ESG Annual Report 2024

Investing in perpetual value

ASR Dutch Farmland Fund

Mission

"We create **perpetual value** for our investors and society by investing in sustainable and fertile farmlands."

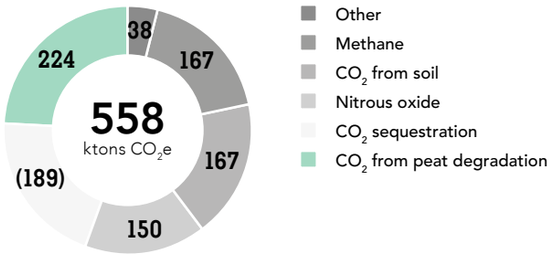
Tollebeek, Flevoland

Performance figures

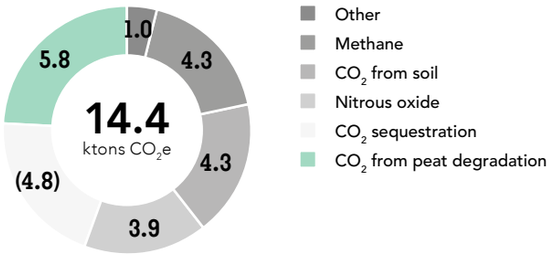
On our way to net zero

2045

Total CO_2-footprint
ktons CO_2e



CO_2-footprint
ktons CO_2e / hectare



Green leases for new ground lease agreements
(%)

99.6%

Objective: ≥ **90%**

Green leases for existing ground lease agreements
(% of portfolio)

24.0%

Objective: ≥ **20%**

Facilitating farmers in execution of CO_2 reduction plan (#)

10

Objective: ≥ **10**

Climate adaptation - landscape elements
(# of projects / year)

10

Objective: ≥ **10**

Agricultural land available for the development of sustainable initiatives and alternative crops
(# hectares)

61

Objective: **100**

Tenant satisfaction
(out of 10)

7.3

Objective: ≥ **7.5**

Strategic objectives

The Fund has categorised its objectives into three themes: Environmental, Social and Governance (ESG). The three themes contain separate but complementary key objectives, allowing the Fund to establish a future-proof portfolio.

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

Strategic objectives 2024

Strategic objectives	Target 2024	Realised 2024
Environmental		
Sustainable productivity and sustainable farmer's income		
Green leases for new ground lease agreements	≥ 90%	99.6%
Green leases for existing agreements	≥ 20%	24.0%
Portfolio contributes to food supply	≥ 80%	97.3%
Reducing greenhouse gas emission		
Carbon emission (tons CO_2-equivalent per hectare)	≤ 14.2	14.4
Nitrogen emission (kg NH_3 per hectare)	≤ 38.7	40.7
Facilitating farmers in execution of CO_2 reduction plan	≥ 10	10
Nitrogen emission reduction strategy	Design plan	Designed
Adapting to climate change and improve biodiversity		
Climate adaptation - landscape elements (# of projects / year)	≥ 10	10
Agricultural land available for the development of sustainable initiatives and alternative crops (# hectares)	100	61
Social		
Community & tenants		
Tenant satisfaction rating (score out of 10)	≥ 7.5 /10	7.3
Facilitate young farmers (# of hectares new young farmers ground leases / year)	200	328
Our employees		
Employee satisfaction rating (eMood® score)	≥ 7.5	7.8
Personal development		
- Training (% of annual salaries)	≥ 1%	1.0%
- Sustainable employability (% of annual salaries)	≥ 1%	1.0%
Health & well being (eMood® vitality score)	≥ 7.5	7.5
Diversity, equity & inclusion	Execute policy	Ongoing
Governance	Compliant	
Sound business practices	✓	✓
Alignment with sustainability guidelines	✓	✓
- SDGs	✓	✓

Environmental

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

Sustainable productivity and sustainable farmer's income

- **Green leases**
- **Soil use**

Reducing greenhouse gas emissions

- **Carbon emissions**
- **Nitrogen emissions**
- **Execution of CO_2 reduction plan**
- **Nitrogen emission reduction strategy**

Adapting to climate change and improve biodiversity

- **Landscape elements**
- **Sustainable initiatives and alternative crops**

Onstwedde, Groningen

Sustainable productivity and sustainable farmer's income

Green leases

Improving and innovating our sustainability programme is an ongoing process. In 2024, for example, the Fund focused on carbon and nitrogen reduction measures and the use of plant protection products in farmers' business plans. The Fund also adopted more ambitious objectives for the implementation of green leases: the percentage target for green leases in new contracts for both dairy and arable farmers was increased to 90% and a new target (20%) was set for existing contracts.

