# ESG Policy 2025 - 2027

# Investing in perpetual value

## ASR Dutch Prime Retail Fund

# Mission

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

Demer 44, Eindhoven

# Environmental, Social and Governance (ESG)

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

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

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

## Investing in perpetual value translates to:

### Environmental
Dedicated to decarbonisation

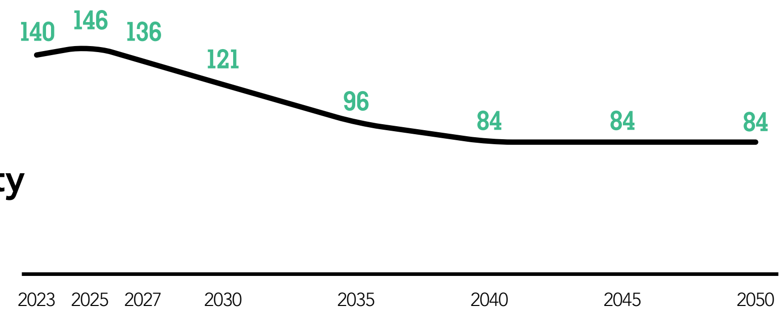
### Social
Making a positive impact on society

### Governance
Compliant with sustainability regulations

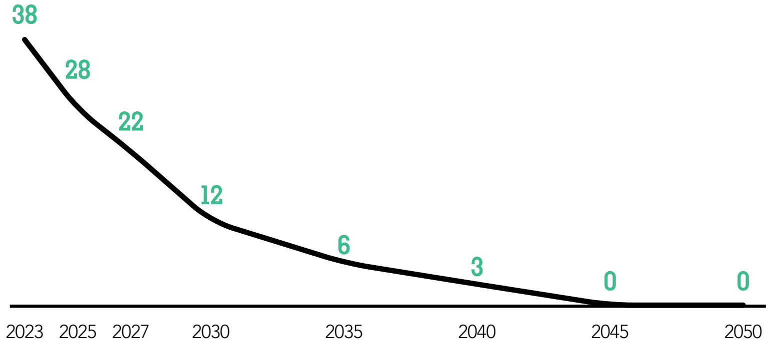
# Strategic objectives

**On our way to net zero in 2045**


**Energy intensity**
kWh / sq.m. / year




**GHG intensity**
kg $CO_2$ / sq.m. / year




## Objectives 2025

**Coverage of A labels**
(% of the portfolio)
**≥ 80%**

**On-site renewable energy**
(installed kWp)
**≥ 2,200**

**Coverage of BREEAM Very Good or higher**
(%)
**≥ 27%**

**Tenant satisfaction rating**
(score out of 10)
**≥ 7.0**

**Employee satisfaction rating**
(score out of 10)
**≥ 7.5**

**GRESB**
(# of stars)|
★★★★★

# Strategic objectives 2025-2027

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 2025-2027**

| Strategic objectives | Target 2025 | Target 2027 |
|---|---|---|
| **Environmental** | | |
| Energy intensity (kWh / sq.m. / year) | ≤ 146 | ≤ 136 |
| GHG intensity (kg $CO_2$ / sq.m. / year) | ≤ 28 | ≤ 22 |
| On-site renewable energy (installed kWp) | ≥ 2,200 | ≥ 2,500 |
| Asset-level execution plans (% of standing assets) | ≥ 20% | ≥ 50% |
| Coverage of A labels (% of sq.m.) | ≥ 80% | ≥ 83% |
| Coverage of BREEAM Very Good or higher (% of sq.m.) | ≥ 27% | ≥ 30% |
| Climate change adaptation plans (% of properties with a (very) high risk profile) | 100% prepared | 100% executed |
| **Social** | | |
| *Community & tenants* | | |
| Tenant satisfaction rating (score out of 10) | ≥ 7.0 | ≥ 7.0 |
| Tenant engagement (# of projects / year) | ≥ 5 | ≥ 5 |
| Encouraging activities in inner cities and retail areas (# of projects / year) | ≥ 4 | ≥ 4 |
| Green lease coverage for lease agreements (% total commercial leases) | ≥ 75% | ≥ 77% |
| *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 | ✓ | |
| GRESB | ★★★★★ | |

# 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 net zero ambition, climate adaptation and biodiversity. This approach results in a future-proof and resilient portfolio.

