

CSR policy 2021-2023

a.s.r. real estate



Foreword

Hereby we present the 6th edition of corporate social responsibility (CSR) policy, our most ambitious publication so far. As a real estate investment manager, we acknowledge our large responsibility in contributing to livable and sustainable buildings, cities and communities. So far, the targets a.s.r. real estate has set, have led to major improvements on all scales. Nonetheless, we keep raising the bar. By investing in suitable and sustainable real estate, we aim to positively impact our built environment – for now, and for future generations.

At a.s.r. real estate we believe in generating perpetual value. We aim to achieve this through strong partnerships with our stakeholders. Together we are making targeted impact investments, accelerating the energy transition by generating renewable energy, and working towards a Paris Proof portfolio by 2050.

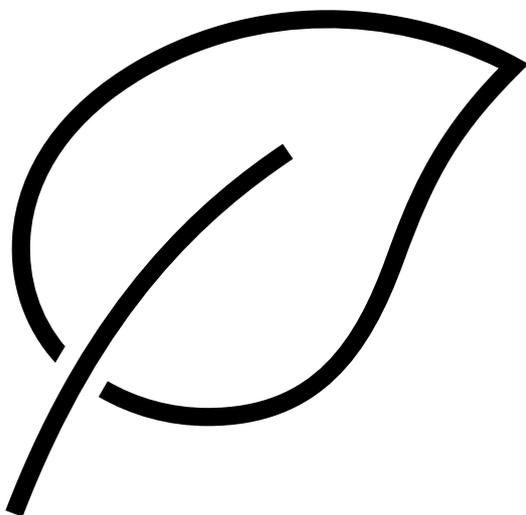
We take our societal impact very seriously, and broaden our scope beyond investing in sustainable property. On a yearly basis, we initiate tenant engagement projects, invest in neighborhoods and set goals for a more climate-adaptive environment. Our colleagues are encouraged to utilize their full potential - by training and offering attractive employability arrangements, we ensure everyone at a.s.r. real estate is fully engaged and aware of their own role in contributing to the CSR objectives.

By investing in suitable and sustainable real estate, we aim to positively impact our built environment – for now, and for future generations

We are confident that this CSR policy will enable us to actively contribute to a more sustainable and livable society.

Warm regards,

Dick Gort
ceo a.s.r. real estate



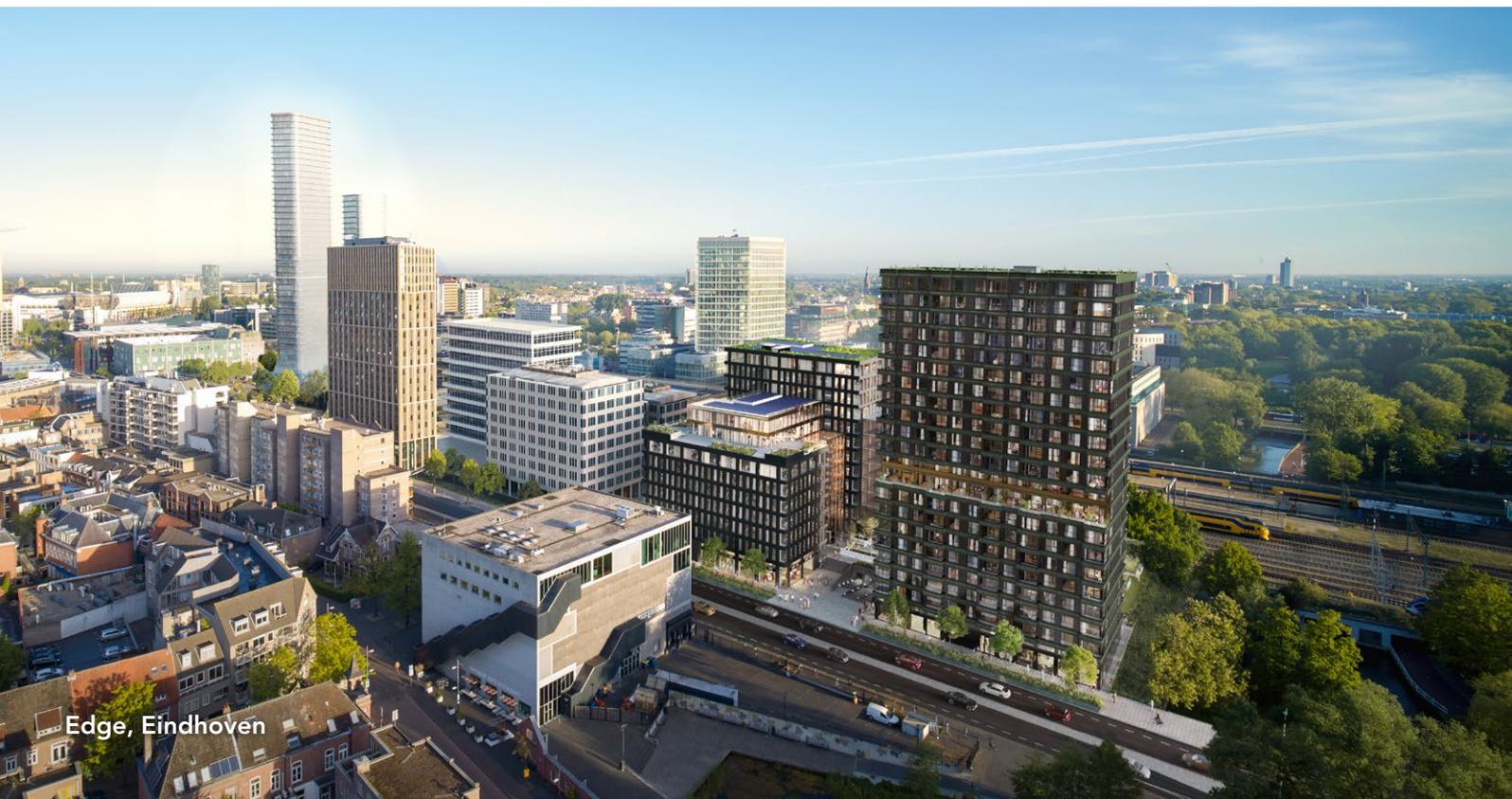
Introduction

The process of reducing carbon emissions and the energy transition in the Netherlands are progressing too slowly to help prevent the temperature of the planet from rising by two degrees. As a real estate investment manager with a long-term focus, a.s.r. real estate acknowledges that limiting the negative environmental impact of buildings and the agricultural sector can greatly contribute to a Paris Proof world. a.s.r. real estate has been committed to generating positive financial and societal returns. From a.s.r. real estate's perspective, it is not possible to guarantee sustainable returns if properties and land are not adequate to users for many years to come. Real estate needs to be appealing to retailers, businesses, scale-ups, rural leaseholders and householders, both now and over the long term.

This CSR policy forms the basis for the CSR policies of the Funds and business lines. ASR Dutch Core Residential Fund (ASR DCRF), ASR Dutch Prime Retail Fund (ASR DPRF), ASR Dutch Mobility Office Fund (ASR DMOF), ASR Dutch Science Park Fund (ASR DSPF), ASR Property Fund (ASR PF) and the Rural Real Estate business line have each drawn up their own CSR and Impact policies and objectives. Their respective visions are set out and translated into detailed objectives. These individual documents cover the different characteristics of the portfolios and the consequent wide variety of actions and measures that are required. However, all these policy documents tie in with a.s.r.'s overarching CSR strategy.

a.s.r. real estate critically assesses its own CSR strategy on a regular basis. As a result, sharpened ambitions are set each year. As of 2021, all real estate funds will develop Paris Proof roadmaps. New climate adaptation initiatives will evolve, supported by GIS. Furthermore, targeted impact investment strategies are launched, concretizing our societal impact.

This policy document, along with those of the Funds and the Rural Real Estate business line, can be found on the website of a.s.r. real estate. For more information on the CSR policy of a.s.r., please visit a.s.r.'s website.



Vision and Mission

a.s.r. real estate: over 125 years of experience in real estate investment

We have been investing in and managing real estate portfolios on behalf of institutional investors for 125 years. The history of our organization began in 1890 with the purchase of 'derelict lands' on the 'De Utrecht' estate in the Dutch province of Brabant. In the 19th century, we began investing insurance premiums in dwellings alongside our investments in rural real estate. Shops and offices were added in the 20th century. We are part of a.s.r., one of the largest listed insurance companies in the Netherlands.

