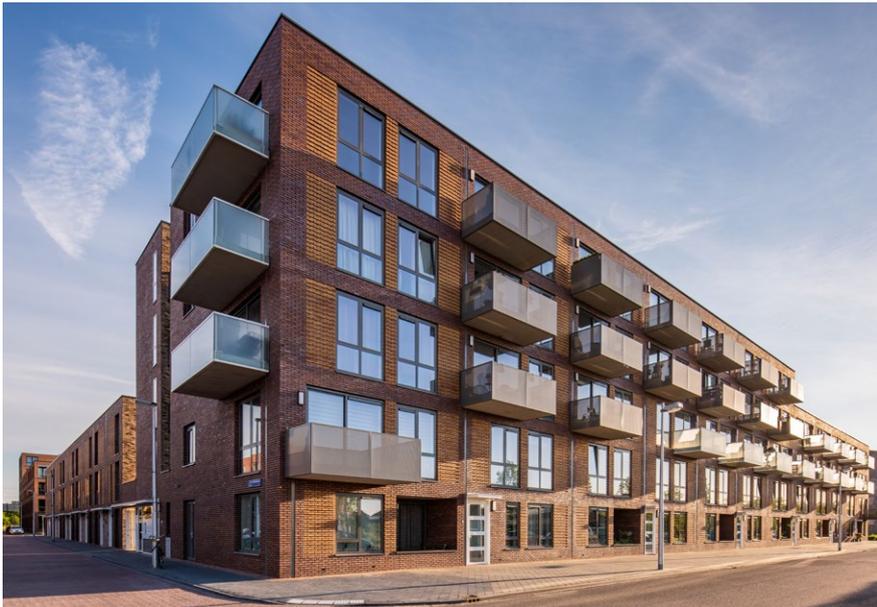


CSR annual report 2020

a.s.r. real estate



Our vision

At a.s.r. real estate, responsible management is one of our top priorities. We invest in real estate which retailers, businesses, farmers and householders want to work, live and shop in – both now and in the future. This is the guiding principle of our approach to sustainability and social responsibility.

To achieve long-term returns, we believe that properties must be suitable and sustainable. To turn this vision into reality, we have set ambitious objectives focussing on the sustainability of our properties, engaging our partners and employees and positively impacting society and the (built) environment.

To meet the CSR targets a.s.r. real estate has set, a CSR policy plan has been conducted for the period 2019-2021. Additionally, the a.s.r. real estate funds (ASR DCRF, ASR DPRF, ASR DMOF, ASR DSPF and ASR PF) and a.s.r. rural real estate each have their own CSR policy which sets out their specific sustainability objectives in greater detail.

This report describes the results of a.s.r. real estate’s CSR strategic objectives for 2020. A more detailed insight in the results of the specific Funds can be found in their own annual CSR reports. The Funds follow the INREV Sustainability Reporting guidelines. The Sustainability Reporting Compliance Rate is 100% for ASR DCRF, ASR DPRF, ASR DMOF and ASR DSPF.

Strategic objectives 2020-2022			
Property	Partners	Planet	People
			
Sustainable portfolio	Sustainable partners in long-term relations	Contribution to environment and society	Sound business practices and healthy and satisfied employees
<ul style="list-style-type: none"> Enhance the sustainability of the portfolio through acquisitions and renovations Improve the environmental performance of standing investments Obtain Green Building Certificates Explore possibilities Impact Investing 	<ul style="list-style-type: none"> Long-term relationships and specific agreements regarding sustainability Average tenant satisfaction rating of at least 7 out of 10 Invest in CSR partnerships 	<ul style="list-style-type: none"> Monitor and improve environmental performance Generate renewable energy Helping by taking action Invest in local neighbourhoods Monitor effects of climate change 	<ul style="list-style-type: none"> Sound business practices Provide employees with opportunities for personal development Focus on employee’s health and wellbeing Employee satisfaction rating >80%

Edge, Eindhoven



1



Property

Strategic objectives

- Enhance the sustainability of the portfolio through acquisitions and renovations
- Improve the environmental performance of standing investments
- Obtain Green Building Certificates
- Explore possibilities Impact Investing

The 'Property' pillar relates to the sustainability of the real estate portfolios, including their environmental performance, ecology, sustainable transportation services, sustainable soil use and the use of sustainable and recyclable building materials. a.s.r. real estate invests in sustainable, attractive properties and land and continues to invest in these to ensure lasting attractiveness.

Sustainably managing real estate also means acknowledging the impact a.s.r. real estate can have on society. To further set out how targeted Impact Investments are made, two clear impact themes have been distinguished in 2020.

Objective: Enhance the sustainability of the portfolio through acquisitions and renovations

a.s.r. real estate strives continuously to ensure that the properties in its portfolios become more sustainable. The focus is on both sustainable acquisitions and making standing investments more sustainable through renovations. To achieve this, a.s.r. real estate demands compliance with the Dutch 'Building Code', including the minimum EPC label standards and natural gas free for new buildings. The Funds set their goals primarily based on improvements in the Energy Index and energy label. The Rural Real Estate business line focuses on sustainable soil management, sustainable forestry practices, farmland-related growth and asbestos safety.

1. Real Estate

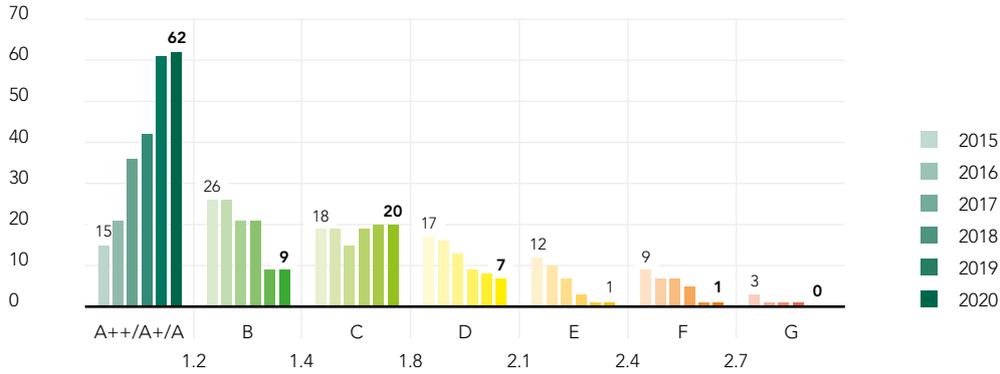
Energy Index and energy label improvements

In 2020, Energy Index and energy label improvements continued to be an important focus.

- The residential fund ASR DCRF objective was to reduce average Energy Index to at least 1.15 by 2022. The Fund reduced its average Energy Index from 1.22 in 2019 to 1.17 in 2020 which means that the Fund is well on their way to meet the 2022 target. The three main reasons for this improvement were the completion of two major sustainability enhancement projects of standing investments (in Breda, Ambachtenlaan, 43 single family houses and Amstelveen, RiMiNi, 126 apartments), the completion of 216 new and highly sustainable dwellings, and the individual unit sale and investment sale of generally less sustainable dwellings.
- Within the retail fund ASR DPRF was a small increase in the percentage of Green Label properties (from 74.0% to 77.8%), mostly due to renovations, conversions, sales and the acquisition of new assets. The Fund will continue to strive to achieve a Green Label for 80% of the assets, by renovating properties in a sustainable manner and incorporating energy label certification into the acquisition process.
- The office fund ASR DMOF aims to obtain an energy label A for 80% of the portfolio in 2022. By the end of 2020, the percentage of label A properties in the portfolio increased to 81%, meaning the Fund's goal for 2022 has already been met. The main reason for this improvement were the sustainability measures taken in the Laan van Puntenburg building in Utrecht: the Fund achieved an energy label A after completing the installation of LED lighting.
- The science park fund ASR DSPF aims to minimise energy usage by investing in energy efficient buildings. As at year-end 2020, the average energy index of the Portfolio stood at 0.62, with an average energy label A+.
- The management of ASR PF's listed real estate funds has been outsourced to AXA Investment Managers (AXA). To further improve insight into the sustainability of listed funds, ASR PF is using the ESG score developed by Refinitiv Eikon, which indicates the relative score of 9000 enterprises. As compared to 2019, the ESG score decreased from 71 to 64, with a coverage ratio of 98% of the Portfolio. This decline can be explained by the correction of the exchange rate for retail funds, which usually achieve a high ESG score. ASR PF aims to obtain a listed real estate ESG-score of 75 and coverage ratio 95% in 2022.

