to protecting and restoring biodiversity through the finance activities and investments. The pledge was launched on 25 September 2020.



## Paris Proof Commitment DGBC

By signing this Commitment in 2020, a.s.r. real estate embraces the targets of the Paris Climate Conference and actively works towards net zero in 2045.



## SFDR (European Union Sustainable Finance Disclosure Regulation) & EU Taxonomy

a.s.r. real estate and the Fund are compliant with the SFDR. The Fund qualifies in accordance with Article 8 of the SFDR. The Fund strives to be compliant to the future SFDR and EU Taxonomy regulations.







# SDGs

In 2015 the Sustainable Development Goals (SDGs) were endorsed by all United Nations member states to enhance sustainable development at the global level. Ahead of 2030, these goals provide a shared blueprint for eradicating global poverty and inequality, combatting climate change and creating a prosperous and peaceful life for all.

The Fund actively contributes to the SDGs which are outlined on this page.



## ASR DPRF actively contributes to four SDGs

 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	 <p><b>13</b> CLIMATE ACTION</p>
<p>The Fund aims to be net zero in 2045. Its objective for 2024 is to reduce the energy intensity towards 156 kWh / sq.m. / year and GHG intensity towards 32 kg CO<sub>2</sub> / sq.m. / year. In addition, the Fund aims to increase on-site renewable energy towards 5.8 kWh / sq.m. / year. The actual energy intensity and GHG intensity is reported annually in the ESG Annual Report.</p>	<p>The Fund's focus is on creating a healthy and future-proof living environment for everyone. This encompasses green and healthy public spaces, sustainable mobility solutions and active communities. The Fund acts accordingly to deliver its contribution to sustainable cities and communities.</p>	<p>In recent years operational emissions have been the focus to become net zero in 2045. Since last year, the Fund also considers embodied carbon as a factor in acquisitions and major renovations. By doing this the Fund ensures a comprehensive approach on the reduction of its carbon emissions.</p>	<p>Besides climate mitigation, climate adaptation is a key objective of the Fund. To adapt to climate change and related risks within the portfolio, the Fund identified the key risks and is acting accordingly by designing an execution plan for properties with one or more high climate risks.</p>

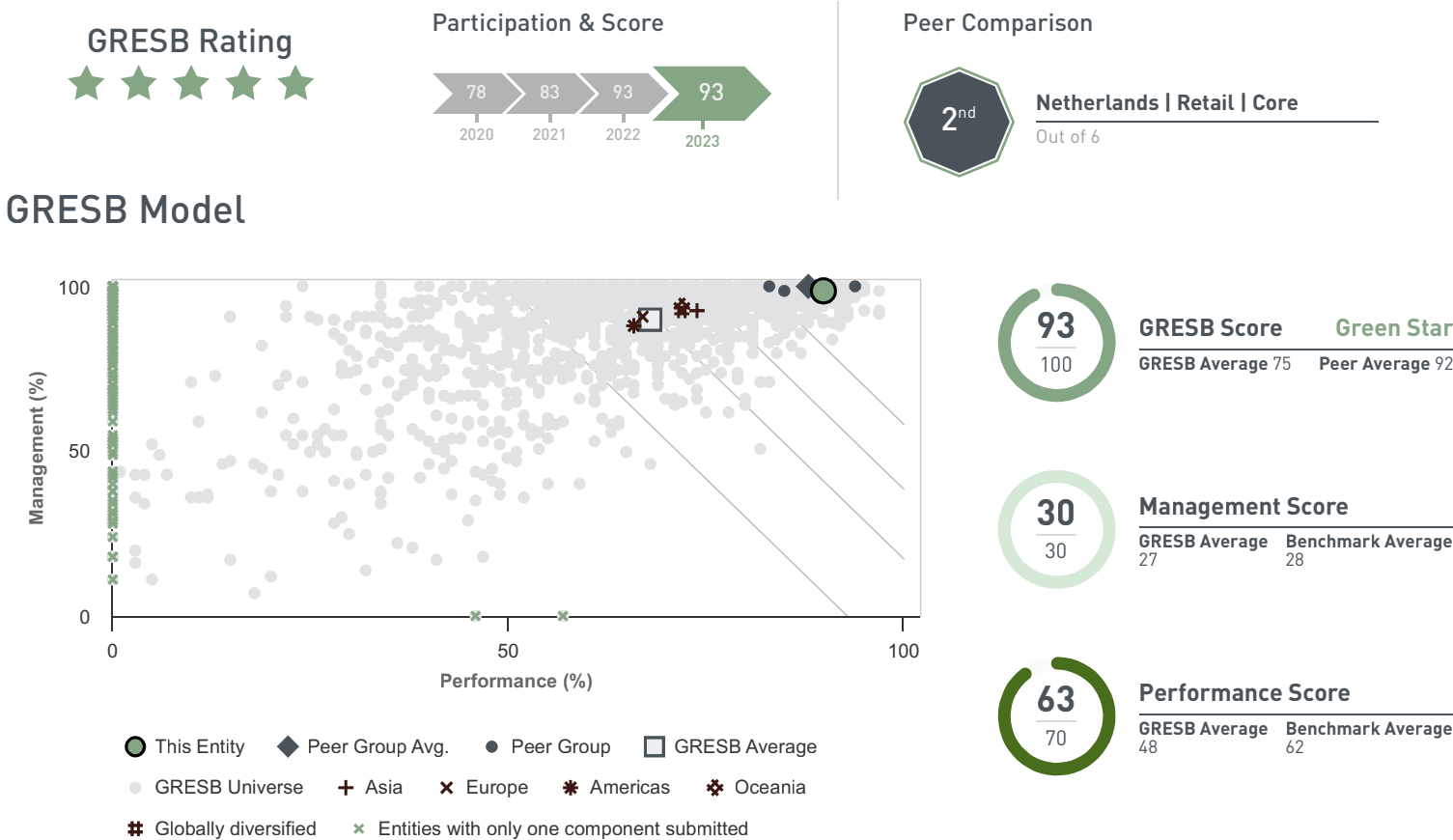


# GRESB

## Five stars for ASR Dutch Prime Retail Fund

The ASR Dutch Prime Retail Fund achieved a score of 93 points and remained 2nd in the peer group Netherlands Retail Core. With the GRESB rating of five stars, the Fund is one of the 20% best performing GRESB funds in the world. The rating scores above the GRESB average (75) and the peer group average (92). The high GRESB score is mainly due to improved insight into energy, CO<sub>2</sub>, water and waste data.

### GRESB results ASR Dutch Prime Retail Fund



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a.s.r.  
de nederlandse  
verzekerings  
maatschappij  
voor alle  
verzekeringen