Our Vision

Generating perpetual value for people and society

Being part of an insurance company, a.s.r. real estate has always had a responsibility to deliver long-term returns on invested assets. We are conscious that the money we invest has been put aside by people for their pensions and insurance cover, and this money is used to provide security to those people and to enable them to take responsible risks in their lives. That's why throughout our history we have consistently focused on the capital appreciation of land and real estate over the long term. Our current institutional investors, which include large pension funds, also appreciate this scope. For a number of years we have portrayed this vision as 'investing with perpetual value'.



Our Mission

Every day we work hard to create perpetual value for both our investors and for society at large. We are entrepreneurial and act social responsible. We invest in high-quality real estate.



Strategic objectives 2021-2023

The Company's vision of Corporate Social Responsibility (CSR) is to accommodate the interests of tenants and investors in the best possible way, by creating and maintaining a portfolio that has long-term value from both a financial and a social perspective, and to achieve this in a sound and responsible manner with engaged and aware partners and employees. To work towards these goals, each year the Company develops a strategic Corporate Social Responsibility (CSR) policy around four themes:

- Property** Sustainable portfolio
- Partners** Sustainable partners in long-term relationships
- Planet** Contribution to environment and society
- People** Sound business practices and healthy and satisfied employees

While each 'P' focuses on a specific aspect of CSR, all four aspects must work in tandem in order for the Company to achieve its vision. Each theme has its own strategic objectives, which are listed below. This objective framework serves as the backbone of this policy document.

Strategic objectives 2021-2023

Property



Sustainable portfolio

Partners



Sustainable partners in long-term relationships

Planet



Contribution to environment and society

People



Sound business practices and healthy and satisfied employees

- Increased energy efficiency
- Investing in energy saving measures
- Increased coverage Green Building Certificates
- Investing with Impact

- 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

- 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

- Sound business practices (risk)
- Personal development employees
 - Training
 - Sustainable employability
- Focus on employee's health and wellbeing
- Employee satisfaction rating Denison scan $\geq 94/100$

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. These sharp objectives can be found at the end of each chapter.

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.



1



Property

Strategic objectives

- Increased energy efficiency
- Investing in energy saving measures
- Increased coverage Green Building Certificates
- Investing with Impact

The *Property* pillar relates to the sustainability of the real estate portfolios, including the environmental performance, ecology, sustainable transportation services, and the use of sustainable and recyclable building materials. a.s.r. real estate invests in sustainable and attractive properties, and continues to invest to ensure lasting attractiveness. The Rural Real Estate business line focuses on sustainable soil management, sustainable forestry practices, farmland-related growth and asbestos safety.

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.

Increased energy efficiency

a.s.r. real estate continuously strives 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 has demanded compliance with the Dutch 'Building Code', including the minimum EPC label standards and natural gas free new buildings. To date, the Funds have set their goals primarily based on improvements in the Energy Index and energy label.

New energy label and BENG-requirements

In 2021 the Netherlands will adopt a new method to determine the energy label of buildings: NTA 8800. This method is based on the European CEN standard. Whereas the former energy label (EPC) was based on a dimensionless number (without indication of absolute consumption in, for example, kWh), the new method expresses the total energy requirement of a building in kWh per sq.m. per year.

In addition to the new method to determine the energy label of buildings, from 1 January 2021 all new buildings must meet the requirements for Nearly Energy Neutral Buildings (in Dutch abbreviated to 'BENG'). The BENG methodology is based on NTA 8800.

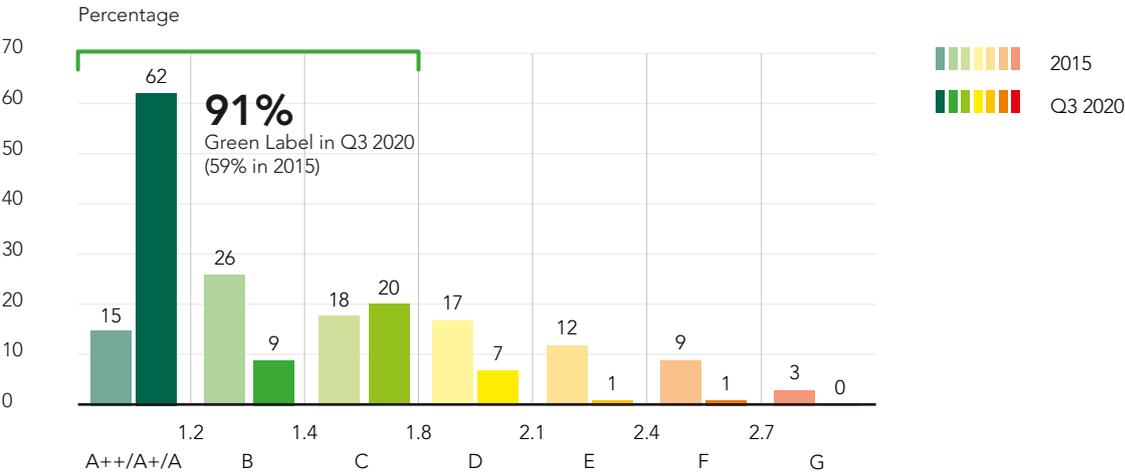
ASR DCRF

Green Labels and Energy Index

ASR DCRF strives for a portfolio with only sustainable dwellings. In the long run, only dwellings with a Green Label will be included in the portfolio. A Green Label is achieved when a dwelling has an energy label C or better – corresponding with an Energy Index below 1.8. The dwellings in portfolio without a Green Label are mainly dwellings with a D label / Energy Index of 1.80 - 2.10. The Investment Hold Portfolio no longer includes any dwellings with an Energy Index above 2.4.

As at 30 September 2020 the share of Green Labels in the Fund stood at 91%, representing a major improvement compared to 2015, when the share was 59%. The Fund aims to have 93% Green Labels at the end of 2021 and 96% at the end of 2023.

ASR DCRF – Objective: 93% Green Labels in 2021 and 96% in 2023



**ASR DPRF
% Green Labels**

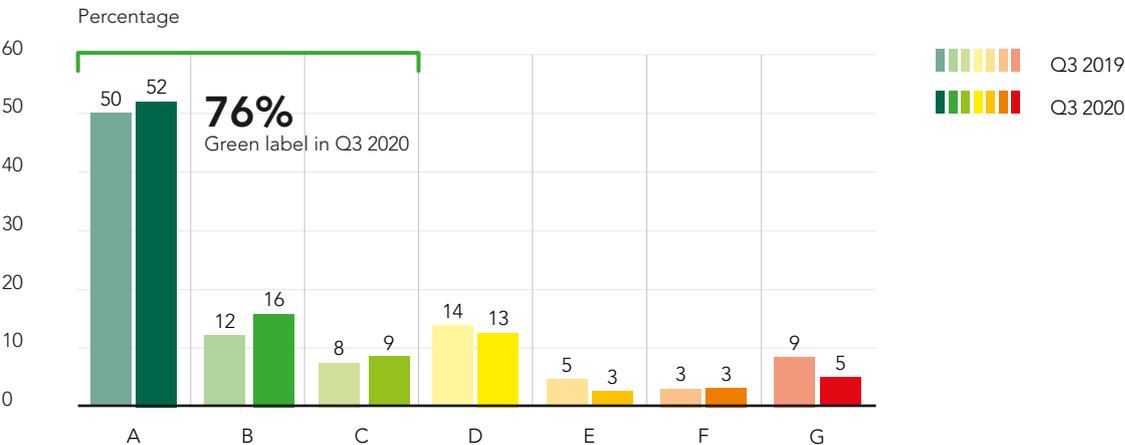
All stores in ASR DPRF’s portfolio are energy label certified. A large proportion of these properties are located in historic city centres and qualify as listed buildings. ASR DPRF seeks to achieve a Green Label (energy label C or better) for ≥ 80% of its portfolio by 2023. In order to achieve this, properties will be made more sustainable or converted at an appropriate point in the operating process. As at Q3 2020, 76% of the portfolio has achieved Green Label certification. To increase the share of Green 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.

In 2020, ASR DPRF continued to convert units above shops into apartments with a Green Label, for example in Amsterdam. In addition, assets have been acquired where energy label certification was assessed as part of the acquisition proposal. The assessment shows how acquisitions and investment are contributing to the Fund’s Green Label objective. Strict sustainability requirements have been set for purchases, new developments and renovations in the Fund’s Programme of Requirements and Technical Due Diligence process.

The energy labels for high street retail properties are largely determined based on installations and modifications made by tenants. ASR DPRF will continue its policy of advising and encouraging tenants to make their retail properties more sustainable.