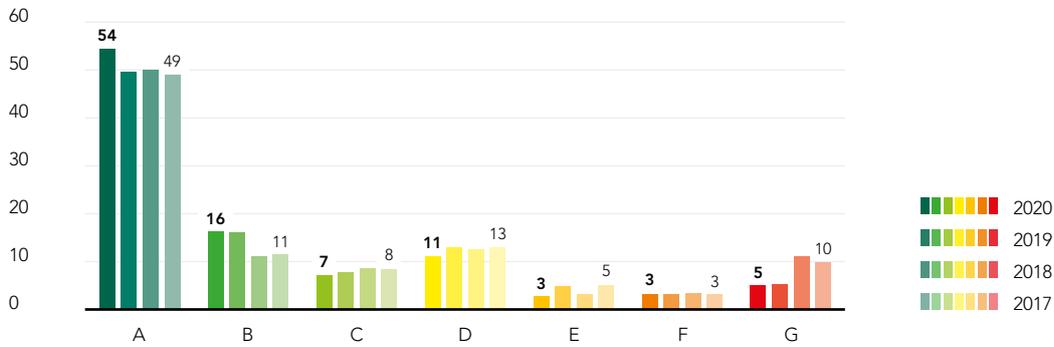
ASR DCRF – Objective: Average Energy Index 1.15 in 2022

Percentage



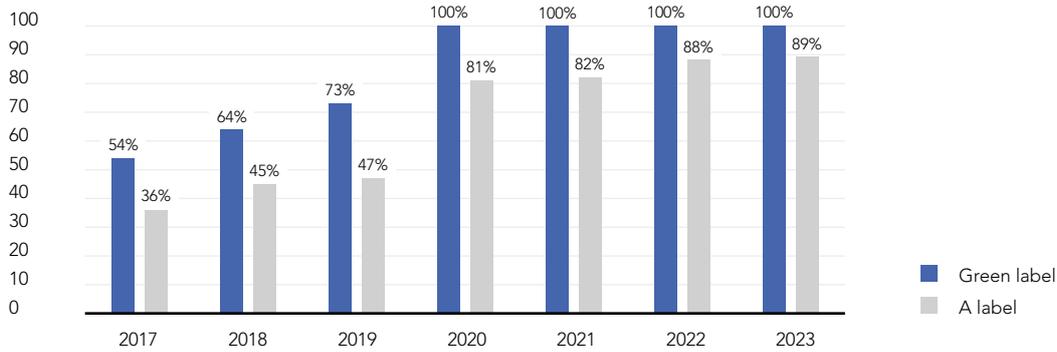
ASR DPRF – Objective: Over 80% of the portfolio will have a Green Label in 2022

Percentage



ASR DMOF – Objective: Energy label A for 80% of the portfolio in 2022

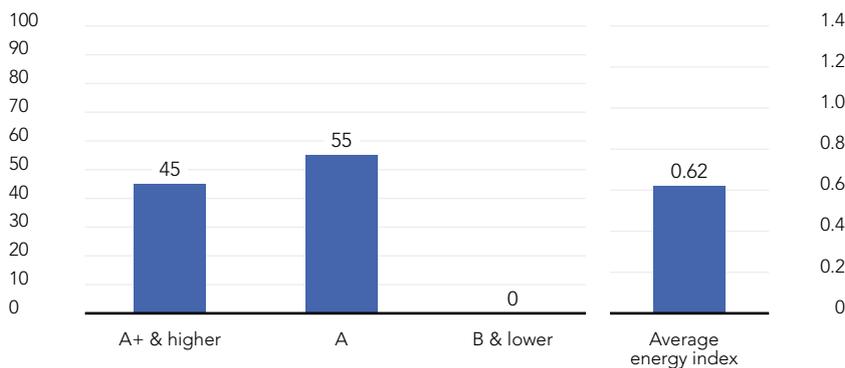
Percentage

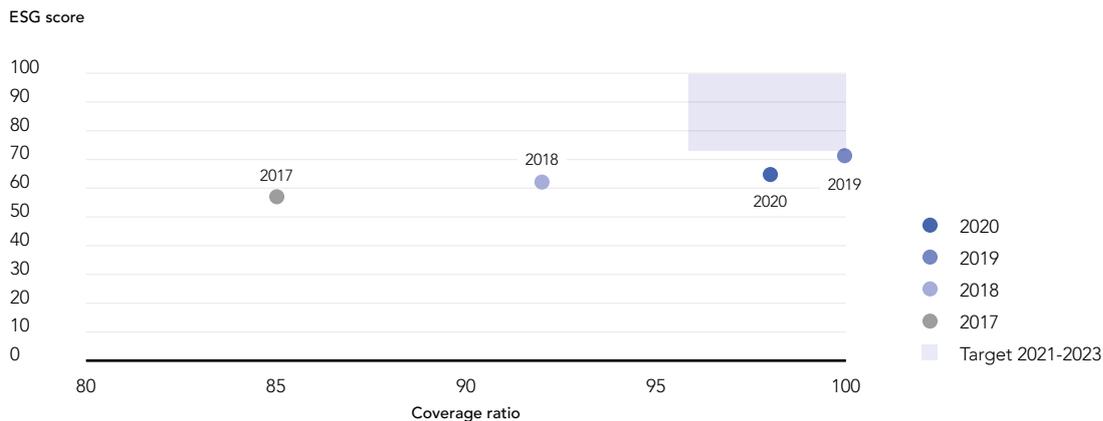


ASR DSPF - Results as at year-end 2020: Energy Index & Energy label

Percentage

Energy index



ASR PF – Objective: Listed real estate ESG-score 75 and coverage ratio 95% in 2022**2. Rural Real Estate****Sustainable soil management and forestry**

In 2020 the 1.0 version of the Open Soil Index (OSI) is delivered to the soil coalition consisting of Rabobank, Vitens and a.s.r. In the fourth quarter of 2020, a pilot was started with a core group of 30 dairy and arable farmers to gain experience from an agricultural perspective to further improve and rollout the OSI.

Forestry

A significant number of forest managers acknowledge the need to develop climate resilience action plans. Therefore our stewards assigned 'De Bosgroep' to develop a climate(action)plan for rural real estate asset 'De Utrecht'. The goal is to develop an integrated climate plan for forest and nature management. Within a.s.r. 'De Utrecht' has a pioneering role.

If successful, the climate plan can be applied to other forest and nature estates of a.s.r., and will be shared among other interested parties, too. The integrality of the plan is expressed by the various aspects related to climate change:

1. Climate mitigation: options for capturing more CO₂ in forest and nature areas;
2. Climate adaptation: adaptability of forest and nature management to be resilient to the effects of climate change;
3. Biodiversity: biodiversity is under pressure due to climate change, but biodiversity is also a key factor in increasing resilience to climate change.

Asbestos safety

a.s.r. real estate will not be legally required to make its rural real estate portfolio ambition to make 100% of the portfolio asbestos-safe at the end of 2021. At the end of this year 91% of the real estate rural portfolio is asbestos-safe. The target of 100% asbestos-safe is not achieved, mainly due to the monumental status of the objects.

