

8 Annex III, SFDR pre-contractual disclosure

04-2023

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:

ASR Dutch Green Energy Fund I (the 'Fund')

Legal entity identifier:

n/a

Sustainable investment objective

Does this financial product have a sustainable investment objective?

Yes

No

- It will make a minimum of **sustainable investments with an environmental objective: 95%**
- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective: 0%**

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What is the sustainable investment objective of this financial product?

The sustainable investment objective of the Fund is to accelerate the energy transition by increasing the proportion of zero emission energy. The objective gives investors the opportunity to make a measurable and lasting contribution to the reduction of CO₂ emissions.

The goal is operationalized through the use of two indicators on which the Fund measures its sustainable investment objective:

- Tonnes of CO₂ emissions avoided
- The amount of zero emission energy generation in GWh

The Fund's sustainable investment corresponds with the environmental objective climate mitigation, as included in article 9 of the EU Taxonomy regulation. The objective is consistent with the Paris Agreement by promoting the stabilization of greenhouse gas concentrations in the atmosphere consistent with the long-term temperature goal of the Paris Agreement.

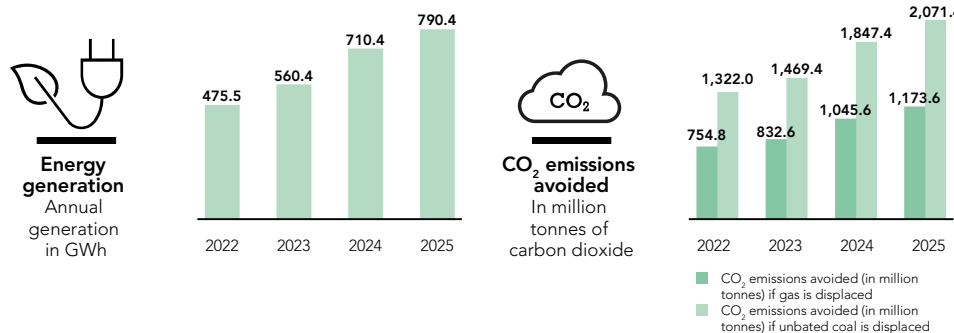
No reference benchmark is available for the purpose of attaining the Fund's sustainable investment objective. To measure the attaining of the objective, the Fund has developed a methodology to measure the attainment of the sustainable investment objective, which can be found below. The methodology is based on the International Energy Agency standards. To ensure the attainment of the objective, the Fund will set objectives as part of the ASR Dutch Green Energy Fund I's ESG Policy. On these objectives will be reported via the Fund's annual report.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The sustainability indicators which are used to measure the attainment of the sustainable investment objective are:

- Tonnes of CO₂ emissions avoided
- The amount of zero emission energy generation in GWh

The Dutch energy mix is dominated by fossil-based energy sources, being gas and coal, together responsible for 53.5% of the Dutch energy. The share of energy from renewable sources in the Netherlands consisted of 40.6% in 2022 (CBS, 2022). The share of renewable energy in the Dutch energy mix needs to increase to 70% to reach the Paris Agreement goal. The Fund helps accelerate this energy transition by increasing the proportion of renewable energy. In 2022, the portfolio investments to be transferred to the Fund generated 468.8 GWh of onshore wind-energy and 6.7 GWh solar energy and thereby avoided 533.3 million tonnes CO₂ if gas was displaced and 936.6 million tonnes CO₂ if unabated coal was displaced. For 2023, 2024 and 2025 the following targets are set:



ASR DGEF I's objectives for energy generation and CO2 avoidance

	2022	2023	2024	2025
Energy generation from wind energy (in GWh)	468,8	489,2	609,2	689,2
Energy generation from solar energy (in GWh)	6,7	71,2	101,2	101,2
Total Energy generation (in GWh)	475,5	560,4	710,4	790,4
CO2 emissions avoided by wind energy if gas is displaced	750,1	782,7	974,7	1102,7
CO2 emissions avoided by wind energy if unabated coal is displaced	1312,6	1369,8	1705,8	1929,8
CO2 emissions avoided by solar energy if gas is displaced	4,7	49,8	70,8	70,8
CO2 emissions avoided by solar energy if unabated coal is displaced	9,4	99,7	141,7	141,7
CO2 emissions avoided (in million tonnes) if gas is displaced	754,8	832,6	1045,6	1173,6
CO2 emissions avoided (in million tonnes) if unabated coal is displaced	1322,0	1469,4	1847,4	2071,4
Energy production for number of households	169.821	200.143	253.714	282.286



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The Fund's sustainable investment objective corresponds with the environmental objectives as included in article 9 of the Taxonomy Regulation, namely climate mitigation. At the same time, the Fund does not significantly harm any other environmental or social sustainable investment objective as defined by the EU Taxonomy:

- (i) **climate change adaptation:** the activities of the Fund do not lead to an increased adverse impact of the current climate and the expected future climate, on the activity itself or on people, nature or assets; The Fund assessed its physical risks during its expected lifetime and mitigants are in place to reduce those risks.
- (ii) **the sustainable use and protection of water and marine resources:** the activities of the Fund are not detrimental to the good status or the good ecological potential of bodies of water or to the good environmental status of marine waters. The EU Taxonomy does not have specific criteria for onshore wind installations and solar parks for this indicator.