Goal for 2021 is to have at least 80% Green Label within the portfolio.

ASR DPRF – Objective: 80% Green Labels in 2021 and ≥ 80% in 2023



ASR DMOF

A-energy label coverage of the portfolio

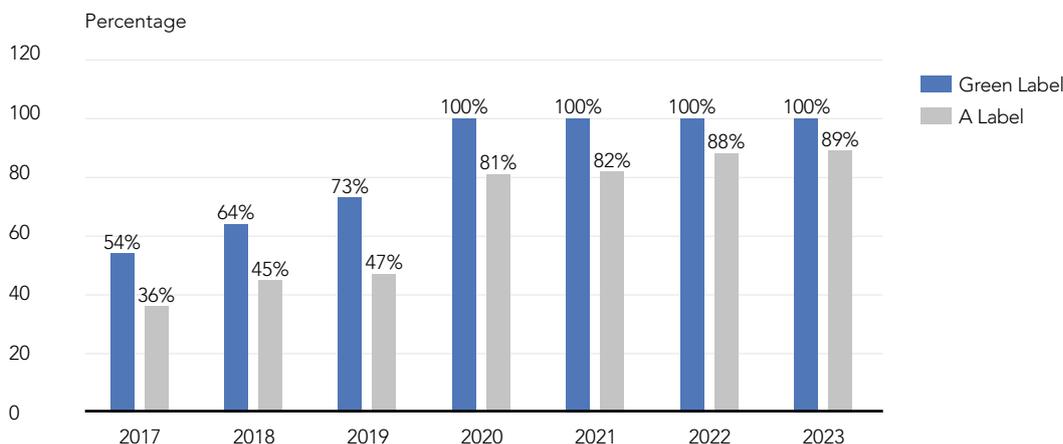
In order to speed up the process towards sustainability in the office market, the Dutch government has adopted a policy which requires landlords to obtain a Green Label (minimum energy label C), from 2023 onwards. In the last few years, the Fund has actively worked towards a 100% Green Label portfolio and is proud to have achieved this goal already in 2020.

As at Q3 of 2020, 81% of the portfolio had been awarded an A energy label (Katreinetoren, Laag Katreine and Laan van Puntenburg). By the end of 2021, the aim is to have 82% of the portfolio awarded an A energy label.

The buildings that currently have a different type of Green Label (B or C) are Neckerspoel, Europlaza and Moreelsepark. Although ASR DMOF will not be legally required to obtain an A energy label for all its office properties until 2030, it plans to ensure that 89% of the portfolio has achieved this standard in the period 2021-2023.

By taking these ambitious steps, ASR DMOF ensures that it has a green office portfolio that is well above average and is ready for future regulatory regimes. In other words, this results in a portfolio that is more likely to maintain its long term value.

ASR DMOF – Objective: 82% Green Labels in 2021 and 89% in 2023



ASR DSPF

Reduced energy consumption and improved Energy Label

Energy efficiency is the first step towards lowering the Portfolio's energy intensity, and is therefore a key element of the sustainability policy. Additionally, in 2021, the Fund aims to label all buildings in the Portfolio with the energy label in accordance with the new method (NTA 8800) in order to benchmark the energy requirement of the assets within one physical unity, which will be executed as follows:

Current portfolio

The buildings in the Portfolio that are currently under construction (Oldelft Ultrasound, TNO laboratory for construction innovation and NEXT Delft) will be labeled using the NTA 8800 methodology. The Fund's standing assets (Exact and The Gallery) will be relabeled from EPC (former energy label) to NTA 8800 in 2021.

Acquisitions

New developments

Future developments will be designed and engineered according to the minimum requirements of the BENG methodology or better and with at least the energy label A+++ (40.01 - 80.00 kWh / sq. m. per year). In the design phase fundamental choices in the field of sustainability will be considered in order to create a future proof building that is able to continue to meet the Fund's long term sustainability objectives.

Existing buildings

Existing buildings should be able to be brought to at least energy label A (160.01 - 180.00 kWh / sq. m. per year) in a relatively short term after acquisition. These buildings must be able to contribute to the Fund's sustainability objectives in the long term and may not have fundamental sustainability obstacles which (in time) lead to a 'stranded asset' in the CRREM tool. Acquisitions of existing buildings will be relabeled from EPC (former energy label) to NTA 8800.

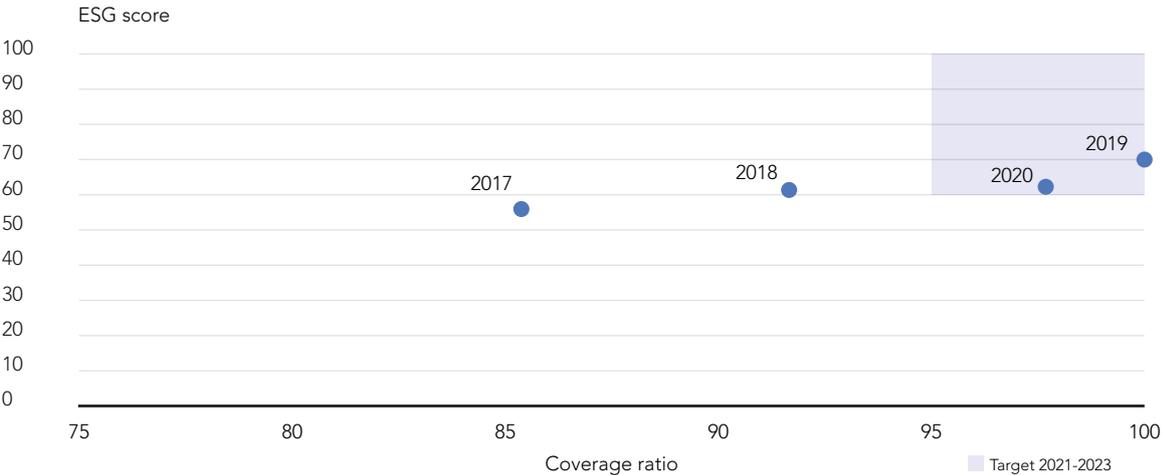
The Fund aims to reduce the total energy consumption from current 121.3 kWh per sq. m. per year to a maximum of 119.6 kWh per sq. m. per year in 2021, and 119.6 kWh per sq. m. per year in 2023. The energy consumption of the portfolio must be reduced to a maximum of 80 kWh per sq. m. per year in 2045.

ASR PF

ESG score for listed real estate

The management of ASR PF's listed real estate funds has been outsourced to AXA Investment Managers (AXA). Sustainability is an important theme within the selection procedure. To further improve insight into the 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 at least an ESG score of 60 and a coverage ratio of 95%



Investing in energy saving measures

In addition to newly built and large-scale sustainability renovation projects, properties can be made more sustainable through relatively small measures. The portfolio has been assessed to identify 'green' solutions such as the installation of LED lighting, high-efficiency boilers, HR++ glass, solar panels, water-saving plumbing and sedum roofs. a.s.r. real estate has also identified how sustainable improvements can be made in day-to-day operations. The resulting actions have been documented and are being monitored at the asset level.

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.

ASR DCRF

In addition to the renovation projects, ASR DCRF makes an annual minimum budget available for energy-saving measures. The yearly budget for 2021 is at least €150,000 and for 2023 at least €300,000.

ASR DPRF

For 2021, 0.5% of rental income has been allocated to sustainability improvements as part of the maintenance budget. The resulting actions are documented and monitored at property level. Where possible, the Fund links sustainability improvements to its multi-year maintenance programme and carries this out at appropriate times, such as during conversion or maintenance work. This also involves the use of sustainable materials, such as FSC certified wood for construction work, and the reduction of waste through the reuse of materials. The primary aim is to improve the sustainability of at least 5% of the portfolio annually.

A budget of € 350,000 is available for 2021 to further optimize energy efficiency. The available budget will increase to € 450,000 in 2023 and will be used both by investing in the portfolio itself and by motivating tenants to make their contribution.

ASR DSPF

ASR DSPF continuously focuses on implementing improvements around energy consumption. For the two standing assets, the Fund has no energy optimization measures scheduled during the period 2021-2023, as considerable steps in reducing energy consumption have recently been taken. In 2020 LED lighting was installed by the 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.

Optimization measures are linked to the planned actions in the multi-year maintenance plan (MYMP) so that larger energy saving measures such as insulation or heating- and ventilation systems will be undertaken strategically upon expiry of the life time of systems or coinciding with other major CAPEX activities.