Farmland related growth

An important aspect of the debate on intensive farming is the extent to which it is soil-aware, particularly in cases where a farmer uses an extensive area of land for livestock and manure. There are some situations in which it is difficult or impossible to practice soil-aware farming. a.s.r. real estate is developing sustainable ground lease agreements that contain green clauses to help sustainability-aware entrepreneurs to achieve their business plans.

In 2020 a.s.r. real estate launched a new ground lease product (young farmers' groundlease). This is a customized product, including a green clause and participation in the OSI, which makes it possible for young farmers to lease farmland in a responsible manner.

Objective: Improve the environmental efficiency of standing investments

a.s.r. real estate is constantly focusing on optimising the energy-efficiency of its portfolio. Energy-saving measures include LED lighting, high-efficiency boilers, sustainable facades, HR+ glass, solar panels, water saving sanitation systems and sedum roofs. If possible, sustainability improvements are linked to multi-year maintenance programmes to ensure employees and partners are aware of the importance of using sustainable materials and working methods. The initiatives below illustrate a.s.r. real estate's last year improvements:

- By the end of 2020, 56% of the portfolio's energy-saving measures were implemented by ASR DCRF. Therefore the Fund is well on track to reach its 60% objective in 2022.
- ASR DPRF has improved environmental efficiency in 2020 by insulating and optimizing multiple roofs, and extending a pilot scheme considering remote monitoring of water consumption. Furthermore, the Fund commissioned consultancy firm 'Groene Grachten' to draw up sustainability recommendations considering monumental retail outlets in Amsterdam.
- The portfolio of ASR DMOF has been assessed to identify green solutions and the Fund has identified how sustainable improvements can be made in day-to-day management. In 2020, the Fund monitored the energy use of all buildings in the portfolio, and started using this information to improve the energy efficiency of the buildings. Furthermore, smart leak detection meters were placed in all buildings. Due to the corona pandemic, ASR DMOF also increased the focus on user wellbeing.
- In 2020 LED lighting was installed by ASR DSPF's tenant in the Exact building, in an effort to reduce energy consumption, and during the recent renovation of The Gallery a wide range of sustainability measures was taken by the Fund. The Fund aims for all new properties to be CO₂-neutral. New properties will not be connected to the natural gas grid and will be heated through either an all-electric system or connection to an alternative sustainable source.
- Furthermore, a.s.r. real estate is constantly working on investigating and implementing new developments and applications, such as solar parks, the circular economy, transforming unused spaces and/or buildings, facilitating electric bicycle and car services, energy-neutral dwellings, charging points for electric cars, and focusing on greenery and biodiversity.

Objective: Obtain Green Building Certificates

a.s.r. real estate believes that sustainable property is not just about energy-efficiency. Therefore, in addition to the portfolio's energy label certification, a.s.r. real aims to improve the sustainability of its buildings even further by focusing on achieving Green Building Certificates (including BREEAM, DGBC Woonmerk, GPR and WELL).

The Company has made real progress in obtaining Green Building Certificates and thus exceeded its objectives for 2020.

Green Building Certificates		
Fund	Objective 2022	Result 2020
ASR DCRF	Obtain Green Building Certificates for 100% of the portfolio	27.5%
ASR DPRF	BREEAM Very Good or higher for all new building and developments and BREEAM In-Use for all wholly owned district shopping centres	Four new certificates: Vleuterweide (Vleuten, Good), Vianen (Good), 'T Hoge Veen (Leidschenveen, Good) and Vathorst (Amersfoort, Very Good).
ASR DMOF	Green Building Certificate for 30% of the portfolio	100% of buildings in operation have received BREEAM certificate (Daalsesingel building will receive its certificate after its renovation in 2021)
ASR DSPF	n/a	38% BREEAM-NL Excellent or comparable

Objective: Explore possibilities Impact Investing

In 2020 ASR DCRF and ASR DSPF have, as part of their yearly strategy cycles, critically assessed their ability to make a societal impact. As a result, both funds have expanded their fund strategies with clearly defined and accredited impact investment strategies. The Funds' impact investment strategies and goals align with the INREV and Global Impact Investing Network (GIIN) standards for impact investing:

a.s.r. real estate's definition of Impact investing is based on the Global Impact Investing Network (GIIN) definition, and aligns with the INREV definition, adding up to:

'[real estate] investments made with the intention to generate positive social and environmental impact alongside a financial return'

According to this definition, impact investments should encompass the following key elements:

- **Intentionality:** The intention to have a positive social or environmental impact through investments;
- **Measurability:** The commitment to measure and report the social and environmental performance and progress of underlying investments, ensuring transparency and accountability;
- **Additionality:** A positive impact which would not have occurred without the investment.

- ASR DCRF - Affordable Housing

The focus of the Fund is on affordable housing in the non-regulated rental sector, which means a focus on the mid-priced rental segment. This segment is distinguished by monthly rents between € 737 and € 1,250. In 2020, 216 affordable dwellings have been added to the Portfolio of ASR DCRF.

- ASR DSPF - Science Park Ecosystems

ASR DSPF strives to make a positive and measurable impact on the quality of science park ecosystems in the Netherlands by investing in real estate for the broad range of functions which are needed for science park ecosystems to thrive. The Fund aims to at least invest 50% of its Portfolio in real estate which makes a defined impact on its local ecosystem. As at 31 December 2020 73% of the Fund's Portfolio fits the determined criteria.

Impact Investments a.s.r. real estate

Fund	Impact theme	AuM as at Q4 2020
ASR DCRF	Affordable Housing	€ 65m ¹⁾
ASR DSPF	Science Park Ecosystems	€ 49m
Total		€ 114m

1) ASR DCRF made a total of € 65m impact investments in 2020. € 36m concerns the impact investments for own account of a.s.r.

GRESB - Five stars for ASR DCRF

ASR Dutch Core Residential Fund further improved its Global Real Estate Sustainability Benchmark rating in 2020 to five stars (the maximum number of stars). This puts the Fund into the top 20% of best performing GRESB funds worldwide. With this rating, the Fund achieved an above average score and ended sixth in its peer group (6 out of 9 instead of 8 out of 16 in 2019). The 2020 GRESB score remains 84 (out of 100 points). Due to a change in the rating system, the 2020 score is 84 instead of 87 (based on the old system).

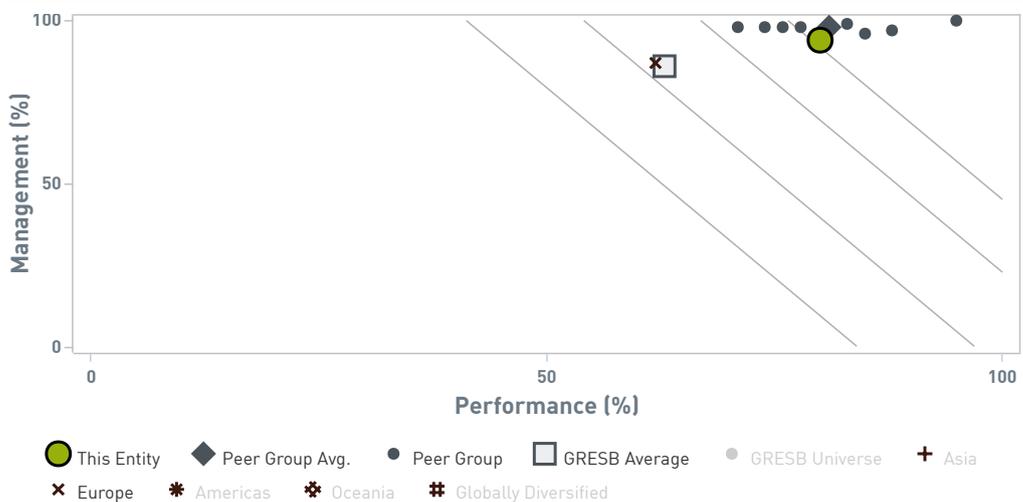
The improved GRESB rating is mainly achieved by the Fund’s continuing commitment to large-scale renovation of its portfolio assets (bricks), structured data monitoring and the Fund’s focus on tenant engagement (incentivizing tenant behaviour). In addition the Fund’s implementation of the new DGBC’s Green Building Certification Scheme and water- and energy-saving measures significantly contributed to the improved score.