- (iii) **the transition to a circular economy:** the activities of the Fund do not lead to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources, do not lead to a significant increase in the generation, incineration or disposal of waste and do not lead to the long-term disposal of waste which may cause significant and long-term harm to the environment. The Fund assessed the possibility of recyclability. Where possible, equipment and components of high durability and recyclability are and will be used.
- (iv) **pollution prevention:** the activities of the Fund do not lead to a significant increase in the emissions of pollutants into air, water or land, as compared with the situation before the activity started. The EU Taxonomy does not have specific criteria for wind installations and solar parks for this indicator.
- (v) **restoration of biodiversity and ecosystems:** the activities of the Fund are not significantly detrimental to the good condition and resilience of ecosystems or detrimental to the conservation status of habitats and species. The Fund conducted an environmental impact assessment for all its assets. Also, the Fund does not have any assets near biodiversity-sensitive areas.



How have the indicators for adverse impacts on sustainability factors been taken into account?

The Fund considers principal adverse impacts on sustainability factors. However, no specific principal adverse indicators for renewable infrastructure investments are available. The indicators available for Investee companies are closest and most logical for the Fund's economic activities. Please see in the table below the relevant PAI indicators for the Fund.

Not all indicators for investee companies of table 1 are applicable as the Fund only invests directly into renewable energy assets. Of table 2, indicator 8, Exposure to areas of high water stress is selected because water management and its potential adverse impact is an important topic to the Fund. Of table 3, indicator 2: Rate of accidents is selected. The Fund works with external property management for the maintenance of the project investments, the labour conditions are of a high priority to the Fund. All indicators are monitored continuously and reported on via its annual report in the periodic disclosure.

PAI no.	PAI	Applicability
1	GHG emissions	Applicable
2	Carbon footprint	Applicable
3	GHG intensity of investee companies	Excluded
4	Exposure to companies active in the fossil fuel sector	Excluded
5	Share of non- renewable energy consumption and production	Excluded
6	Energy consumption intensity per high impact climate sector	Applicable
7	Activities negatively affecting biodiversity- sensitive areas	Applicable
8	Emissions to water	Excluded
9	Hazardous waste and radioactive waste ratio	Excluded
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Applicable
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Applicable
12	Unadjusted gender pay gap	Excluded
13	Board gender diversity	Applicable
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Excluded
8	Exposure to areas of high water stress	Applicable
2	Rate of accidents	Applicable

● **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

The Fund will do its very best to act according to the rights and principles set forth in OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, as well as ILO's eight fundamental Conventions, and the International Bill of Human Rights.

The Fund identifies the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as applicable to the directly engaged general contractors, property and facility managers as far as contracted by the Fund or its SPV's. The Fund assesses them with respect to their adherence to defined good governance principles such as compliance with applicable labour and social laws and regulations or health and safety laws and regulations. The minimum safeguard standards are applied by law or imposed by contract.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes,

The Fund considers principal adverse impacts on sustainability factors by drawing up its own annual ESG policy which sets out specific sustainability objectives, including the Fund's considered adverse impacts on sustainability factors. The relevant indicators for the Fund can be found under the question: "How have the indicators for adverse impacts on sustainability factors been taken into account?". The principal adverse impacts on sustainability will be disclosed in the Fund's annual report.

No



What investment strategy does this financial product follow?

The Fund predominantly invests in core renewable infrastructure investments in the Netherlands. The aim of the Fund is to create an attractive return on the investment and to contribute to the energy transition by green energy generation and CO₂ avoidance.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The Fund only invests in renewable energy projects in the Netherlands that provide significant contributions to the energy transition. At least 95% of the Fund's investments will directly contribute to the sustainable investment objective of the Fund, being investments that contribute to the energy transition by generating zero emission energy and thereby avoiding CO₂ emissions.



What is the policy to assess good governance practices of the investee companies?