In addition, large sustainability measures from 2021 onwards will be plotted in the CRREM tool providing insight into their contribution to the achievement of the Fund's long term objectives.

Rural Real Estate

a.s.r. real estate believes that farmers can make a significant contribution to the various ecological services such as climate adaptivity, water quality, water retention, biodiversity, etc. Sustainable soil management is key to this process, and acknowledged by every farmer. However, due to financial constraints sustainable soil management is not implemented in full by every farmer. a.s.r. real estate therefore developed the Open (source) Soil Index (OSI), in close collaboration with its charter coalition partners Rabobank and water company Vitens. OSI was given national recognition when it was integrated into the public-private partnership 'Beter Bodembeheer' (Better Soil Management).

At the beginning of 2020 the OSI consortium comprising Farmhack, Nutrients Management Institute (NMI) and Wageningen University & Research (WUR), handed over OSI to its assignor. The coalition intends to host OSI through a foundation which will underline its independency. The foundation will further develop OSI by appointing an experts' panel to improve OSI as more soil- and farmer management data becomes available. The OSI will simultaneously be challenged by a group of farmers in order to improve its user-friendliness. Once these steps have been taken a.s.r. real estate will aim to start a rollout strategy within the rural real estate portfolio.

Increased coverage 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). Obtaining Green Building Certificates, means that the properties, their surroundings and the development process as a whole are assessed on a broad range of sustainability criteria.

ASR DCRF

As at 30 September 2020 about 23% of the portfolio has been certified with Green Building Certificates. By the end of 2021, the Fund expects 100% of the portfolio to have a Green Building Certificate.

ASR DPRF

ASR DPRF assesses its portfolio from the broadest possible notion of sustainability. This is achieved by applying all nine aspects of the BREEAM environmental rating system in the Programme of Requirements for new buildings and redevelopment activities. The Fund's aim is to be awarded BREEAM Very Good certification or higher for all new developments and larger-scale redevelopment projects.

Furthermore, ASR DPRF has set itself the goal to have a 25% BREEAM certified portfolio by 2021. In addition to the certification of shopping centres, efforts are made to certify the high street objects within the portfolio. The ultimate goal is to have the entire portfolio BREEAM certified by 2023.

ASR DPRF 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. Furthermore, the Fund started a pilot to map out solitary retail properties based on BREEAM methodology. The aim is a structured insight into making these premises sustainable.

ASR DMOF

Besides the successful achievement of becoming a 100% Green Label portfolio, ASR DMOF also pursues a higher goal with regard to the sustainability of its buildings and the well-being of its tenants.

WELL gold coverage

Well-being of building users is embodied in the WELL Building Standard, which is a certification for the health and safety within a building. The WELL Building Standard is a vehicle for buildings and organizations to deliver more thoughtful and intentional spaces that enhance human health and well-being. Backed by the latest scientific research, WELL includes strategies that aim to advance health by setting performance standards for design interventions, operational protocols and policies and a commitment to fostering a culture of health and wellness. The certification ranges from Bronze to Platinum, and the Fund aims to have at least a Gold (the second-highest) certification. Within the period under consideration ASR DMOF aims to have a Gold coverage of at least 15%.

Portfolio rated BREEAM Very Good or higher

In the second quarter of 2020 it was decided that the whole portfolio of ASR DMOF will be BREEAM certified. The aim for 2021 is to have 100% of the portfolio rated BREEAM Very Good or higher. Wherever possible, sustainability improvements are synchronized with maintenance in the multi-year maintenance programme (MYMP).

As at Q4 2020, all buildings in the portfolio received a BREEAM certificate, except the Daalsesingel building which will receive its certificate after its renovation in 2021. Almost all buildings received a BREEAM "Very Good" certificate. The Europlaza building received a BREEAM "Good" certificate. With the achievement of these certifications, the Fund made a great step forward in making the portfolio more sustainable.

Portfolio rated BREEAM Excellent

BREEAM Excellent, is considered the next step in sustainability goals for ASR DMOF. With newly developed buildings these goals can be implemented from the drawing board. Within the period under consideration the expected percentage of 35% BREEAM Excellent will come from newly built acquisitions (Wonderwoods and EDGE Eindhoven).

ASR DSPF

ASR DSPF aims to have a 100% portfolio coverage of Green Building Certificates. For new developments, the goal is to achieve a BREEAM Excellent or comparable certificate. For existing buildings, the goal is to achieve a BREEAM-in-use Very Good or comparable certificate.

BREEAM-certification

The Fund aims to certify all the Portfolio's standings assets (Exact and The Gallery) in accordance with BREEAM in 2021. The new developed buildings Oldelft and NEXT Delft will receive a BREEAM certification upon delivery, while TNO MEC Lab will be BREEAM-in use certified after completion.

WELL-certification

ASR DSPF has the ambition to obtain a WELL V2 pilot registration for NEXT Delft, alongside its BREEAM Excellent label, as the Fund values a healthy working environment, which was specifically taken into consideration in the design of NEXT Delft.



Winkelcentrum Houten, Castellum

Investing with Impact

Over the course of its 125 year history a.s.r. real estate has committed to creating long term value from both a financial and a social perspective, by investing in high-quality real estate in a responsible manner. As a result, its sectoral real estate funds have, since their launch, been committed to limiting their negative impact on the environment. Recently, this commitment has been extended to not only reducing their environmental footprint, but to also impact society positively.

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, and are further described below.

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 Dutch residential rental market experiences shortage of and pressure on affordability, as a result of lagging production in combination with a growing population, and a growing number of households. This has caused increased pressure on (affordable) housing, one of the most basic human needs. Since the Fund has an ability to contribute to this social challenge it has developed an impact investment strategy, focused on the addition of affordable dwellings to the portfolio.

The Fund defines the affordable rental range in the Netherlands as follows:

- Lower limit: €737 (based on the liberalized rental threshold);
- Upper limit: €1,250 (based on a modal income as defined by Statistics Netherlands, an average household of 1.0 and 1.5 persons, servicing mid-incomes between €35,000 - €60,000, divided by our allocation criteria (3.75 - 4.0 times the monthly rent)).

As at 30 September 2020, 87% of the portfolio qualifies as affordable. To make a measurable impact the Fund monitors the addition of assets under management within the affordable range.

The objective is to add at least 1,200 affordable dwellings to the portfolio by the end of 2023.

The Fund has a clear focus on affordability in its standing portfolio as well. To keep affordable dwellings in the standing portfolio affordable in the future, the Fund:

- Implements moderated (yearly) rental increases;
- Caps rents, as a result of rental increases, at current market rents;
- Actively lowers the living costs by implementing energy-saving measures (PV panels, LED lights and the maintenance programme);
- Helps tenants with tailor-made solutions in case of payment difficulties (such as offering another, more affordable, alternative dwelling or payment arrangements).

ASR DSPF - Science Park Ecosystems

Science parks in the Netherlands have rapidly developed beyond their (mostly) academic origins, towards driving forces of the Dutch knowledge economy, fuelled by strong employment and company growth. Here companies, universities and research institutes form unique ecosystems, where, through collaborative R&D, fundamental research is applied towards innovative real-world applications.

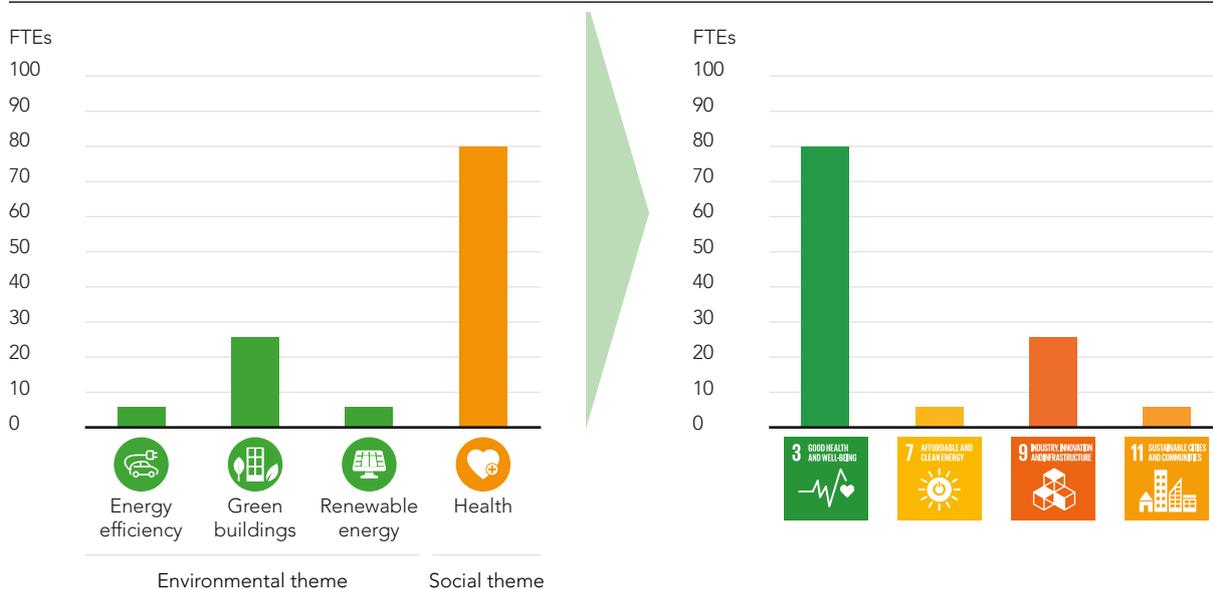
The conditions which allow science park ecosystems to flourish require both private and public investments, as the Dutch law 'Wet Markt en Overheid' (the Dutch Public Enterprises Market Activities Act) inhibits universities from investing in real estate for commercial means. However, market participants such as real estate developers or investors, often lack the long-term commitment needed to positively influence science parks. The diversity of functions required for a science park to thrive is therefore unable to develop.