By the end of 2024, 99.6% of new ground lease contracts included green lease clauses and a total of 24.0% of existing contracts were green leases.

Development of the Open bodemindex
Eurofins Agro has joined the 'Stichting Open bodemindex' as a partner, alongside a.s.r, Rabobank and Vitens. With this partnership, the agricultural laboratory and knowledge partner for the agricultural sector aims to contribute to an even better understanding of the potential of sustainable agricultural soil management in the Netherlands. The 'Open bodemindex (OBI)' offers farmers an insight into the improvement potential of their farmland and the measures that would be appropriate for them to take.

Eurofins Agro highlighted the value of the OBI score through its inclusion of a short description on the results form. Based on data from the soil analyses by Eurofins Agro – combined with other plot characteristics such as cropping plan, groundwater depth and soil management – farmers can get an OBI score that offers insights into the quality of their soil, including the biological, physical and chemical characteristics of their plot.

Green lease for new ground lease agreements
(%)

Objective 2024
≥ 90%

Realised 2024
99.6%

Green leases for existing agreements
(%)

Objective 2024
≥ 20%

Realised 2024
24.0%

Soil use

The Sustainable Development Goal (SDG) of Zero Hunger aims to end all forms of hunger and malnutrition by 2030, ensuring that all people, especially children, have a sufficient supply of nutritious food all year round. The Fund's aim for helping achieve this SDG was to make at least 80% of the portfolio available for food supply by the end of 2024. By the end of 2024, 97.3% of the portfolio contributed to food supply.

Portfolio contributes to food supply
(% of portfolio)

Objective 2024
≥ 80%

Realised 2024
97.3%

Case study

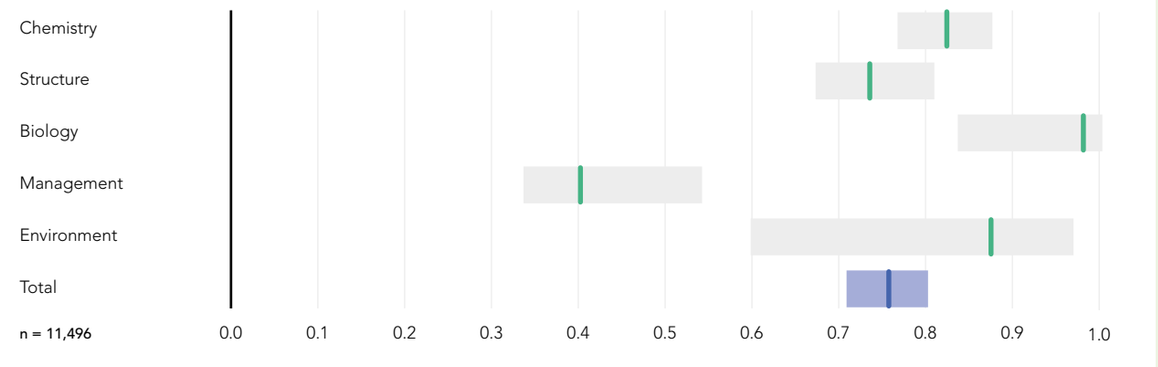
Soil quality ('Open bodemindex')

The soil is the foundation of an agricultural enterprise and the engine of a healthy and productive agriculture.

A sustainably managed and healthy soil is invaluable. A high-quality agricultural soil primarily facilitates crop production to provide food for both humans and animals. The soil supplies water and nutrients and offers a substrate for plants to grow in. Various chemical, physical, and biological processes play a role in this.

The soil quality of the Fund has been determined annually using the 'Open bodemindex' (OBI). On average, the Fund's portfolio scores well for soil quality: the individual scores for chemistry range between 0.76 and 0.87, and for structure between 0.67 and 0.81, while the scores for biology range between 0.84 and 1. For the environment, the spread is somewhat larger, from 0.59 to 0.97. The score for overall soil quality ranges between 0.71 and 0.80. Within each group of soil functions, considerable variation can occur. The risk of nitrogen leaching is predominantly low and manageable. Soil management receives a low score because current data on soil management for the majority of agricultural plots is (still) lacking. The large variation indicates that there are opportunities to further improve soil quality.