- **Energy intensity**
- **GHG intensity**
- **On-site renewable energy**
- **Asset-level execution plans**
- **Coverage of A labels**
- **Coverage of BREEAM Very Good or higher**
- **Climate change adaptation plans**


Oudegracht 151, Utrecht

# Net zero in 2045

In 2020, a.s.r. real estate signed the Paris Proof Commitment of the Dutch Green Building Council (DGBC), dedicating itself to achieving a net zero portfolio in 2045[1].

In order to achieve this objective, the Fund drew up a Paris Proof roadmap using the CRREM pathways. The pathways were developed by the EU to help real estate investors to measure their exposure to emission-related risks. The Paris Proof roadmap is based on the current energy intensity and reduction measures at the level of individual assets.

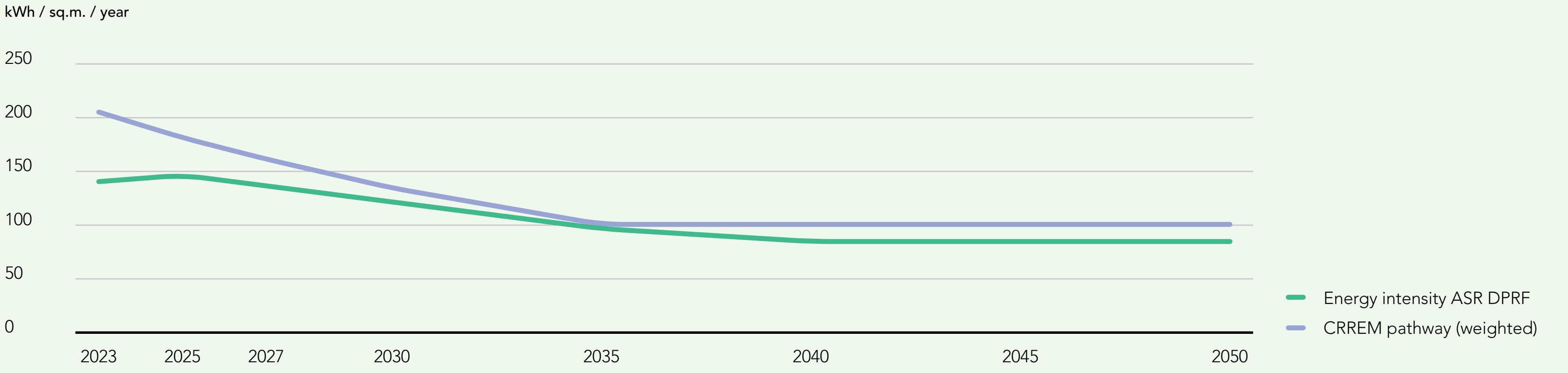
In 2023, the Fund integrated the financial planning of the Paris Proof roadmap in the Three Year Business Plan, which means the financial planning of Paris Proof renovations is integrated in the financial strategy for the 2025-2027 period. As a result, the Fund has a clear understanding of the anticipated costs and their impact on its financial performance.

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

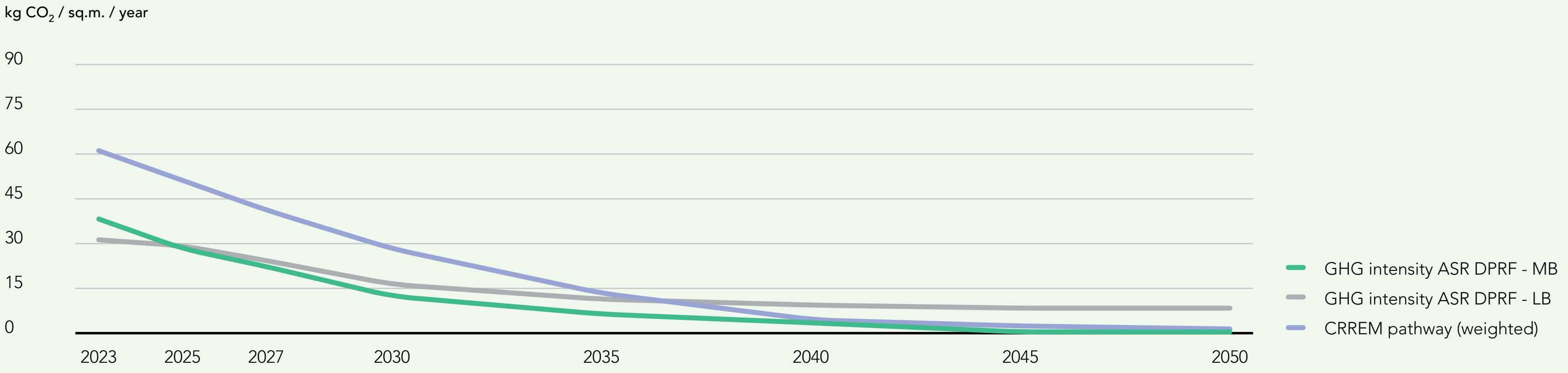
1 The net zero ambition of a.s.r. real estate includes the energy consumption of both the landlord and tenants in scope 1, 2 and 3 according to the GHG protocol.