The outperformance on both Management and Performance (scoring 28 out of 30 and 56 out of 70 respectively) demonstrates the Fund’s high-quality sustainability governance. These scores were achieved, among other things, through detailed policies and procedures, as well as through improved insight into environmental performance and a reduced carbon footprint.

GRESB score



GRESB Model



GRESB - Four stars for ASR DPRF

ASR DPRF took part in the GRESB Assessment for the ninth consecutive time, increasing its score to 78 out of 100 points (2019: 76 out of 100) and gained one star and therefore achieved a four-star rating.

The Fund is outperforming the GRESB average (70) but is underperforming the peer average (86). The Fund scored 28/30 points for 'Management' and 49/70 points for 'Performance'.

Improvements in measurement and stakeholder engagement

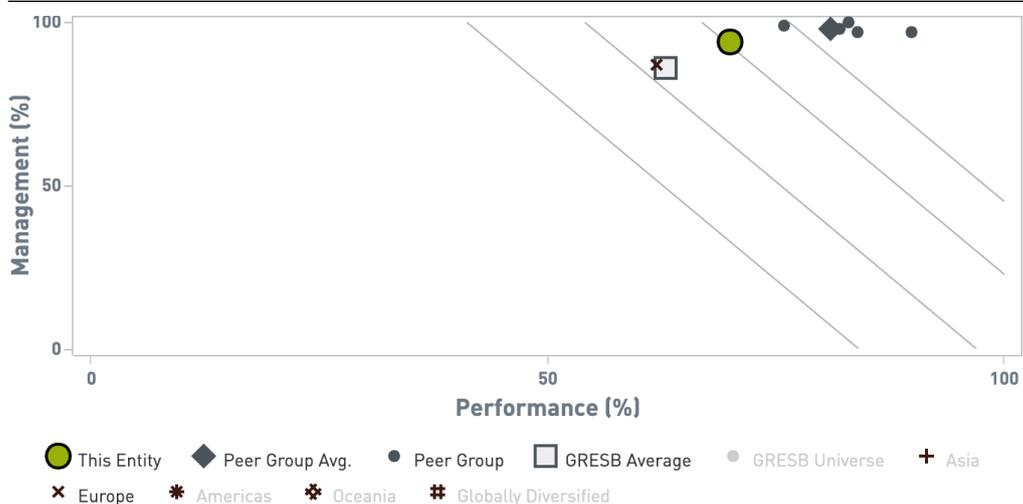
- The Fund performed particularly well on the Management indicators with a very high score of 28 out of 30. This demonstrates the ambitious objectives that the Fund has set itself through its sustainability policies and the quality of the policy and disclosure of sustainability targets and performances.
- The Fund outperformed the retail benchmark on the Stakeholder Engagement, Risk Management and GHG emissions aspects. The latter is impressive considering its high degree of exposure to high street assets which perform less well for standard environmental aspects, such as EPA-labels and BREEAM coverage.

Main focus areas for improvement are Monitoring & EMS and performance indicators. Monitoring & EMS will be improved in the upcoming years by assigning Cushman & Wakefield for the monitoring and verification of energy, GHG, water and waste collection data. Performance indicators should increase as a result of better energy consumption monitoring and the installed PV-panels by means of investing with impact in the portfolio. This should lower the GHG emissions and increase the performance indicator score of the Fund.

GRESB score



GRESB Model



GRESB - Five stars for ASR DMOF

A 9% increase in the GRESB score

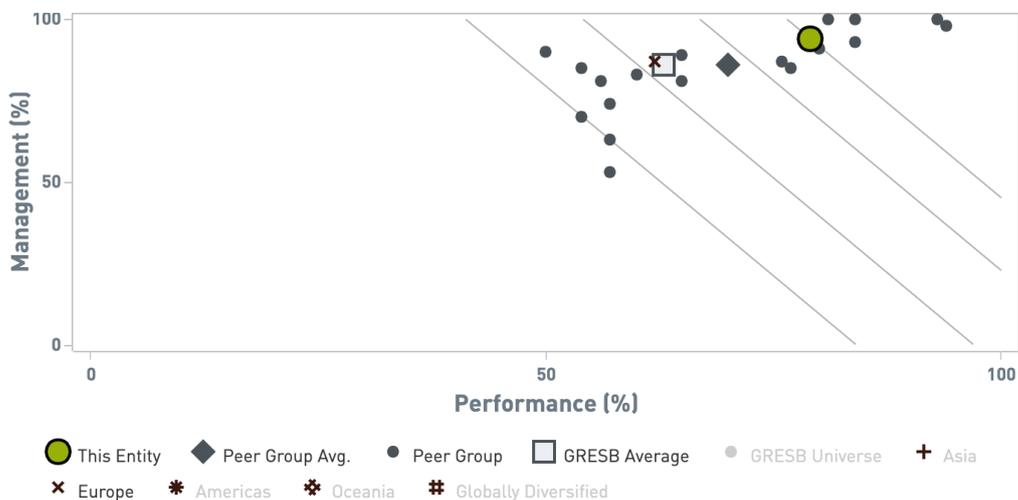
ASR DMOF participated in the GRESB Survey for the third time in 2020. The Fund scored 84 out of 100 points in 2020 compared to 77 last year and achieved a five-star (out of five) rating compared to a three-star rating in 2019, placing the fund in the top 20% of global participants. The Fund has again outperformed both the GRESB average (70) and the peer group average (75). The Fund scored 94 points for 'Management' and 79 points for 'Performance'. The Fund obtained a higher score mainly due to improvement of three aspects. Firstly, the Fund improved involvement with stakeholders as tenant engagement programmes improve. Secondly, the score for performance indicators has improved as ASR DMOF improved coverage and performance on energy consumption, greenhouse emissions, water and waste management. Finally, ASR DMOF increased the coverage of buildings with a couple of BREEAM certificates.

The focus in 2021 in order to obtain an even higher GRESB score will be on improving data coverage and risk assessments. Within risks Assessments, the score could be improved by enhancing the technical assessment of existing buildings. The focus has been on energy efficiency, but the Fund will now also look more into water, waste management and well-being.

GRESB score



GRESB Model



2



Partners

Strategic objectives

- Long-term relationships and specific agreements regarding sustainability
- Average tenant satisfaction rating of at least 7 out of 10
- Invest in CSR partnerships

The role of the partners of a.s.r. real estate is essential to achieve its CSR targets. a.s.r. real estate requires its partners to actively implement CSR policies. Together with a.s.r. real estate, the partners form a chain in which each link plays an important role in achieving the best possible teamwork and sustainable results.

Objective: Long-term relationships and specific agreements regarding sustainability

a.s.r. real estate regards the need for long-term relationships with all its stakeholders as self-evident. The Funds take pride in working for the long-term benefit of their investors, but the Company also makes long-term agreements with its tenants, leaseholders, suppliers and other partners. This creates certainty, enhances the quality of the supplier's services and allows a.s.r. real estate to make clear agreements when it comes to sustainability measures.

Both external and internal documents provide for CSR checks and goals, which are continuously updated.