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.

Besides making targeted individual investments, the Fund also invests through partnering with (semi) public entities, e.g. universities and local governments. These partnerships create the low risk environment which allows the Fund to invest in a broader range of real estate and with a shared interest with its partners, towards the further development of their respective science parks.

By providing room for companies that work on a wide range of innovative and sustainable products and solutions, the Fund contributes to an equally diverse range of real world problems. To provide insight into this impact, the Fund therefore not only reports on its direct positive impact on science park ecosystems, but also on the impact its tenants make to the UN Sustainable Development Goals. For this process the Fund uses the UN PRI Market Map, which provides investors with a practical link between the broad ambitions of the SDGs and real-world impact investment opportunities.

ASR DSPF's tenants' match with UN PRI Impact Markers and UN SDGs



Impact Investments a.s.r. real estate

Fund	Impact theme	AuM as at Q4 2020
ASR DCRF	Affordable Housing	€ 36m ¹⁾
ASR DSPF	Science Park Ecosystems	€ 49m
Total		€ 85m

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

Portfolio - strategic objectives 2021-2023

	2021	2023
 ASR DCRF		
Average Energy Index of portfolio	≤ 1.15	≤ 1.05
Green Labels	≥ 93%	≥ 96%
Energy-saving measures (ex projects, yearly)	≥ € 150k	≥ € 300k
Coverage green building certificates	100%	100%
Investing with Impact: addition of affordable dwellings	150	1200
 ASR DPRF		
Green Labels	80%	≥ 80%
Energy-saving measures (ex projects, yearly)	≥ € 350k	≥ € 450k
Coverage green building certificates	≥ 25%	100%
 ASR DMOF		
A energy level coverage of the portfolio	≥ 82%	≥ 89%
WELL gold coverage	0%	15%
Portfolio rated BREEAM Very Good or higher	≥ 65%	≥ 93%
Portfolio rated BREEAM Excellent	0%	≥ 35%
 ASR DSPF		
Green Building Certificates (BREEAM or comparable) coverage	100%	100%
Impact Investing		
- Portfolio's match with the science park impact categories	≥ 50%	≥ 50%-
- Number of strategic partnerships with (semi) public parties or institutions	≥ 2	≥ 3
- Coverage of tenants' contribution to UN SDGs using UN PRI impact markers	≥ 75%	≥ 100%
 ASR Property Fund		
Relative ESG score of at least 60, with a coverage ratio of 95% for listed real estate	100%	100%
 Rural Real Estate		
Soil Quality - OSI Scorecard level 1 (based on public data, % of portfolio)	≥ 50%	≥ 75%
Soil Quality - OSI Scorecard level 2 (based on public data and parcel specific soil samples, % of portfolio)	≥ 2.5%	≥ 10%
Soil use - Contribution to food supply (% of portfolio)	≥ 80%	≥ 80%
Act as Safe Lessor for long and short term leases	≥ 80%	≥ 90%
Number of tenants that apply to the good agricultural principles (common agricultural policy EU)	≥ 50%	≥ 70%



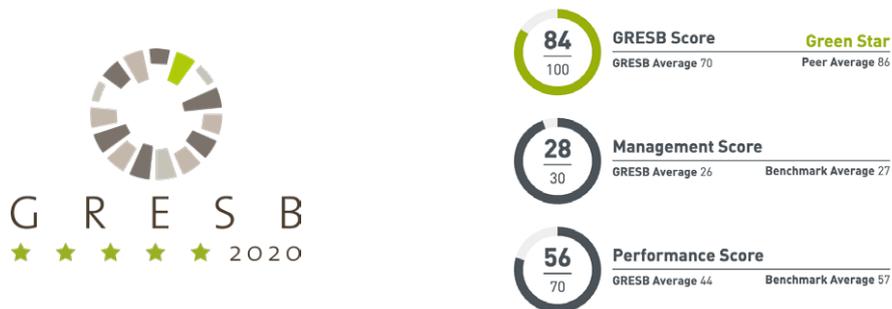
GRESB - Five stars for ASR DCRF

ASR DCRF improved its Global Real Estate Sustainability Benchmark score in 2020 further to five stars (the maximum number of stars) instead of four in 2019. This makes DCRF one of the 20% best performing GRESB funds worldwide. With this rating, the fund scored above average and improved its place in its peer group from eight to sixth (out of 9 instead of 16 in 2019). The 2020 GRESB score remains at 84 (out of 100 points) which is the same compared to 2019. Due to the changed rating system the 2020 score is 84 instead of 87.

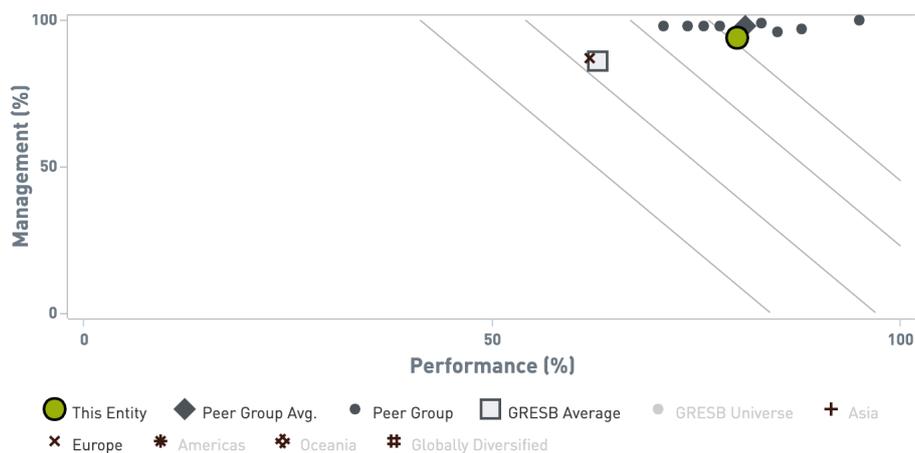
The improvement of the GRESB score is mainly achieved by the Fund's continuing commitment to large-scale renovation of its portfolio assets (bricks), structured data monitoring and the Fund's focus on tenant engagement (incentivizing tenant behavior). Additionally, the Fund's implementation of the new 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 respectively 28 out of 30 and 56 out of 70) demonstrates the Fund's high-quality sustainable governance. These scores were among others achieved through detailed policies and procedures and through improved insight into environmental performance and the reduced 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.

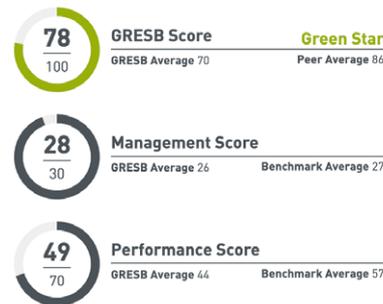
The Fund is outperforming the GRESB average (70) but is underperforming the peer average (86). The Fund scored 28/30 points for 'Management' and 49/70 points for 'Performance'.