Figure 1 OBI scores of plots in the ASR Dutch Farmland Fund



Source: a.s.r. real estate, 2024

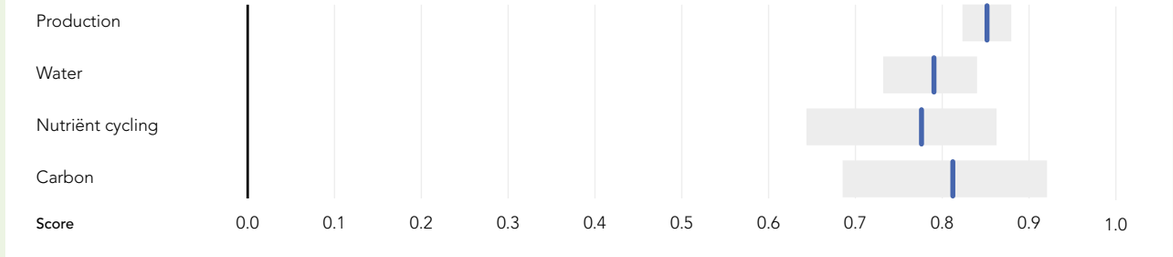
Further development of the 'Open bodemindex'

While the current OBI score is primarily focused on maintaining soil quality for (agricultural) production, there is a growing demand for expanding the services that soil can provide to the quality of ecosystems. Increasingly, societal and economic challenges are being translated into guidelines for sustainable soil management.
As part of a public-private partnership ('PPS Beter Bodembeheer'), Wageningen University & Research (WUR) and the Nutrient Management Institute (NMI) developed an integral assessment of agricultural soils (BLN 2.0). BLN 2.0 places greater emphasis on other ecosystem services such as the contribution of soil to water regulation, climate control, nutrient cycling, and, in the future, biodiversity. This innovative methodology has resulted in an advanced integrated OBI score.

Integrated OBI score

The soil functions evaluated are not limited to the production function of agricultural soils. In addition to the ecosystem service of primary production, the contribution of soils to the ecosystem services of water regulation and self-purification, carbon sequestration and climate regulation, and the facilitation of nutrient cycling are also assessed. Most plots score fairly well in their contribution to these three ecosystem services. However, there are relatively many plots where nutrient stocks are either too high or too low, which can be improved to enhance utilisation. Additionally, challenges remain in managing the soil to contribute to good water quality (preventing runoff and leaching) and ensuring sufficient groundwater replenishment, especially in areas with sandy soils and deeper groundwater levels. The high carbon stocks in the soil indicate that the contribution of the soil to this ecosystem service is well managed. Nevertheless, there are ample opportunities to sequester more organic carbon through proper management of soil, crops, and fertilizers. The average soil quality assessment in relation to these four ecosystem services is summarised below.

Figure 2 Ecosystem service scores of plots in the ASR Dutch Farmland Fund



Source: a.s.r. real estate, 2024

Reducing greenhouse gas emissions

Carbon emissions

The total carbon footprint came to 558 kilo tons CO_2-equivalent, or 14.4 tons per hectares as at 31 December 2024 (2023: 566 kt CO_2-equivalent / 14.9 tons per hectares). The decrease in net emissions is mainly caused by the relatively high percentage of nature plots added in 2024 and the conversion of existing land use to nature, increasing the share of nature plots. This results in a reduction of emissions related to fertilisation but also in a slight decrease in carbon sequestration through manure. As a result, the net greenhouse gas emissions per hectare decrease slightly.

Carbon emissions
(tons CO_2-equivalent per hectare)

Objective 2024
≤ 14.2

Realised 2024
14.4

Carbon footprint

Category	Emission source	Emission 2024 (ktons CO_2e)	Emission 2023 (ktons CO_2e)[1]	Change
CO_2 from soil	Mineralisation	167	163	4
CO_2 from soil	Peat degradation	224	221	3
Methane	Dairy farming	167	159	8
Nitrous oxide	Fertilisation	150	174	(24)
Other	Fuel, energy, etc.	39	37	2
CO_2 sequestration		(189)	(188)	(1)
Net emmissions		**558**	**566**	**(8)**

Category	Emission source	Emission 2024 (tons CO_2e per hectares)	Emission 2023 (tons CO_2e per hectares)[1]	Change
CO_2 from soil	Mineralisation	4.3	4.3	0.0
CO_2 from soil	Peat degradation	5.8	5.8	(0.0)
Methane	Dairy farming	4.3	4.2	0.1
Nitrous oxide	Fertilisation	3.9	4.6	(0.7)
Other	Fuel, energy, etc.	1.0	1.0	0.0
CO_2 sequestration		(4.9)	(4.9)	0.1
Net emmissions		**14.4**	**14.9**	**(0.5)**

1 Comparative figures have been restated as a result of updated calculation methods, new metrics and data sources, based on new scientific insights.

Nitrogen emissions

The ammonia emissions in 2024 amounted to 1.50 kilo tons NH_3, or 40.7 kg NH_3 per hectare. The main sources were emissions from livestock housing and storage (16.6 kg NH_3 per hectare) as well as emissions occurring during the application of animal manure (15.4 kg NH_3 per hectare). Ammonia emissions were particularly high in grasslands, where significant amounts of ammonia are released from the spreading of animal manure and from livestock housing.