Investors

The Funds' investors have generally been involved with a.s.r. real estate for many years. It goes without saying that a.s.r. real estate ensures openness and transparency in all its dealings with investors. The Company informs its investors in the Three Year Business Plans and in the Annual and Quarterly Reports. Furthermore, a.s.r. real estate seeks to involve them in important decisions that affect the assets, stakeholders and their surroundings. As far as ESG issues are concerned, the Funds ask the Meeting of Investors – through its Three Year Business Plan (updated annually) – to approve the Funds' CSR policies every year. In addition, the Funds provide investors with detailed insight into the sustainability performance through participation in GRESB, and in the form of newsletters and the Fund's Annual and Quarterly Reports.

Tenants and leaseholders

a.s.r. real estate seeks to ensure that its tenants and leaseholders are involved, aware and satisfied. In addition to being well-informed and involved in making properties more sustainable, a.s.r. real estate also wants them to have a positive impact on energy reduction and sustainable land use through the practices that they adopt. a.s.r. real estate is convinced that sustainable practices are as important as sustainable, energy-efficient real estate. In addition, a.s.r. real estate likes to receive input from its tenants in order to use their knowledge and experience to meet their needs better. To this end, a.s.r. real estate holds periodic consultations with majortenants and leaseholders (such as farmers, retailers and office tenants). CSR is a standing item on the agenda of these meetings. a.s.r. real estate also has a strong focus on concluding Green Leases for its commercial tenants and educating residential tenants by distributing sustainable living information packages to all new tenants and sending a yearly CSR newsletter. a.s.r. real estate's focus on tenant participation is set to continue in the years to come.

Partners in management, maintenance and (re)development

In all work carried out in relation to managing, maintaining and (re)developing a.s.r. real estate's properties, the Company aims to work with suppliers who are committed to sustainability and contractors that share its beliefs and values. This means that a.s.r. real estate can be assured that sustainable building materials are being used, and that future operational costs and energy requirements have been fully considered.

In order to monitor CSR objectives on an ongoing basis, CSR is a standing item on the agenda of periodical meetings with external property managers and direct maintenance partners. In addition, there are guidelines for the Company's partners, and quantifiable sustainability targets are set out in agreements between parties. An independent party assesses maintenance teams in terms of sustainability during implementation.

During the maintenance process, a.s.r. real estate closely monitors whether the CSR policy is being respected in practice. All maintenance contracts with regular suppliers include sustainability requirements – concerning the monitoring of energy usage and advice on sustainability measures, for instance. Working with suppliers and contractors who not only aim for maximum profitability but also maximum efficiency helps a.s.r. real estate in meeting its CSR goals.

Improving knowledge and expanding the network

For a.s.r. real estate, improving and sharing its knowledge and expanding its network in the area of CSR is an important objective. Within the Company, involvement in and support for promoting CSR initiatives throughout the sector and society as a whole are at the forefront. For this reason, a.s.r. real estate is affiliated with several organizations (including IVBN, INREV, GRESB, DGBC, NEPROM, VOGON and RICS) and participates actively in a.s.r.'s sustainability working groups, IVBN, NEPROM and DGBC. a.s.r. real estate regularly shares its experience at congresses and other events.



NEPROM



Objective: Average tenant satisfaction rating of at least 7 out of 10

a.s.r. real estate's tenants are very important partners and as such, a.s.r. real estate wants them to be involved, aware and satisfied. The Funds carry out periodic satisfaction surveys among their tenants and the Rural Real Estate business line does the same among its leaseholders. a.s.r. real estate aims to achieve an average customer satisfaction rating of at least 7.0 out of 10.

The results of the last surveys showed that the average rating achieved was 7.2, meaning that a.s.r. real estate met its target. ASR DCRF, ASR DPRF, ASR DMOF and ASR DSPF have met their individual targets. The Rural Real Estate business line has an average rating of 7.4 out of 10, just below the Fund's objective of 7.5.

Tenant satisfaction survey

	Rating	Objective	Last survey	Response rate	Research company	Share of portfolio
ASR DCRF	7.0	7.0	2020	39%	Customeyes	29%
ASR DPRF	7.0	7.0	2018	88%	Keepfactor	35%
ASR DMOF	7.3	7.0	2020	84%	Keepfactor	84%
ASR DSPF	7.3	7.0	2020	55%	Keepfactor	54%
Rural Real Estate	7.4	7.5	2020	30%	Customeyes	25%
Final rate	7.2					

Objective: Invest in CSR partnerships

a.s.r. real estate believes that actively cooperating with stakeholders is an effective way of making a positive impact on society and the environment. Therefore a.s.r. real estate will continue working with its CSR partners. Goal is to establish at least one new CSR partner each year.

2020: Working Group Biodiversity

a.s.r. real estate has an active membership within the Working Group Biodiversity, which was set up under the auspices of 'The Sustainable Finance Platform'. The Platform released the report 'Biodiversity: Opportunities and Risks for the Financial Sector', which is the result of the deliberations of Working Group. Collaborators are Actiam, APG, ASN Bank, a.s.r., FMO, Rabobank, Robeco, the Ministry of Agriculture, Nature and Food Quality and Erasmus University Rotterdam. It is sponsored by NWB Bank.

The Sustainable Finance Platform is a cooperative venture of the Dutch Central Bank (DNB) (chair), the Dutch Banking Association, the Dutch Association of Insurers, the Federation of the Dutch Pension Funds, the Dutch Fund and Asset Management Association, Invest-NL, the Netherlands Authority for the Financial Markets, the Ministry of Finance, the Ministry of Economic Affairs and Climate, and the Sustainable Finance Lab.

2020: Zonneplan

ASR DCRF has started a partnership with Zonneplan to install PV panels on single-family houses in the hold portfolio. The first project started in the spring of 2020 in De Meern. ASR DCRF pays for the installation of the PV panels. In return ASR DCRF increases the rent by half of the expected savings, rewarding the tenant with half of the result of the savings on the energy bill. This approach has led to positive results, with 60% of the tenants agreeing to participate. After this successful first project, the Fund decided to extend the roll out to the remaining single-family houses in the standing investment portfolio, starting in De Reeshof in Tilburg in the autumn of 2020. About 160 households in De Meern and Tilburg participated in this project.

2020: Iwell

ASR DCRF has signed a lease contract with Iwell and installed the Iwell system in four apartment buildings (in Nieuwegein, Utrecht and Amersfoort) in December 2020. Iwell's battery system stores sustainably generated electricity and can be connected to solar panels. This reduces the load on the energy network and, by reducing the peak load, a smaller grid connection can be used. In 2021 the system will be installed in another five buildings of ASR DCRF, and other a.s.r. real estate funds are exploring possibilities to install the Iwell system.

2019: TU Delft

In 2019, ASR DSPF entered into a cooperative agreement with TU Delft. In this ground-breaking public-private partnership, the university continues to focus on its core tasks (education, research and valorisation) and its associated real estate, while ASR DSPF focuses on commercial real estate falling outside the university's scope. This partnership has led directly to three of the Fund's acquisitions, accomplished under favourable conditions.

2019: Ahold

Solar panels on roofs Albert Heijn supermarkets

In 2019, a.s.r. real estate has signed five rental agreement with Albert Heijn on behalf of ASR DPRF in order to generate renewable energy using solar panels. In the spring of 2020 solar panels will be installed in the roofs of Albert Heijn supermarkets.

Paris Proof

Ahold and a.s.r. real estate made a renovation plan according to Paris Proof goals for the Pottenbakkerssingel shopping centre in Middelburg. These goals have been set by the Dutch Green Building Council (DGBC) to make sure that the built environment meets the requirements of the Paris Climate Agreement. As a result, energy consumption is expected to be reduced from 345 kWh per sq. m. to 138 kWh per sq. m.

2019: De Gezonde Stad

The permit process for the project with vegetable gardens ('moestuinen') at Zeeburgereiland in Amsterdam has been completed. The ground works are planned in the first quarter of 2020, so the first crop festival will be organised in the second quarter of 2020. a.s.r. real estate was one the initiators of this project. The Fund is the owner of the Beacons property at Zeeburgereiland.