## Paris Proof roadmap

### Energy intensity




### GHG intensity



# Paris Proof roadmap

**Objectives for energy intensity and GHG intensity**

| | Actuals 2023 | 2025 | 2027 | 2030 | 2035 | 2040 | 2045 |
|---|---|---|---|---|---|---|---|
| **Energy intensity ASR DPRF (kWh / sq.m. / year)** [1] | **140** | **146** | **136** | **121** | **96** | **84** | **84** |
| CRREM pathway energy intensity (kWh / sq.m. / year) [2] | 205 | 181 | 160 | 134 | 100 | 100 | 100 |
| | | | | | | | |
| On-site renewable energy ASR DPRF (installed kWp) | 1,500 | 2,200 | 2,500 | 3,000 | 4,000 | 5,400 | 6,100 |
| On-site renewable energy ASR DPRF (kWh / sq.m. / year) | 4.2 | 6.2 | 7.2 | 8.5 | 11.4 | 15.3 | 17.3 |
| | | | | | | | |
| **GHG intensity ASR DPRF (kg $CO_2$ / sq.m. / year) - MB** | **38** | **28** | **22** | **12** | **6** | **3** | **0** |
| CRREM pathway GHG intensity (kg $CO_2$ / sq.m. / year) [2] | 61 | 51 | 41 | 28 | 13 | 4 | 2 |
| | | | | | | | |
| GHG intensity ASR DPRF (kg $CO_2$ / sq.m. / year) - LB | 31 | 29 | 24 | 16 | 11 | 9 | 7 |

The Paris Proof roadmap encompasses the energy intensity and GHG intensity of the Fund. The energy intensity reflects the performance of individual assets and can be directly influenced by the Fund by executing asset-level reduction plans. The energy intensity is expected to be continuously below the CRREM pathway.

The GHG intensity is derived from the Fund's energy intensity and calculated by multiplying the energy intensity by the respective emission factors of the energy sources used. In 2036 the energy intensity is expected to reach the requirements to achieve net zero in 2045. After which the focus is on the reduction of the GHG intensity.

To reach the net zero objective, the first priority is to minimise the energy consumption through the execution of asset-level reduction plans. The execution of asset-level plans is outlined and prioritised in the Paris Proof roadmap. The second priority is to increase and optimise on-site renewable energy generation by installing PV panels. Additionally, the Fund procures 100% renewable energy from the Netherlands and encourages tenants to do so as well. These combined measures result in a net zero portfolio in 2045.

Currently, the location-based intensity is not sufficient to meet the CRREM GHG intensity pathway, since the forecast for the energy mix of the Dutch national grid (as estimated by the International Energy Agency) does not reach the net zero emission level. However, it is likely that the International Energy Agencies forecast will improve in the coming years as the energy transition progresses faster than expected. In the second quarter of 2024, the emission factors already decreased with 29% compared to the previously forecasted emission factors.

1 Energy intensity is a metric used to measure a building's or portfolio's energy efficiency. The energy intensity is calculated by dividing the total energy consumption by the total gross floor area, expressed in kWh / sq.m. / year. The 2023 number only includes buildings with a data coverage of 100%, which was 82% of the portfolio. Future targets are based on the Paris Proof roadmap of all buildings.

2 The Fund uses the CRREM pathways as a benchmark for the 1.5 degrees Celsius global warming target for the Netherlands. The Fund considers the share of shopping centres (51%), high street assets (43%), multi-family assets (5%) and offices (1%) in order to define a weighted CRREM pathway for the portfolio

## GHG intensity: market and location-based approach

**Market-based (MB):** the market-based GHG intensity is based on the specific emission factors associated with the energy sources selected for procurement. Each energy type (e.g., natural gas, electricity and heat networks) has a specific emission factor and the procurement of renewable energy is considered in this approach.

**Location-based (LB):** the location-based GHG intensity is based on the average emission factor of the electricity grid at a specific location. The energy mix of the local energy grid is expected to become more sustainable over time, which means the emission factor decreases over time.
This approach does not take the procurement of renewable energy by landlord and tenants into account.