For comparison, the total NH_3 emissions from the Fund were approximately 1.54 kilo tons per year in 2023 and around 1.47 kilo tons per year in 2022. Expressed per unit area, NH_3 emissions from livestock housing remained at a similar level in 2024 as in 2023 and 2022, while emissions from animal manure application were lower in 2024. This reduction is likely due to improved crop yields in 2024 compared to 2023, driven by better weather conditions during the growing season and reduced fertilisation. Additionally, a slightly higher percentage of nature plots in 2024 compared to 2023 and 2022 also contributed to lower ammonia emissions.

Methodology
The national modelling tool INITIATOR is used to calculate the integral carbon footprint and nitrogen emissions. INITIATOR has been developed over the past 20 years to provide integral insight into the behaviour of carbon and nutrients in rural areas. The emissions and sequestration of greenhouse gases of the farmland portfolio were mapped by using company-specific data (from the agricultural companies that lease the parcels) in relation to numbers of animals, soil type, land use and fertilisation. The greenhouse gases included were carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). For nitrogen gases that can be deposited in nature reserves, NH_3 emissions are considered from sources such as livestock housing, fertilisers, crop residues, animal manure, compost, crop maturation, and grazing. The calculations were prepared by the Nutriënten Management Instituut (NMI) and reviewed by Wageningen University & Research (WUR). The farmland portfolio of the Fund is tenant-operated. Therefore, the Fund's emissions are reported as scope 3 emissions.

Nitrogen emissions
(Kg NH_3 per hectare)

Objective 2024
≤ 38.7

Realised 2024
40.7

Nitrogen emission

Category	Emission source	Emission 2024 (ktons NH_3)	Emission 2023 (ktons NH_3)	Change
NH_3	Stables & storage	0.61	0.60	0.02
NH_3	Fertilisers	0.19	0.20	(0.01)
NH_3	Manure	0.57	0.62	(0.05)
NH_3	Crops	0.10	0.09	0.01
NH_3	Other	0.03	0.03	0.00
Net emmissions		**1.50**	**1.54**	**(0.04)**

Category	Emission source	Emission 2024 (kg NH_3/ha)	Emission 2023 (kg NH_3/ha)	Change
NH_3	Stables & storage	16.6	16.5	0.1
NH_3	Fertilisers	5.1	5.6	(0.4)
NH_3	Manure	15.4	17.2	(1.8)
NH_3	Crops	2.6	2.5	0.2
NH_3	Other	0.8	0.9	0.0
Net emmissions		**40.7**	**42.7**	**(2.0)**

Execution of CO_2 reduction plan

By 2024, the Fund's aim was to select for this plan at least ten farmers spread across the most common types of farm. As a core group of ambassadors, these entrepreneurs will engage in targeted circular agriculture that reduces emissions as much as possible. With these farmers, under the guidance of advisers, stewards and experts, an intensive process will be carried out in which tailor-made solutions will be sought for each farm in order to steer towards lower emissions and a better soil.

In 2024, NMI has scheduled the first meetings with the registered farmers and their advisors. On behalf of the Fund, the stewards will actively participate in these processes.

Facilitate farmers in execution of CO_2 reduction plan
(kWh / sq.m. / year)

Objective 2024
≥ 10

Realised 2024
10

Nitrogen emission reduction strategy

Based on the environmental systems analysis for the Fund's portfolio and the factsheets prepared per farm type, NMI has defined the concrete targets for both greenhouse gas emissions and nitrogen emissions that are to be met by each farm, next to and ahead of current developments within the National Programme for Rural Areas ('Nationaal Programma Landelijk Gebied').

Nitrogen emission reduction strategy

Objective 2024
Design plan

Realised 2024
Designed

Nijebekoop, Friesland

Adapting to climate change and improve biodiversity

Landscape elements

Landscape elements, such as forests, wetlands, hedgerows, and floral meadows, play a crucial role in promoting biodiversity and producing healthy food. This results in some key benefits, such as resilient ecosystems, the preservation of native species, attracting pollinating insects, and having healthy soil and clean water. The Fund will invest directly in 'landscape elements' on the farmlands in our portfolio and to that end, we made plans to launch ten projects in 2024.

During the year, those ten projects were realised, resulting in the establishment of walnut trees, edible hedges, hedgerows, and ponds.

Climate adaptation – landscape elements
(# of projects / year)

Objective 2024
≥ 10

Realised 2024
10

Sustainable initiatives and alternative crops

The Fund actively supports new sustainability initiatives by making agricultural land available for the development of these initiatives (e.g. alternative (biobased) crops, new farming techniques, and alternative revenue streams).