2019: ABN AMRO

ASR DMOF and ASR DPRF have entered into negotiations with ABN Amro with regard to a Green Loan clause. A Green Loan, like a Green Lease, relates to a clause in the Term Sheet Agreement –not Loan Management Agreement -for certain Green KPIs resulting in a small discount or premium on the margin. If the Funds pass some or all KPIs, the margin will be lower than currently anticipated, but if it fails to meet most KPIs, the margin will be slightly higher.

2018: Rabobank and Vitens

a.s.r. real estate is part of a charter coalition with Vitens and Rabobank. The objective of the coalition partners is to develop a tool that can assess soil on three aspects: structure, biology and chemistry. The aim of this dynamic soil index is to give farmers insight into their soil conditions and provide them with practical, scientifically based information in order to improve their soil.

Alignment with sustainability guidelines

a.s.r. real estate's CSR policy is aligned with important guidelines set by reputable organizations:

UN Principles for Responsible Investment:

- a.s.r. obtained a UN PRI A+ rating for its Strategy and Governance and an A rating for its properties.

UN Global Compact:

- a.s.r. signed 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.

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

- The Funds are set up in conformity with the INREV Guidelines;
- The Funds are 100% compliant with the INREV Sustainability Reporting Module.

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 (sustainability is one of these topics).

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.

UN Sustainable Development Goals (UN SDGs):

- The UN SDGs selected by a.s.r. as well as a.s.r. real estate are an integral part of the CSR policy.

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 a Paris Proof portfolio.

SFDR:

- a.s.r. real estate adheres to the EU Sustainable Finance Disclosure Regulation (SFDR) as of 2021, and thus ensures transparency in relation to sustainability risks and the consideration of adverse sustainability impacts in the investment processes.

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.

Finance for Biodiversity Pledge:

- a.s.r. has 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.



3



Planet

Strategic objectives

- Monitor and improve environmental performance
- Generate renewable energy
- Helping by taking action
- Invest in local neighborhoods
- Monitor effects of climate change

Planet represents the contribution made by a.s.r. real estate to nature, society and the environment. In the Netherlands, real estate is responsible for over 35% of CO₂ emission. As such, the Company considers it its duty to work actively towards a smaller environmental footprint by improving energy efficiency, lowering CO₂ emission and reducing waste and water consumption.

In September 2020, a.s.r. real estate signed the Paris Proof Commitment of the Dutch Green Building Council to showcase its dedication to achieving a carbon-neutral portfolio by 2050.

Objective: Monitor and improve environmental performance

a.s.r. real estate aims to reduce its energy consumption and CO₂ emissions. This process goes hand-in-hand with gaining more insight in the environmental performance of the portfolios.

Monitoring

All gas and electricity meters for the general systems in a.s.r. real estate's buildings can be read remotely and have been integrated into a.s.r. real estate's online data management system (DMS). Water consumption and waste production have also been logged and dozens of smart water meters are implemented. This enables a.s.r. real estate to monitor the portfolio's performance of the general systems very closely and to take active steps to reduce in a controlled manner. Besides, a.s.r. real estate is making a great effort to gain an optimal insight in the performance of its tenant spaces by collecting data of its tenants and grid operators.

Carbon footprint

All real estate Funds have energy and CO₂ intensity objectives in place to work towards a zero emission portfolio in 2050. These are measured by absolute energy and CO₂ intensity ratios per sq.m.

As per 31 December 2020 Rural Real Estate's greenhouse gas emissions (GHG), mainly CO₂ from farmland operation and methane from husbandry, is totaled to 239,000 tons CO₂-eq.

Real estate

	Year	Energy		CO ₂		Data coverage
		Total energy consumption (kWh - absolute)	Energy intensity (kWh/sq.m. - absolute)	Total CO ₂ emissions (kg CO ₂ - absolute)	CO ₂ intensity (kg CO ₂ /sq.m. - absolute)	
ASR DCRF	2019	47,067,915	110	10,412,135	23	80%
	2020	47,246,611	109	10,104,449	22	84%
ASR DPRF	2019	54,353,313	165	12,278,446	45	73%
	2020	47,017,977	163	11,604,671	43	67%
ASR DMOF	2019	24,410,407	152	1,369,584	9	100%
	2020	21,821,200	136	1,301,231	8	100%
ASR DSPF	2019	366,339	34	175,843	16	100%
	2020	2,297,145	107	536,600	25	100%
Other	2019	401,707	n/a	132,472	n/a	n/a
	2020	7,386,467	90	91,837	4	94%

Rural real estate

	Year	CO ₂ emission (tons CO ₂ -eq)	CO ₂ uptake (tons CO ₂ -eq)	CO ₂ footprint (tons CO ₂ -eq)	Data coverage
Rural real estate	2020	271,000	32,000	239,000	100%

Objective: Generate renewable energy

Alongside its determined efforts to reduce energy consumption, a.s.r. real estate maintains a firm focus on increasing the renewable energy generated on-site. Since its portfolios encompass both farmland and the built environment, a.s.r. real estate is in an interesting position to contribute to the Dutch energy transition. Last years, a.s.r. real estate already realized over 10,000 solar panels within its real estate portfolio.

The farmland held by a.s.r. real estate opens the door to a whole range of commonly used land-based renewable energy sources, from wind and solar to tidal and geothermal. In 2017, a.s.r. real estate decided to allow its farmland to be used for the construction of solar energy installations. In 2018, the first farmland locations were put at the disposal of developers, signaling the launch of development procedures for solar parks. In 2019 and 2020 the first permits and SDE+ subsidies were granted for solar park projects. As per 31 December 2020 a.s.r. real estate has made approximately 400 hectares farmland (7 locations) available for the realization of solar parks. The construction of the first three solar parks is expected in 2021.

Meanwhile, a.s.r. real estate has investigated and evaluated sustainable mobility solutions, for commercial tenants as well as residential tenants. Examples of sustainable mobility projects are locating mobility hubs in assets, and increasing the amount of electric car charging stations.

PV panels

	Q4 2020
ASR DCRF	5,175
ASR DPRF	3,802
ASR DMOF	704
ASR DSPF	830
Rural Real Estate	-
Total	10,511

Objective: Helping by taking action

a.s.r.'s motto is 'helping by taking action'. But a.s.r.'s contribution to nature and society consists not only of monetary value; a.s.r. also tries to help others directly. The a.s.r. Schools Challenge, the Financial literacy workshops and the social partnership with Feyenoord football club are all recent examples of this. Volunteer work also falls into this category and every a.s.r. employee may devote one day each year to this. Many employees also contribute to the a.s.r. Schools Challenge, the Money Week or the National Reading Breakfast, and perform voluntary management duties on a.s.r. real estate's own estates. In 2020, 36 employees of a.s.r. real estate participated in four different projects.

Objective: Invest in local neighborhoods

a.s.r. real estate believes it is important that the areas where it manages property remain attractive and healthy places to work, shop, recreate and live. Therefore budget is set aside to invest in neighbourhood facilities and green spaces, such as green roofs, playgrounds, hiking trails, 'tiny forests' and other enhancements.