Improvements in measurement and stakeholder engagement

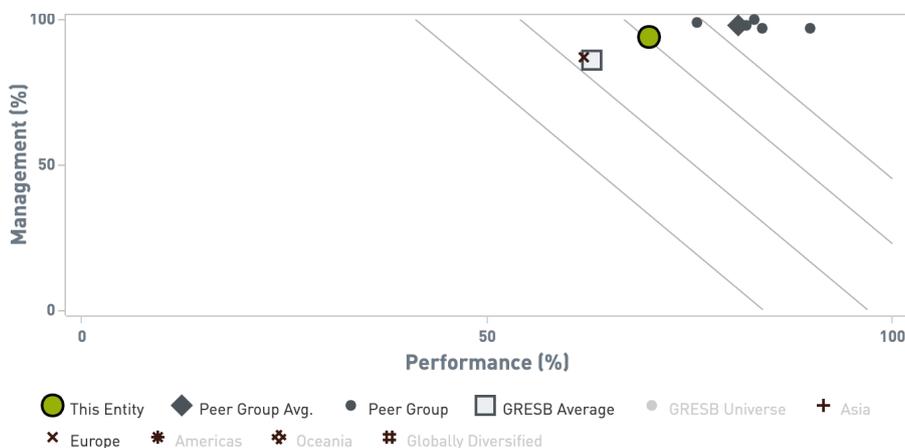
- The Fund performed particularly well on the Management indicators with a very high score of 28 out of 30. This demonstrates the ambitious objectives that the Fund has set itself through its sustainability policies and the quality of the policy and disclosure of sustainability targets and performances.
- 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



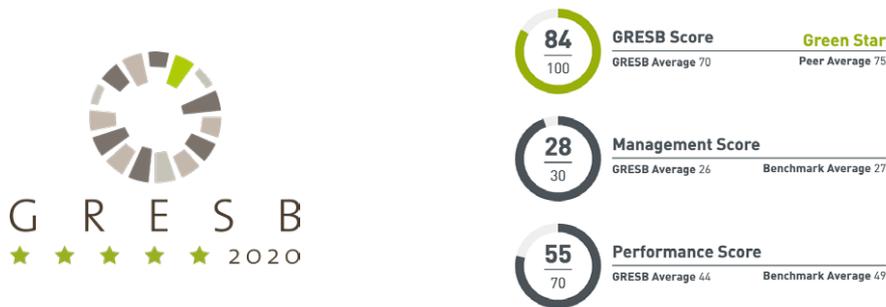
GRESB - Five stars for ASR DMOF

A 9% increase in the GRESB score

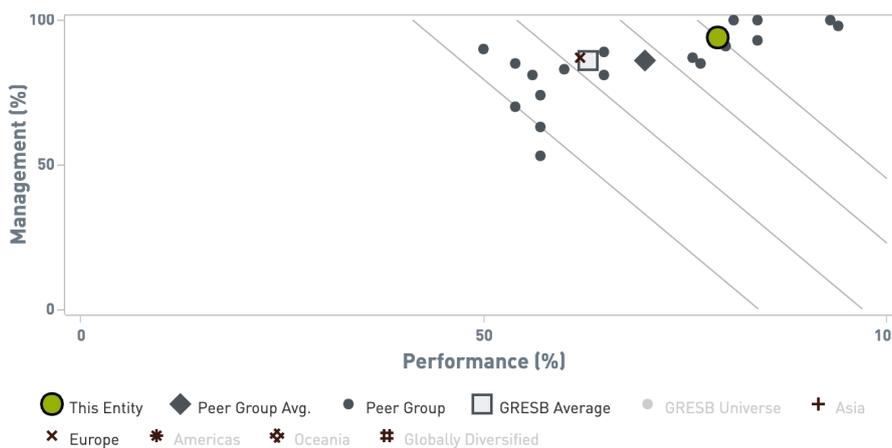
ASR DMOF participated in the GRESB Survey for the third time in 2020. The Fund scored 84 out of 100 points in 2020 compared to 77 last year and achieved a five-star (out of five) rating compared to a three-star rating in 2019, placing the fund in the top 20% of global participants. The Fund has again outperformed both the GRESB average (70) and the peer group average (75). The Fund scored 28/30 points for 'Management' and 55/70 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

- 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

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.

Increased number of partnership documents containing CSR requirements and goals

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

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

Investors

Providing sustainable real estate is attractive to investors, as a sustainable portfolio results in long-term value, and helps in mitigating risks. Investors are generally involved with the Funds for the long term. It therefore goes without saying that a.s.r. real estate ensures openness and transparency in all its dealings with investors.

There are various ways in which investors can provide the Company with input for its CSR policy, and the Funds actively share and reflect on their CSR activities with their investors.

Tenants

a.s.r. real estate seeks to ensure that its tenants and leaseholders are involved, aware and satisfied. a.s.r. real estate is convinced that sustainable practices are as important as sustainable, energy-efficient real estate. By setting an example and inspiring tenants, a.s.r. real estate aims for tenants to take their responsibility in making a positive impact on energy reduction and sustainable land use through the practices that they adopt.

a.s.r. real estate likes to receive input from 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 major tenants and leaseholders (such as farmers, retailers and office tenants).

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.

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.



Average tenant satisfaction rating $\geq 7/10$

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. The results of these surveys will be used to improve tenant engagement, and to find out how tenants rate the services, properties and their living and working environments. 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. In addition to the external satisfaction survey, the Company also uses additional surveys to gain more insight into the needs of tenants and points for improvement.

In the years ahead, a.s.r. real estate aims to score at least a 7.0 and to outperform the benchmark on tenant satisfaction.

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					

Active tenant participation programme

a.s.r. real estate places great emphasis on building a future-proof and sustainable portfolio, not only by acquiring new highly sustainable buildings, but also by renovating and improving existing buildings. But to make a real impact on the living environment, a.s.r. real estate needs the engagement of its tenants as well. To stimulate more sustainable behaviour, multiple initiatives have been rolled out.

ASR DCRF

ASR DCRF focuses on improving tenant satisfaction, health & wellbeing and awareness of sustainable living. The Fund believes that tenants whom are more involved with their home, living environment and landlord, are more satisfied and aware. Therefore, the Fund continuously works on a participation programme involving various forms of tenant participation. Ranging from an active role in sustainability projects to an energy battle, an annual CSR newsletter and a CSR information bag. Besides the standard form of participation, the activity of resident associations is another important element. The number of tenants' associations in the portfolio increased further in 2020.

ASR DCRF aims to have at least six projects related to tenant participation in 2021, rising to 10 in 2023.

ASR DPRF

ASR DPRF welcomes feedback from tenants and it 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. ASR DPRF holds periodic meetings with large tenants (such as chain retailers) and CSR is a standing item on the agenda for these meetings. In addition, the Fund focuses on knowledge-sharing events. The project that has been started for the district shopping centre Castellum (Houten) with EcoMatters to advise tenants on how to make their business operations and store more sustainable, is successfully completed. On the basis of the good results of this pilot, energy-saving advice will be offered to tenants in two other shopping centres next year.

In 2021, tenant participation will remain an important theme. Priorities will include collaboration on energy efficiency projects, exchanging ideas on energy usage data and knowledge sharing. ASR DPRF aims to have at least five projects each year related to tenant engagement.

ASR DSPF

Tenant participation will be further improved in the period 2021 - 2023. In order to raise awareness and encourage tenants to take responsibility, impact is a key agenda item in meetings with tenants, so as to enhance awareness and performance. Key issues include the exchange of energy data, sharing and following up ideas, improving the green lease requirements and establishing mutual agreements. Better insight into energy consumption should result in a reduction in energy usage and a better understanding of which assets are energy efficient and which assets require attention.

To further raise tenant's engagement, ASR DSPF is currently developing a 'welcome package' for new tenants with practical information about the building and a gift that contributes to the impact policy of the Fund. ASR DSPF sends newsletters to its tenants on a frequent basis. Furthermore the Fund will conduct yearly community projects per science park together with the tenants to improve the quality of the ecosystem.

Rural Real Estate

The Rural business line believes in a strong and vital rural area, now and in the future. With reference to the 'climate smart agriculture' investment framework, a.s.r.'s aim is for its farmers to have a sustainably generated income. a.s.r. real estate has therefore launched the Young Farmers' Ground Lease to ensure the continuation of farming. This product will enable the next generation of farmers to start their own sustainable agricultural company. Young farmers are given a kick-start by the Company taking a higher stake in the overall investment, giving the young farmers the much needed working capital for their business.

To guarantee better soil for the future, a.s.r. defines sustainability requirements with these young farmers and shares their soil data with the Open Soil Index. This tool gives the farmer insight into the current soil condition and provides him with an inspiration list of measures to improve the soil. Through these efforts, a.s.r. aims to make a positive impact for the next generation of farmers and sustainable soil management.