In 2024, the fund allocated 61 hectares of farmland for sustainability initiatives and alternative crops, which was lower than our target of 100 hectares. Despite not achieving this target, the Fund has contributed to several sustainability initiatives, such as the customised ground lease contract for the transition of the 'Graanbroeders' (see panel below) and the Fund entered into its first ground lease contract with the 'Herenboeren 't Tullse Veld'. A 'Herenboerderij' – a community-based initiative that collectively commits to producing healthy and sustainable food without the use of chemical pesticides – is a mixed-use farm of approximately 20 hectares that provides vegetables, fruit, eggs, and meat.

Agricultural land available for the development of sustainable initiatives and alternative crops
(# hectares)

Objective 2024
≥ 100%

Realised 2024
61%

Social

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

Community & tenants

- **Tenant satisfaction rating**
- **Facilitate young farmers**

Our employees

- **Employee satisfaction rating**
- **Personal development**
- **Health & well-being**
- **Diverstity, equity & inclusion**

Schagen, Noord-Holland

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Community & tenants

Tenant satisfaction rating

The Fund's tenants are important partners and the Fund works to ensure that they are involved, aware and content. The Fund actively seeks to improve tenant satisfaction and commitment by periodically conducting tenant satisfaction surveys at least every two years. The 2024 tenant satisfaction survey, which was held in the third quarter of 2024, revealed a number of areas in which there was room for improvement in tenant satisfaction and the quality of services provided by a.s.r. real estate and its contractors. The survey showed an average score of 7.3 out of 10, just below the Fund's target of 7.5.

Tenant satisfaction rating
(score out of 10)

Objective 2024

≥ 7.5

Realised 2024

7.3

Facilitate young farmers

To guarantee food production in the future, we must also invest in young farmers who want to start or take over a business. Initiatives to encourage young farmers who want to do this, and who want to invest in sustainable business development, are perfectly aligned with the Fund's ambition to create perpetual value within a green and vital agricultural sector. Every day, the Fund takes practical action to meet the growing demand from young farmers for a customised product that makes it possible for them to get investment space in a responsible manner.

The Fund also finds it important to help achieve the social objectives of ground mobility and the continuity of the sector. Our Young Farmer Ground Lease product contributes to achieving these objectives. In 2024, 19 new contracts were signed (328 hectares). All these new contracts include sustainability criteria.

Facilitate young farmers
(# of hectares new young farmers ground lease / year)

Objective 2024

≥ 200

Realised 2024

328

Evertsoord, Limburg

Case study

Dairy farm 'De Boer' from Ferwert switches to organic farming with one eye on the future

The De Boer family of the dairy farm of the same name in Ferwert, Friesland, has made the switch to organic farming. 'Our transition to organic farming started in April 2024. We did this with one eye on the future and considering what would best suit us in terms of the type of business,' said leaseholder Sabine de Boer, who runs the business with her husband Jelke. Together they are part of the around 1,750 farmers of the ASR Dutch Farmland Fund. a.s.r. wants to further accelerate the sustainability transition of the agricultural sector. For instance: at present, only 4% of current agriculture in the Netherlands is organic. Our ambition is that by 2030, 15% of agricultural land will be used for organic farming.

The dairy farm is now in the hands of the family's third generation. 'In 2019, we took it over from my father-in-law,' said Sabine. 'We use about 74 hectares of land and own 125 cows and young cattle. There used to be 160, but with the switch to organic farming, we had to downsize. That was a conscious and necessary choice. The reason for switching to organic was and is the uncertainty in the sector. The two of us started thinking: what do we actually want? What makes us happy? What is our goal on the horizon? With the help of a business coach, we weighed up all the pros and cons. In the end, we wholeheartedly said yes to making the switch to organic farming.'

Exemption from ground rent

The transition to organic farming began last year and involves a process of several years. 'We had an intake interview with SKAL ('Stichting Keur Alternatief voortgemaakte Landbouwproducten' or 'Foundation for Alternatively Produced Agricultural Products Label') and were let into the transition programme. We also approached a.s.r. Part of our land is on a ground lease and a.s.r. supported us in the transition by exempting us from the ground rent. That gave us room to make the necessary investments in our company, because this project obviously has a price tag. I would also like to tell farmers who are considering switching to organic farming to make sure they have their financing in order.

That will really be your basis. To give one example: since the beginning of April this year, we have been feeding our cows organic concentrates. This is quite expensive and we are not yet getting an organic price for our milk. That means, of course, that we need to make initial investments in order to earn it back later.'