- In 2020, the "a.s.r." bench was invented: a place where people can meet and interact, accompanied by the text "every meeting is a new beginning". Loneliness is an increasing problem in today's society. ASR DCRF installed benches in Prinsenbeek and IJmuiden in 2020, and more benches around residential properties will follow.
- ASR DCRF has studied the portfolio to select white spots with regard to AED placement, and installed AEDs in apartment buildings in full ownership during the fourth quarter of 2020. In case of heart attack, the chance of survival is greatly increased if there are people on site within six minutes who start CPR and use an AED.
- As a manager of shopping centres, ASR DPRF has taken the responsibility to implement several safety measures to reduce health risks caused by the coronavirus. Warning signs have been put up, safe walking routes have been marked and vending machines with disinfectant soap have been installed.
- For a month, ASR DPRF supported MAPA (Moving Academy of Performing Arts) in organising a number of performances on a floor of the building Grote Houtstraat 70 (Haarlem). The performances highlighted the connection between the empty department store and current period of coronavirus measures and reached a wide audience. This helped keep the inner cities attractive, even at a time of relatively high vacancy and limited cultural performances.
- a.s.r. real estate possesses 16 rural estates of which nine have an official status. As a.s.r. real estate finds it important that visitors are able to recreate in and appreciate nature, these rural estates are open for public. As soon as a.s.r. real estate becomes owner of the rural estate, the stewards responsible for the estate will create landscape design in close cooperation with all stakeholders with respect to the historical aspects on the one hand, but will also take into account new developments. The latest landscape design was created for rural estate "Junne". The design phase was started in 2019 and further developed in 2020.

Objective: Monitor effects of climate change

Climate change has become one of the most important CSR-topics within a.s.r. real estate. The built environment has an impact on global climate change through the development of real estate, the operational management of properties, and the removal of assets from the real estate stock. However, climate change can also affect management of the built environment through natural disasters, rising sea levels, and air or soil pollution, to give some examples. Insight into the adverse effects of climate change is vital in order to respond to the impact which it is already having, while at the same time preparing for its future effects.

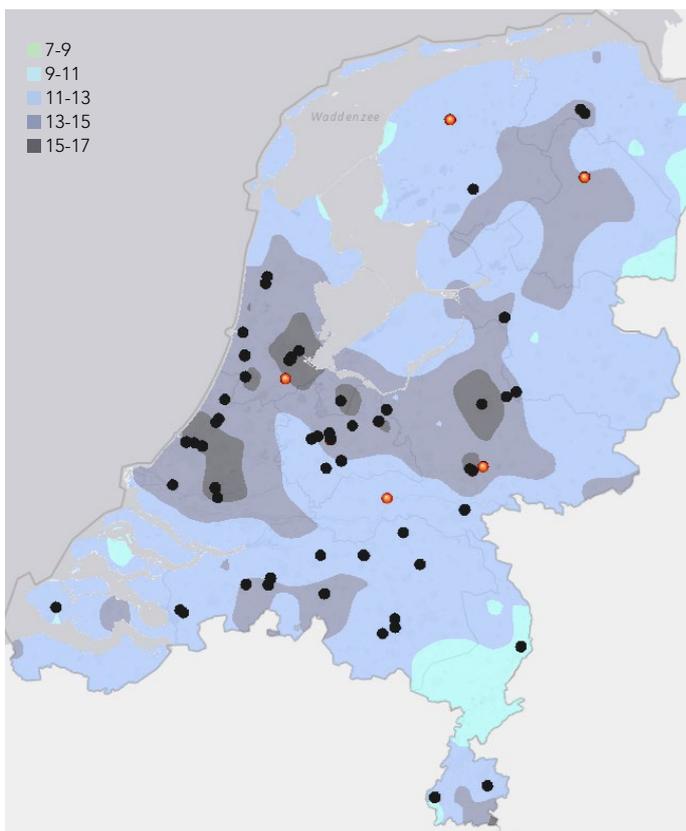
In 2020, the Company carried out further investigation to see which effects might apply to the portfolio and how urgently they require action. A lot of extra data was collected and the number of 'GIS' (Geographic Information System) maps was expanded. These maps offer a lot of information on regional differences, developments and forecasts. a.s.r. real estate also started to develop a climate adaptation strategy.

The Company has determined four types of risk, potentially affecting the built environment (and, by extension, our properties): extreme weather, drought, heat and flooding. The Company closely monitors these climate effects and risks as part of its commitment to managing a future-proof portfolio. These effects and risks are incorporated in several internal documents, strategies, processes and reports.

To be able to adapt to the risks of climate change, each fund has incorporated dedicated climate adaptation objectives into their strategies. As of 2021 these objectives will be the basis of the first steps towards a climate resilient real estate portfolio.

Example of a GIS map:

indication of days with >15 mm of precipitation in 2050, and the portfolio of ASR DPRF



United Nations Sustainable Development Goals (SDGs)

On 25 September 2015, 193 world leaders committed their nations to the 17 SDGs of the United Nations to enhance sustainable development at the global level. Between now and 2030, these goals will focus on eradicating global poverty and inequality, combating climate change and creating a prosperous and peaceful life for all. Not only governments but also companies like a.s.r. have a contribution to make in this context.

a.s.r. has categorised its contribution to the SDGs into four themes: sustainable insurer, sustainable investor, sustainable employer and social role. These themes have been included in a.s.r.'s annual report. a.s.r. real estate has also added a fifth theme in order to monitor its specific contribution to the SDGs from a real estate perspective: sustainable real estate investor. a.s.r. real estate actively contributes to the SDGs which are outlined below.



4



People

Strategic objectives

- Sound business practices
- Provide employees with opportunities for personal development
- Focus on employee's health and wellbeing
- Employee satisfaction rating >80%

The 'People' pillar concerns the employability, rights and physical and mental health of a.s.r. real estate's employees, and the development opportunities that are open to them. a.s.r. real estate aims to maintain the employability and satisfaction of its employees and invests continuously in its human capital. Another important aspect is raising awareness of sustainability issues among employees.

Objective: Sound business practices

For a.s.r. real estate, it goes without saying that corporate social responsibility can only be achieved by means of sound, transparent business practices.

a.s.r. real estate is required to be licensed for the financial services it provides in the field of collective and individual asset management. The AIFMD licence was granted in February 2015 by the Dutch authority AFM. In accordance with the AIFM Directive, 'Wet op het financieel toezicht' (Wft) and 'Besluit Gedragstoezicht financiële ondernemingen' (Bgfo), a.s.r. real estate has an appropriate risk management system in place to adequately recognise, measure, manage and monitor all relevant risks associated with the activities, processes and systems of the investment firm. a.s.r. real estate has a business risk management department who operates independently of the operational departments. Independence of business risk management is guaranteed by a hierarchical reporting line to the CFRO of a.s.r. real estate and escalation lines with the Director Risk Management (CRO) of a.s.r.

In addition, independence is guaranteed because the remuneration of risk management employees is not based on commercial objectives. a.s.r. real estate has set up and implemented its own ISAE Control Framework based on the key processes and key risks. This is annually coordinated with and tested by the external auditor. A Product Approval and Review Process (PARP) has also been set up in the context of financial services and the products of a.s.r. real estate. In addition, IT risks are managed in accordance with the Cobit standards of the Dutch central bank (DNB) and integrity risks are managed on the basis of DNB's SIRA (Systematic Integrity Risk Assessment). Each year, a risk self-assessment is conducted with the board of directors based on the company's objectives and the relevant strategic risks. Key policies are reviewed annually, addressing aspects such as conflicts of interest, incidents and outsourcing. Where necessary, existing controls are supplemented or changed.

Since 2020, risk management has been closely involved in the implementation and risk monitoring of new sustainability regulations in Europe. This concerns the implementation across the entire operational management of the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainable Finance Action Plan (SFAP) and the underlying Sustainable Finance Disclosure Regulation (SFDR). From 2021 onwards, risk management will implement the most important management measures for the sustainability objectives relating to the TCFD and SFDR in the risk control framework, so the external auditor can rely on this when drawing up the non-financial section for the annual accounts.

Objective: Provide employees with opportunities for personal development

The main focus of a.s.r.'s human resource management policy is the personal development of its employees in terms of professional expertise, competences and skills. 1% from annual salaries is devoted to training and development and 1% is devoted to sustainable employability. In 2020, 1.3% and 1.0% respectively of annual salaries were spent on these topics. A dedicated HR team provides guidance for employees who wish to take control of their own future by developing their talents, moving to another position (sustainable employability) or leaving a.s.r. altogether. 31% of a.s.r. real estate's employees were invited to participate in a.s.r. Nederland's Development Programme, where they were challenged and trained for future professional and personal growth.