100% green leases for new commercial agreements

a.s.r. real estate firmly believes that cooperation between owners and tenants is an essential ingredient of meeting CSR objectives. The Company wants all its new commercial lease agreements to be green lease contracts, whereby the landlord and tenant agree on how the leased asset will be used in the most responsible and sustainable manner. In 2020, all new rental contracts were green lease contracts. This means that the number of standing contracts with a green lease is growing each year. In the years to come, a.s.r. real estate will aim to further increase the number of green lease contracts, sharpen the sustainability terms and conduct more substantive talks with tenants on achieving green lease objectives.



a.s.r. real estate provided more than 1,250 residential tenants with an a.s.r. real estate CSR bag

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.

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.



Partners - strategic objectives 2021-2023

	2021	2023
 ASR DCRF		
Partnership documents containing CSR requirements and goals	100%	100%
Tenant satisfaction rating	≥ 7	≥ 7
	≥ benchmark	≥ benchmark
Active tenant participation programme (# of projects yearly)	≥ 6	≥ 10
 ASR DPRF		
Partnership documents containing CSR requirements and goals	100%	100%
Tenant satisfaction rating	≥ 7	≥ 7
Active tenant participation programme (# of projects yearly)	≥ 5	≥ 5
Green lease coverage	100%	100%
 ASR DMOF		
Number of partners with specific agreements on sustainability targets	≥ 2	≥ 6
Tenant satisfaction rating	≥ 7	≥ 7
Green lease coverage	100%	100%
 ASR DSPF		
Tenant satisfaction rating	≥ 7	≥ 7
Active tenant participation programme	Newsletter + welcome package	
Green lease coverage	100%	100%
Sustainable procurement	100%	100%
Contribute to the continued growth of parties on science parks	Investigate possibilities	≥ 1
 ASR Property Fund		
Optimal engagement of partners in chain and check for compliance with CSR requirements and objectives	100%	100%
 Rural Real Estate		
Tenant satisfaction rating	≥ 7.5	≥ 7.5
Young farmers groundlease (# young farmers)	≥ 5	≥ 10
Active tenant participation programme (# yearly projects)	≥ 2	≥ 2
Stakeholders' leadership and strategic partnerships (# of projects)	≥ 2	≥ 2
Active partnership development (# of partners)	≥ 1	≥ 1
Green lease coverage	≥ 50%	100%
Facilitate ground mobility to support farmers either grow or stop their business activities (% of total traded value)	≥ 7.5%	≥ 10%



Terwijde, Utrecht Complex with high tenant satisfaction

3



Planet

Strategic objectives

- Design and execute Paris Proof roadmaps
- Reduction of energy- and CO₂ intensity
- Renewable Energy: addition of PV panels
- Taking climate adaptation measures

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.

Design and execute Paris Proof roadmaps

Last September, 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. The Commitment has been signed by dozens of real estate organizations and was enthusiastically embraced by Frans Timmermans, Vice-President of the European Commission. To actively work towards a Paris Proof portfolio in 2050, a roadmap will be developed for the respective portfolio's of the Funds. This roadmap will be implemented and monitored to gain insight for the Funds, but also for the real estate sector and the government.



Wonderwoods, Utrecht:
Vertical forest, construction started in 2020

Reduction of energy- and CO₂ intensity

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. An important ongoing objective is to optimize the monitoring of energy and water usage and waste management as much as possible.

For 2021, further optimizing the monitor systems and improving the environmental performances remains an import topic. a.s.r. real estate's objective is to have insight in the carbon footprint of at least 95% of all investments in 2021. As at Q4 2020, a.s.r. real estate has insight in 94% of its portfolio.

Furthermore, 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. and are normalised on the basis of the year of construction, vacancy, degree days and area.

The reduction targets are based on the current DGBC Paris Proof calculations. The DGBC is working with the Carbon Risk Real Estate Monitor research consortium (CRREM) to streamline its methods in order to achieve the best possible objectives for 2050. CRREM is based on the methodology of the Science Based Target initiative (SBTi) to calculate the decarbonisation pathway to a zero emission built environment by 2050. Therefore, a.s.r. real estate expects that the energy and CO₂ intensity objectives may change slightly in the near future.

Reduction targets (yearly reduction)

	2021	2023
ASR DCRF		
Energy intensity	1.7%	1.7%
CO ₂ intensity	3.3%	3.6%
ASR DPRF		
Energy intensity	0.6%	0.6%
CO ₂ intensity	3.3%	3.6%
ASR DMOF		
Energy intensity	2.4%	2.5%
CO ₂ intensity	3.3%	3.6%
ASR DSPF		
Energy intensity	2.3%	2.3%
CO ₂ intensity	5.7%	4.8%

Renewable energy: addition of PV panels

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. The construction of the first three solar parks is expected in 2021. In the coming years, a.s.r. real estate expects to 'set aside' areas for six solar park locations.

In 2021 a.s.r. real estate will continue to place solar panels on its properties and will also look for opportunities for wind and solar energy within the rural real estate portfolio.

Meanwhile, a.s.r. real estate evaluates and investigates 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	2021	2023
ASR DCRF	5,175	≥ 10,000	≥ 15,000
ASR DPRF	3,802	≥ 4,500	≥ 5,000
ASR DMOF	704	≥ 870	≥ 2,248
ASR DSPF	830	≥ 1,750	≥ 3,000
Rural Real Estate	-	≥ 3 solar parks ¹⁾	≥ 6 solar parks ¹⁾

Renewable energy: investments in wind and solar farms

Besides optimizing the production of renewable energy on its own rural assets by making land positions available for developers of solar and wind farms, a.s.r. real estate will invest in the realized solar and wind farms. In 2021 a.s.r. real estate is planning to acquire two wind farms and two solar farms in the Netherlands (partly on a.s.r. real estate land positions). The wind and solar farms will be managed by our dedicated Renewables team, which will be responsible for infrastructure investments for renewable energy. By acquiring these assets a.s.r. real estate will provide green investments and stimulate the energy transition in the Netherlands.

1) The number is an estimation based on the development projects, the actual number is dependent on the realization

Case study

Installing PV panels

ASR DCRF has renovated over 1,000 dwellings in the period between 2015 and 2020. The vast majority of these dwellings used to have a low energy label (E, F & G labels). As a result, the percentage of dwellings with a low label decreased significantly (from 24% in 2015 to less than 2% as at Q3 2020). This makes it harder to increase the sustainability of the portfolio in a cost-effective way. The next step for ASR DCRF is to further increase the overall sustainability is the on-site generation of renewable energy. Therefore, ASR DCRF focussed on developing PV panel solutions for both single-family houses and apartments in 2020.

ASR DCRF has started a partnership with Zonneplan to install PV panels on approximately 1,000 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.

ASR DCRF has adopted a similar approach to apartment buildings, with the first pilot due to be conducted in 2021. With this strong focus on PV panels, ASR DCRF contributes significantly to the increase of renewable energy and the improvement of both its Energy Index and tenant satisfaction. The goal for 2023 is to have at least 15,000 PV panels installed.



Installation of PV panels

Taking climate adaptation measures

As the impact of climate change starts to materialize, the importance of building a resilient portfolio grows. By understanding and anticipating the long-term risks of climate change, a.s.r. real estate strives to build a portfolio that is progressively adaptable. In general, the Royal Netherlands Meteorological Institute (KNMI) distinguishes four major climate risks which increasingly affect the Portfolio. The indicators used are based on the 'Klimaateffectatlas' (Climate Impact Atlas), which is managed by Climate Adaptation Services (CAS).

Climate risks	Indicators (situation in 2050)
Heat	Tropical days & urban heat island effect
Flooding	Chance of flooding > 20 cm
Drought	Subsidence & pole rot
Extreme weather	# days > 15 mm precipitation & average highest groundwater level

The TCFD framework serves as a basis for consistent disclosure of climate-related financial risks and opportunities. Following the framework, a.s.r. real estate has set objectives to mitigate the risks of heat, drought and extreme weather. Flooding does not appear to be a direct threat, because of active governmental water management.