Ferwert, Friesland

Trial and error

Sabine and her husband are happy with the step they took. 'We knew that it would not be as straightforward as "just doing it". It was a matter of trial and error, which took time and energy. During the first year of the transition, our main focus was on our ground position and soil quality. For example, in August 2024, we reseeded approximately 5 hectares with organic grass clover. We did this because there had previously been a bad crop on the land and potato cultivation in the past had compacted and deteriorated the soil. In September 2024, we also sowed more than 3 hectares of farmland with a herb-rich mixture to strengthen biodiversity. We did this on a project basis, together with our dairy.

In 2024, we also continued to collaborate with the agricultural nature association, and we took part in the 'Agrarisch Natuurlijk' project of ZuivelNL and Boerennatuur. In addition, together with the local bird watch, we looked at which land was suitable as a possible breeding ground for meadow birds and how we could make it more attractive. This was done with the aim of possibly acquiring one of the management packages of Agrarisch Natuur- en Landschapsbeheer (ANLb or 'Agrarian Nature and Landscape Management') for our agricultural land and for us to receive ANLb subsidies for improving biodiversity.'

Organic standards and practices

Sabine continues: 'In addition to the soil, we studied deeply the organic standards and practices within dairy farming. We brought in a new feed advisor and joined De Natuurweide (association for organic dairy farms) and the FBBF (association for Frisian organic farmers). We also studied the dairy cattle stable booklet of the WUR (Wageningen University & Research), which gave us more insight into alternative solutions for animal diseases. We also invested in a system in which each cow has a smart bolus: this monitors the cow's welfare, both onsite and remotely. In short, we put in a lot of time and energy, but we were happy to do it.
We can do the work more easily precisely because we made the switch to organic, which included doing such things as reducing the number of cows. We do almost everything ourselves, although we also employ someone for 15 hours a week. In addition, we partly outsource the groundwork to a contractor.
Due to the downsizing, I can also continue to work part-time as an agricultural business advisor outside of our own business.'

Future

According to Sabine, the transition process is going well. 'Our goal is to have a healthy company in about 25 years, for it to be about the same size as now, and for it to be suitable to be taken over. We would prefer it to stay in the family – we have three sons and the middle one has farmer's blood in his veins. So who knows? What we also want to do in the future is sell our own products locally. For example, we could invest in a milk tap and sell organic milk ourselves or perhaps process our own meat. In any case, we see that organic farming is an emerging market, but whatever your company does in the agricultural sector, we succeed by working together. We need each other, with each farm playing its part. I already said that financing is very important, but for farmers who also want to farm organically, I would like to say: actively seek partners. Get good information and advice and do your research on the subject. You must be 100% behind your decision. What we do, we truly believe in.'

Ferwert, Friesland

Our employees

Employee satisfaction rating

A weekly survey is conducted amongst a.s.r. employees: the Employee Mood Monitor (eMood®). This in-house developed tool aims to provide up-to-date information on the well-being and connectedness of employees. In 2024, the overall score of a.s.r. real estate was 7.8, surpassing the target of 7.5.

Employee satisfaction rating
(eMood® score)

Objective 2024
≥ 7.5

Realised 2024
7.8

Health and well-being

Prioritising health and well-being and avoiding stress in the workplace is an important issue. The weekly eMood® survey provides specific insights into the vitality of a.s.r. real estate employees. In 2024, the vitality score of a.s.r. real estate was 7.5, which equals the target of 7.5. Based on the outcomes, targeted actions are taken to improve the vitality of employees.

Health and well-being
(eMood® vitality score)

Objective 2024
≥ 7.5

Realised 2024
7.5

Personal development

The main focus of the human resource management policy is personal development of a.s.r. employees in terms of professional expertise, competences and skills. In 2024, a.s.r. real estate spent 1.0% of annual salaries on employees' learning and development. The result equals the target of 1.0% of annual salaries.

Additionally, 1.0% of annual salaries is devoted to sustainable employability. A dedicated human resources team provides guidance for employees who wish to develop their talents, move to another position (sustainable employability) or leave. Actual expenditures are estimated at 1.0% of annual salaries.

Training
(% of annual salaries)

Objective 2024
≥ 1.0%

Realised 2024
1.0%

Sustainable employability
(% of annual salaries)

Objective 2024
≥ 1.0%

Realised 2024
1.0%

Diversity, equity & inclusion

Differences make organisations stronger and better, which is why a.s.r. stands for equal opportunities. Different perspectives, backgrounds, knowledge and experiences contribute to the objectives of a.s.r. and are positively utilised and deployed within innovative, sustainable solutions for our tenants and investors.

a.s.r. annually carries out an organisational Denison survey. In 2024, the diversity and inclusion score was 70. This was an improvement compared to the 2023 score (44). The focus is on fair and equal chances for all and providing opportunities to learn about diversity and inclusion.