The AIFM manager a.s.r. real estate applies a good governance screening to all contracted parties. The Fund only enters a contractual relationship with companies that comply with good governance practices. Companies that perform poorly in the field of good governance are excluded prior from entering into a relationship. To ensure that the contracted parties always comply with good governance standards during the lifetime of the asset the manager has implemented an ongoing screening. Should a breach take place during doing business, the Fund engages with the party to remediate the breach or assesses whether dissolution is required.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

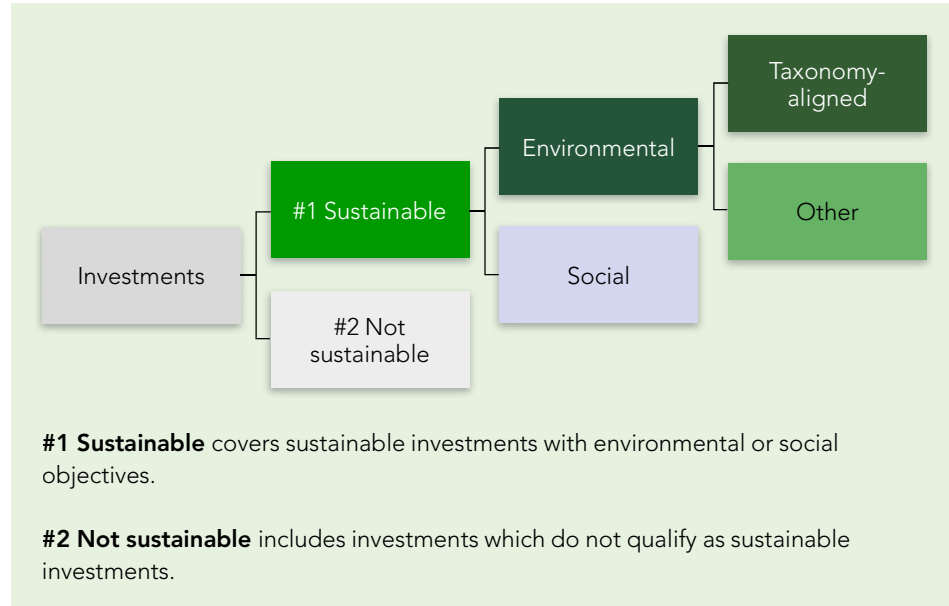
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation and the minimum share of sustainable investments?

The Fund invests at least 95% of its assets under management in sustainable investments as defined in the SFDR regulation. The remaining (maximum 5%) will also help to accelerate the energy transition. Due to the nature of the asset, some might not qualify as taxonomy aligned. The Fund will maintain a minimum of 90% taxonomy aligned investments.



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund does not use derivatives. However, at SPV level financial instrument contracts are in place that embody a swap construction.



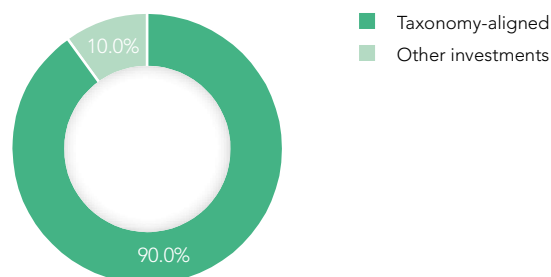
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund’s investments contribute to the environmental objective climate mitigation by investing in the following segments:

- 4.1 Electricity generation using solar photovoltaic technology
- 4.3. Electricity generation from wind power
- 4.10 Storage of electricity

A taxonomy-alignment assessment is conducted for all the Fund’s investments, also, a taxonomy-alignment assessment forms an integral part of the investment process. At least 90% of the Fund’s sustainable investments are taxonomy aligned.

1. Taxonomy-aligned investments



Note: No break down including- and excluding Sovereign bond exposure is included in diagram, as the Fund does not invest in sovereign bonds.

Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks

are indexes to measure whether the financial product attains the sustainable investment objective.

What is the minimum share of investments in transitional and enabling activities?

These are not applicable for the Fund.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund does not aim for a minimum percentage of sustainable investments with an environmental objective that are not aligned with the EU taxonomy. So, the minimum percentage is 0%.

**What is the minimum share of sustainable investments with a social objective?**

The Fund has not set an objective for a minimum share of socially sustainable investments. The Fund's investments primarily contribute to the environmental objective of the Fund.

**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

Although the Fund does not plan to have investments that are defined as not sustainable, the Fund has a maximum of 5% that might be classified as such. These assets need to match the binding elements of the Fund and therefore directly or indirectly help to accelerate the energy transition.

**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No reference benchmark is available for the purpose of attaining the Fund's sustainable investment objective. To measure the attaining of the objective, the Fund has developed a methodology which can be found under the question “What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?”

**Where can I find more product specific information online?**

More product-specific information can be found on the website:
<https://en.asrrealestate.nl/investments>