Implementation of climate risks and opportunities

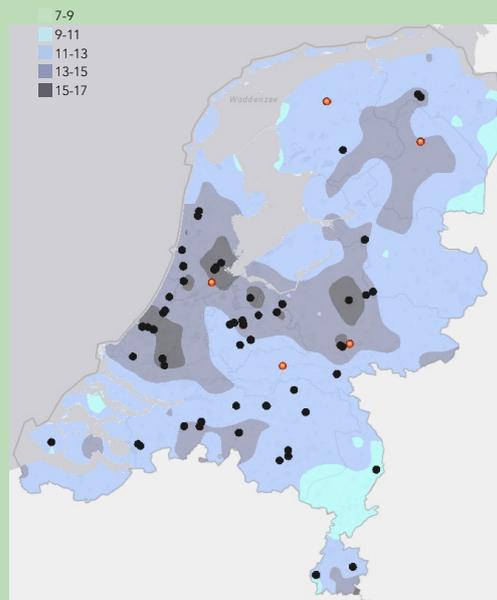
As of 2021, climate risks and opportunities are taken into account at portfolio and asset level. The Company's portfolio is mapped in GIS (Geographic Information System). a.s.r. real estate uses cartographic layers from the Klimaateffectatlas to see what climate change entails for its funds.

Climate-related risks will be part of all investment decisions as of 2021. Qualitative and quantitative data are used to assess the level of climate risk regarding the location and characteristics of an asset. These data will be incorporated in the designated research Filters, which identify the best-performing locations.

To periodically assess the standing portfolio as well, the hold/sell analysis will take climate risks into account by incorporating climate risk data in the Filters and the asset analysis tools (AAT).

Partnerships

Climate adaptation as a solution to mitigate climate risks requires a large-scale approach. Resilience cannot be achieved by one player. The Company strives to create an adaptive and liveable environment through collaboration.



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

Climate objectives 2021 - 2023

	ASR DCRF	ASR DPRF	ASR DMOF	ASR DSPF
Objective	Annually adding 500 sq.m. of greening (roofs, gardens and/or courtyards).	Carry out at least five projects to make rooftops green or white.	Annually adding at least one greening or water storage project.	Addition of 450 sq.m. vegetation roofs, facades, gardens and/or courtyards.
Result	Green areas contribute to water storage, reduce heat stress, and have the potential to contribute to protecting and/or restoring biodiversity. White roofs reflect sunlight and warmth, which positively affects heat stress			
SDGs	 			



Winkelcentrum Houten, Castellum

Planet - strategic objectives 2021-2023

	2021	2023
		
ASR DCRF		
Paris proof roadmap	Design	Execute
Energy intensity, yearly reduction	≥ -1.7%	≥ -1.7%
CO ₂ intensity, yearly reduction	≥ -3.3%	≥ -3.6%
Renewable energy (# of PV panels)	≥ 10,000	≥ 15,000
Invest in neighbourhood and sustainable mobility (# of yearly projects)	≥ 5	≥ 7
Climate adaptation (greening measures yearly)	≥ 500 sq.m.	≥ 500 sq.m.
		
ASR DPRF		
Paris proof roadmap	Design	Execute
Energy intensity, yearly reduction	≥ -0.6%	≥ -0.6%
CO ₂ intensity, yearly reduction	≥ -3.3%	≥ -3.6%
Renewable energy: # of PV panels	≥ 4,500	≥ 5,000
Renewable energy: # of yearly renewable energy projects	≥ 2	≥ 3
Encourage activities in inner cities and retail areas (# of yearly projects)	≥ 4	≥ 4
Climate adaptation (# of yearly future-proof projects)	≥ 5	≥ 7
		
ASR DMOF		
Paris proof roadmap	Design	Execute
Energy intensity, yearly reduction	≥ -2.4%	≥ -2.5%
CO ₂ intensity, yearly reduction	≥ -3.3%	≥ -3.6%
Renewable energy: # of PV panels	≥ 870	≥ 2248
Climate adaptation projects	≥ 1	≥ 3
		
ASR DSPF		
Energy intensity (units per sq.m. per year)	111.9 kWh	106.8 kWh
- Total energy consumption	119.6 kWh	116.3 kWh
- Onsite energy generation	7.7 kWh	9.6 kWh
- Sustainable energy sourcing	75%	76%
Carbon intensity (kg of CO ₂ per sq.m. per year)	13.2 kg	12.0 kg
Renewable energy (# of PV panels)	1750	3000
Conduct community projects (# of yearly projects)	≥ 1	≥ 2
Invest in sustainable mobility solutions (# of science parks)	≥ 1	≥ 2
Climate adaptation (greening measures yearly)	≥ 450 sq.m.	≥ 450 sq.m.
		
ASR Property Fund		
Paris Proof roadmap	Design	Execute
CO ₂ footprint, portfolio coverage	≥ 95%	N/A
		
Rural Real Estate		
Define CO ₂ methodology and CO ₂ reduction strategy	Design	Execute
Define CO ₂ footprint on parcel level	90%	100%
Build a portfolio that is progressively adaptable to the result of climate change via the transition roundabout (# of pilot projects)	Design	≥ 2
Allocate farmland for renewable energy in line with Regional Energy Strategy	Design	Relative share TBD
Asbestos safe portfolio (% of portfolio)	≥ 70%	≥ 90%

4



People

Strategic objectives

- Sound business practices
- Personal development of employees through training and sustainable employability
- Focus on employee's health and wellbeing
- Employee satisfaction rating $\geq 94/100$

People relates to a.s.r.'s governance regarding risk management and employees. Sound business practices are a key principle within the company. Secondly, a.s.r. real estate aims to promote the employability, health and wellbeing, and satisfaction of its employees and invests in its human capital on an ongoing basis.

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.

Personal development employees by training and sustainable employability

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% of annual salaries is devoted to training and development and 1% is devoted to sustainable employability. A dedicated HR 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 a.s.r. In 2020, respectively 1.3% and 1.0% of annual salaries have been spent on these themes.

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. is questioning its employees weekly through a short online Mood Monitor survey to make sure it is assisting them as well as possible.

An important objective is to measure the health and wellbeing of a.s.r.'s departments by carrying out a four-yearly vitality scan. Key themes are stress, absentee rate, working ability, physical complaints and level of enthusiasm. Based on the outcomes, a customised vitality programme will be drawn up. The last survey among a.s.r. real estate's 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 programme currently being conducted a.s.r. real estate hopes to improve themes on which it scored less well. The next survey will take place in 2022.

Employee satisfaction rating in Denison scan $\geq 94/100$

On a yearly basis, 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, e.g. employee satisfaction, engagement and adaptability. The results are compared to a global benchmark of large organizations that use the Denison Survey. Following each survey, the results are analysed 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.



People - strategic objectives 2021-2023

	2021	2023
a.s.r. real estate		
Sound business practices: implementation sustainability in risk control framework	TCFD & SDFR	Future regulation
Personal development of employees		
- Training (% annual salaries)	≥ 1%	≥ 1%
- Sustainable employability (% annual salaries)	≥ 1%	≥ 1%
Focus on employee's health and wellbeing	Improvement vitality score	
Employee satisfaction	≥ 94/100	≥ 94/100



a.s.r.'s CSR goals

Mother company 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, where a.s.r. sets great store by playing an important role in making society more sustainable.

Non-financial targets

In addition to financial and business targets, a.s.r. introduced three non-financial targets to reflect acknowledgement of the responsibilities that our position in wider society brings.

As part of a.s.r., a.s.r. real estate contributes to two of these targets:

1. Carbon footprint data coverage: at least 95% in 2021;
2. Impact Investing: total yearly additional AuM in Impact Investments by a.s.r. real estate of € 50 million from 2021 onwards.

Carbon footprint data coverage

In 2018 a.s.r. set an objective to improve the carbon footprint's data coverage of at least 95% of all investments in 2021. As at 31 December 2020, a.s.r. real estate has insight into 94% of its portfolio. In the years to come, a.s.r. real estate will focus on increasing this percentage.

Impact investing

a.s.r. real estate defines impact investing based on the GIIN (Global Impact Investing Network) as adopted by a.s.r., and aligns with the INREV (European Association for Investors in Non-Listed Real Estate Vehicles) definition, i.e.:

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

a.s.r. real estate has defined two impact investment themes in 2020:

1. ASR DCRF - Affordable Housing;
2. ASR DSPF - Science Park Ecosystems.

These themes are important and acknowledge challenges, which can be traced back to impact markers in the UN PRI Impact Investing Market Map. a.s.r. real estate expects to add more impact investment themes as of 2021.

For an extensive elaboration on our Impact Investing strategy as at Q4 2020, please see p.14.

Impact Investments a.s.r. real estate

Fund	Impact theme	AuM as at Q4 2020
ASR DCRF	Affordable Housing	€ 36m ¹⁾
ASR DSPF	Science Park Ecosystems	€ 49m
Total		€ 85m

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



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Design
Cascade - visuele communicatie bv

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