Diversity, equity & inclusion

Objective 2024
Execute policy

Realised 2024
Ongoing

Governance

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

- **Sound business practices**
- **Embedding ESG**
- **SDGs**

Harich, Friesland

Sound business practices

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

Compliant with SFDR and EU Taxonomy

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

The Fund promotes climate and environmental objectives as included in article 9 of the Taxonomy Regulation, more specifically the objective 'climate change mitigation' and ‘climate change adaptation’. The Fund promotes these objectives in its underlying investments, by promoting the stabilisation of greenhouse gas concentrations in the atmosphere consistent with the long-term temperature goal of the Paris Agreement and promoting the resilience of its underlying investments to climate change.

The Fund continues to implement updated Regulatory Technical Standards (RTS) related to the SFDR and related legislation For more information on the SFDR and EU Taxonomy, please refer to the pre-contractual disclosure in the Prospectus and the periodic disclosure in the Annual Report (Appendix 2: Annex IV, SFDR periodic disclosure).

Embedding ESG

Organisational

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

Partners

The Fund works with a number of long-term partners, such as its investors and knowledge and supply chain partners. ESG is a standing item on the agenda of periodic meetings with investors and knowledge and supply chain partners. In addition, there are guidelines for the Fund’s partners to follow and quantifiable sustainability targets set out in agreements between parties. The Fund also seeks cooperation with governing bodies on sustainability initiatives.

Contracts

Both external documents and internal documents provide for ESG checks and objectives, which are continuously updated.
The Fund includes ESG provisions in lease agreements with its tenants and in agreements with parties such as nature conservation organisations and government bodies.

Alignment with sustainability guidelines

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

GHG protocol

The Fund reports its CO_2 emissions in accordance with the guidelines set by the Greenhouse Gas (GHG) Protocol. The GHG Protocol is a globally recognised standard for measuring and managing greenhouse gas emissions, ensuring that emissions reporting is accurate, comprehensive, and consistent with international best practices.

GREENHOUSE GAS PROTOCOL

UNGC (UN Global Compact)

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

UN GLOBAL COMPACT

UN SDGs (UN Sustainable Development Goals)

The UN SDGs selected by the Fund are an integral part of the ESG policy.

SUSTAINABLE DEVELOPMENT GOALS

IVBN (Foundation for Dutch Institutional Investors in the Netherlands)

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

IVBN

TCFD (Taskforce on Climate-related Financial Disclosures)

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.

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

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

The Fund is 100% compliant with the INREV Sustainability Reporting Module and has implemented the INREV ESG SDDS.

INREV

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.

PRI Principles for Responsible Investment

TNFD (Taskforce on Nature-related Financial Disclosures)

a.s.r. real estate, as part of a.s.r., uses the TNFD framework to identify risks and opportunities related to biodiversity and ecosystems. By doing so, a.s.r. is committed to protect and restore biodiversity through the financing of its activities and investments in line with the Finance for Biodiversity Pledge that was launched on 25 September 2020.

TNFD Taskforce on Nature-related Financial Disclosures

Ministry of Agriculture, Fisheries, Food Security and Nature

The Dutch ministry has set goals for the agricultural sector in the national climate agreement. The fund embraces these goals and actively works towards a Paris Proof portfolio in 2045.

Ministerie van Landbouw, Visserij, Voedselzekerheid en Natuur

SFDR & EU Taxonomy

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

European Commission

SDGs

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

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

SUSTAINABLE DEVELOPMENT GOALS

ASR DCRF actively contributes to four SDGs

The Fund aims to contribute to target 2.4: 'ensure sustainable food production systems… that increase productivity… and that progressively improve land and soil quality'. The Fund does this by implementing the 'Open bodemindex', by measuring and reducing greenhouse gas emissions in our portfolio and through our green lease products.

Through the 'Open bodemindex' and by awarding sound farming practices with our green lease products, the Fund contributes to target 12.4: 'environmentally sound management of chemicals and all wastes and significantly reduce their releases to air, water and soil in order to minimise their adverse impacts on human health and the environment'.

The Fund has concretised its ambitious reduction strategy with action perspectives for their farmers. The Fund is already measuring the carbon footprint of the Fund's portfolio, resulting in a greenhouse gas emission of XX tons of CO2-equivalent per hectare. The Fund will integrate reduction targets in our strategies and planning (target 13.2) and will help our farmers in building resilience and adapting to climate change (target 13.1).