Objective: Focus on employee's health and wellbeing

a.s.r. considers it important to help employees to remain mentally and physically fit and vital, especially during COVID-19. Awareness, prevention and guidance are three important instruments in this regard. a.s.r. provides a wide range of workshops and has a dedicated team to support the employees. It also devotes a lot of attention to a healthy office (or home office) and flexible working conditions. During COVID-19, a.s.r. asked employees to do a short online Mood Monitor survey every week to make sure it was assisting them as much as possible.

An important objective is to measure the health and well-being of a.s.r. departments by carrying out a four-yearly vitality scan. Key topics are stress, absentee rate, working ability, physical complaints and level of enthusiasm. Based on the outcomes, a customised vitality program will be drawn up. The last survey among a.s.r. real estate employees took place in 2018. The participation rate was 79% and a.s.r. real estate scored equal to or better than the Dutch average on six out of eight themes. With the program currently being conducted a.s.r. real estate hopes to improve topics on which it scored less well. The next survey will take place in 2022.

Objective: Employee satisfaction rating >80%

In 2020, a.s.r. real estate changed the employee satisfaction measuring method from 'Great Place To Work' to the 'Denison Scan'. Every year, a.s.r. real estate conducts the Denison Organizational Success Survey among all its employees. This survey measures the success of an organization on several dimensions, for example employee satisfaction, engagement and adaptability. The Denison Scan results are compared to a global benchmark of large organizations that use the Denison Survey. Following each survey, the results are analyzed and discussed intensively by the board, the internal Denison workforce and all business lines. Where necessary, steps are taken to improve a.s.r. real estate's standing as an excellent employer. In 2020, a.s.r. real estate scored 94/100 for employee satisfaction. The goal is to maintain this excellent score. The next survey will take place in 2021.

CSR goals 2021 -2023

From 2021 onwards, the Company will start projecting one-year goals, besides the usual three-year goals. This gives a better view of the achievements during the first year of the considered period. That way, it will be easier to plan the next steps and also offer the possibility of measuring results on an annual base. These sharp objectives can be found in the CSR policy documents of the respective funds.

Strategic objectives 2021-2023

Property	Partners	Planet	People
			
<p>Sustainable portfolio</p>	<p>Sustainable partners in long-term relationships</p>	<p>Contribution to environment and society</p>	<p>Sound business practices and healthy and satisfied employees</p>
<ul style="list-style-type: none"> • Increased energy efficiency • Investing in energy saving measures • Increased coverage Green Building Certificates • Investing with Impact 	<ul style="list-style-type: none"> • Increased number of partnership documents containing CSR requirements and goals • Average tenant satisfaction rating $\geq 7/10$ • Active tenant participation programme • 100% green leases for new commercial agreements 	<ul style="list-style-type: none"> • Design and execute Paris Proof roadmaps • Reduction of energy- and CO₂ intensity • Renewable energy: addition of PV panels • Local sustainability projects • Taking climate adaptation measures 	<ul style="list-style-type: none"> • Sound business practices (risk) • Personal development employees <ul style="list-style-type: none"> - Training - Sustainable employability • Focus on employee's health and wellbeing • Employee satisfaction rating Denison scan $\geq 94/100$

a.s.r.'s CSR goals

a.s.r. aspires to a leading role in the field of sustainable entrepreneurship within the financial sector. This is consistent with its social role. As part of a.s.r., a.s.r. real estate has defined five KPIs for the area of investment. These KPIs are goals based on a.s.r. real estate's CSR policy.

1. Rural portfolio 100% asbestos safe in 2020 (Property & Planet)

a.s.r. real estate believes that it has a responsibility to help reduce the presence of asbestos in its Dutch real estate portfolio. For the retail, office and residential portfolio, all high-risk and potentially high-risk applications of asbestos have been removed in recent years. As a result, this part of the portfolio is now completely asbestos-safe. In the rural portfolio's buildings, some is still present. By the end of 2020, 91% of the portfolio has been declared asbestos-safe. The target of 100% asbestos-safe is not achieved, mainly due to the monumental status of the considered objects.

2. Tenant satisfaction of at least 7.0 (Partners)

a.s.r. real estate's tenants are very important partners and as such, a.s.r. real estate wants them to be involved, aware and satisfied. The Funds carry out periodic satisfaction surveys among their tenants and the Rural Real Estate business line does the same among its leaseholders. The findings are processed by asset managers and, where applicable, discussed with the internal or external property managers. Both parties then formulate follow-up measures. a.s.r. real estate aims to achieve an average tenant satisfaction rating of at least 7 out of 10.

Tenant satisfaction survey

	Rating	Objective	Last survey	Response rate	Research company	Share of portfolio
ASR DCRF	7.0	7.0	2020	39%	Customeyes	29%
ASR DPRF	7.0	7.0	2018	88%	Keepfactor	35%
ASR DMOF	7.3	7.0	2020	84%	Keepfactor	84%
ASR DSPF	7.3	7.0	2020	55%	Keepfactor	54%
Rural Real Estate	7.4	7.5	2020	30%	Customeyes	25%
Final rate	7.2					

3. Obtain Green Building Certificates (Property)

a.s.r. real estate believes that sustainable property is not just about energy-efficiency. Therefore, in addition to the portfolio's energy label certification, a.s.r. real aims to improve the sustainability of its buildings even further by focusing on achieving Green Building Certificates (including BREEAM, DGBC Woonmerk, GPR and WELL).

The Company has made real progress in obtaining Green Building Certificates and thus exceeded its objectives for 2020.

Green Building Certificates

Fund	Objective	Result 2020
ASR DCRF	Obtain Green Building Certificates for 100% of the portfolio in 2022	27.5%
ASR DPRF	BREEAM Very Good or higher for all new building and developments and BREEAM In-Use for all wholly owned district shopping centres in 2022	Four new certificates: Vleuterweide (Vleuten, Good), Vianen (Good), 'T Hoge Veen (Leidschenveen, Good) and Vathorst (Amersfoort, Very Good).
ASR DMOF	Green Building Certificate for 30% of the portfolio	100% of buildings in operation have received BREEAM certificate (Daalsesingel building will receive its certificate after its renovation in 2021)
ASR DSPF		38% BREEAM-NL Excellent or comparable

4. Explore possibilities Impact investing (Property)

Although a.s.r. real estate has not been drafted as an impact investment manager, the Company has utilized 2020 to analyse how to 'invest with impact'.

ASR DCRF and ASR DSPF have, as part of their yearly strategy cycles, critically assessed their ability to make a societal impact. As a result, both funds have expanded their fund strategies with clearly defined and accredited impact investment strategies. The Funds' impact investment strategies and goals align with the INREV and Global Impact Investing Network (GIIN) standards for impact investing:

a.s.r. real estate's definition of Impact investing is based on the Global Impact Investing Network (GIIN) definition, and aligns with the INREV definition, adding up to:

'[real estate] investments made with the intention to generate positive social and environmental impact alongside a financial return'

According to this definition, impact investments should encompass the following key elements:

- **Intentionality:** The intention to have a positive social or environmental impact through investments;
- **Measurability:** The commitment to measure and report the social and environmental performance and progress of underlying investments, ensuring transparency and accountability;
- **Additionality:** A positive impact which would not have occurred without the investment.

For a more extensive elaboration on this theme, please see page 8

5. Measure carbon footprint portfolio (Planet)

a.s.r.'s objective is to have insight in the carbon footprint of at least 95% of all investments. As at Q4 2020, a.s.r. real estate has insight in 94% of its portfolio (for own account of a.s.r.). In the years to come, the Company will focus on increasing this percentage and decreasing the actual carbon footprint.

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