By signing the Finance for Biodiversity pledge, the Fund is committed to protecting and restoring biodiversity through finance and investment activities, and thereby also committed to target 15.a. With the implementation of the 'Open bodemindex', the Fund aims to contribute to biodiversity in the soil. By financing landscape elements on the Fund's farmlands, the Fund is taking a first step in contributing to biodiversity on land.

Strategic objectives 2025-2027

The Fund revises its one-year and three-year objectives on an annual basis. At the end of 2024 the Fund published its ESG Policy 2025 - 2027, containing the revised strategic objectives for the 2025 - 2027 period.

The Environmental and Social themes both have their own strategic objectives, which are listed in the table on the right. For the Governance theme a checklist applies.

Strategic objectives 2025-2027

Strategic objectives	Target 2025	Target 2027
Environmental		
Sustainable productivity and sustainable farmer's income		
Green leases for new ground lease agreements (% of hectares acquired)	100%	100%
Green leases for existing agreements (% of hectares of existing contracts)	≥ 30%	≥ 40%
Portfolio contributes to food supply (% of portfolio)	≥ 80%	≥ 80%
Reducing environmental impact		
Carbon emission (tonnes of CO_2e/ ha. / year)[1]	≤ 14.2	≤ 13.9
Nitrogen emission (kg of NH_3 / ha. / year)[1]	≤ 39.6	≤ 37.2
Facilitate farmers with an emission reduction plan (# of tenants)	≥ 15	Setting up knowledge hub for tenants
Adapting and building resilience to climate change and improve biodiversity		
Enhance local biodiversity - landscape elements (# of projects / year)	≥ 15	≥ 30
Promoting climate-positieve crops (% of portfolio)	≥ 2%	≥ 3%
Social		
Community & tenants		
Tenant satisfaction rating (score out of 10)	≥ 7.5	≥ 7.5
Facilitating young farmers (# of hectares / year)	≥ 200	≥ 250
Our employees		
Employee satisfaction rating (eMood® score)	≥ 7.5	≥ 7.5
Training & development (% of annual salaries)	≥ 1%	≥ 1%
Health & well-being (eMood® vitality score)	≥ 7.5	≥ 7.5
Governance		
Sound business practices	✓	
Alignment with sustainability guidelines	✓	
Contribution to SDGs	✓	

1 The emission targets have been recalculated based on adjusted emissions from previous years. These emissions served as the basis for the 2025 and 2027 target.

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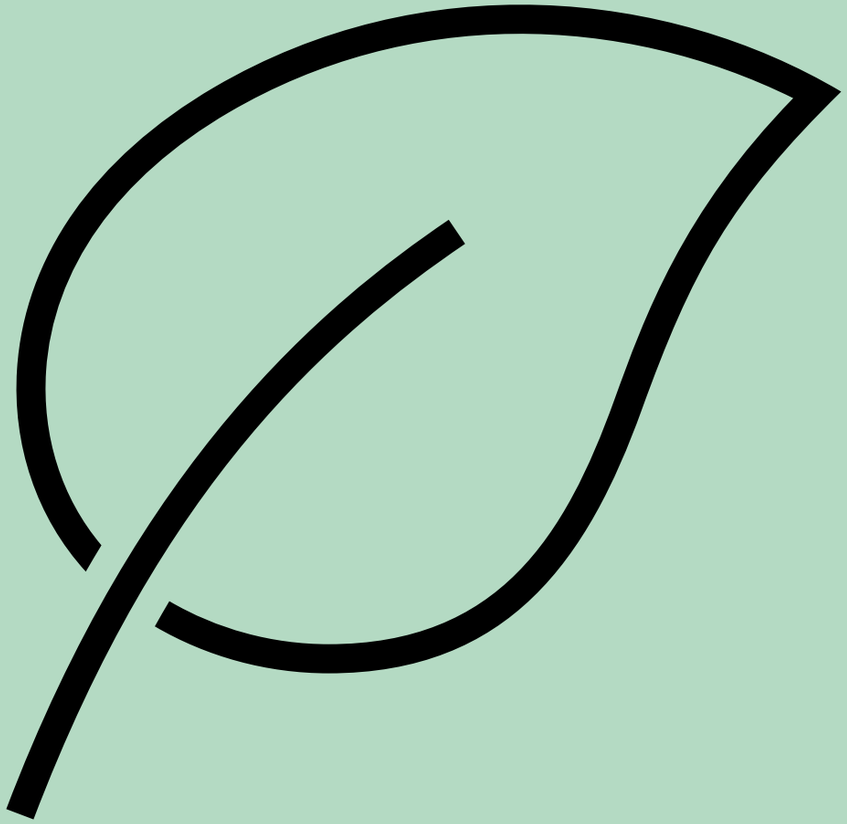

Cover: Ferwert, Friesland