The Fund monitors and reports both market- and location-based GHG intensities to provide a comprehensive understanding of the Fund's performance. The market-based approach is used for the Fund's net zero objective.

# Case study

## Decarbonising our portfolio

### Building a resilient real estate portfolio

The Fund continuously focuses on implementing improvements around energy consumption. The optimisation measures are linked to the planned actions in the multi-year maintenance plan (MYMP), so that larger energy-saving measures such as replacing heating and ventilation systems and placing (extra) insulation are strategically implemented upon the expiry of systems or coincident with other major CAPEX activities. As a result, the Fund believes that over 83% of the portfolio can achieve an A Label in the coming years. In the long run, the portfolio will no longer include retail premises with a low energy performance.

In addition, the Fund aims to sign 'green lease' contracts, where the landlord and the tenant agree on making the leased asset more sustainable. As of 2019, 100% of the new commercial contracts (excluding temporary contracts) were green lease contracts.

**Linea Nova in Rotterdam**

Following the renewal of H&M's lease at Lijnbaan 173-177 and the reletting of the adjacent Lijnbaan 171 store unit to Uniqlo, the opportunity arose to optimise the energy saving by replacing the heating and ventilation systems for both stores. By engaging with the tenants H&M and Uniqlo, a significant reduction of the energy intensity is achieved. This offers advantages for the tenants such as lower energy costs and a healthier indoor climate.

Both newly installed heating and ventilation systems are more sustainable due to the following measures:

- Energy-efficient ventilators;
- Addition of a heat wheel to facilitate heat recovery;
- Less air transportation by installing multiple units in store that recirculate and condition the air.

In Q3 2024, execution will be completed, resulting in a state-of-the-art retail space of 5,500 sq.m. The units are expected to be awarded a BREEAM Excellent label.

Linea Nova, Rotterdam

# Energy intensity

The objective is to work towards a net zero portfolio in 2045. This is measured by the absolute energy and GHG intensity ratios kWh / sq.m. / year and kg $CO_2$ / sq.m. / year. The 2025 and 2027 targets for energy intensity are based on the Fund's Paris Proof roadmap.

The Fund continuously focuses on implementing improvements around energy consumption. The optimisation measures are linked to the planned actions in the multi-year maintenance plan (MYMP) so that larger energy-saving measures such as replacing heating and ventilation systems and installing (extra) insulation are strategically implemented upon the expiry of systems or coincident with other CAPEX activities. As a result, the Fund believes that over 83% of the portfolio can achieve an A Label in the coming years. In the long run, the portfolio will no longer include retail premises with a low energy performance.

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

**2025**
**≤ 146**

**2027**
**≤ 136**

# On-site renewable energy

The Fund aims to implement renewable energy solutions wherever feasible. Solar panels are the most suitable solution for the portfolio. In recent years, the Fund has actively worked on on-site renewable energy generation. Supermarkets in particular appeared to be suitable for the installation of solar panels due to the large roof area and high energy demand. As at Q3 2024, around 4,600 solar panels at 14 different locations have been installed. In addition, the Fund is exploring options for installing another 1,600 solar panels at seven locations in 2024 and 2025. Five of these locations are inner-city high street premises, indicating that the Fund is expanding on-site renewable energy generation beyond supermarkets. So far, flat roofs have been explored and used for installing solar panels. Going forward, possibilities for installing solar panels on pitched roofs will also be explored. By 2027, the Fund aims to install a total capacity of 2,500 kWp, generating 6.5 kWh / sq.m. / year.

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

**2025**
**≥ 2,200**

**2027**
**≥ 2,500**

# GHG intensity

The 2025 and 2027 targets for the GHG intensity are based on the Paris Proof roadmap. To minimise GHG emissions, the Fund aims to reduce the energy consumption across the portfolio.

Objective
**GHG intensity**
(kg $CO_2$ / sq.m. / year)

**2025**
**≤ 28**

**2027**
**≤ 22**

## Optimising data coverage

The Fund is committed to reaching 100% data coverage on energy consumption, GHG emissions, water usage and waste generation. Comprehensive and accurate data is essential for effective monitoring, reporting and management of the Fund's environmental impact.

To improve energy consumption and GHG data, a.s.r. real estate is working on automated data collection. By working closely with service providers and tenants, data can be directly imported via smart meters. By doing so, the Fund enhances both data coverage and data quality.

Additionally, the Fund adopts standardised protocols for data collection and reporting to ensure consistency and comparability across the real estate sector.

# Asset-level execution plans

As of 2021, the Fund developed archetypes for all types of assets to determine the different actions that need to be taken to reach net zero in 2045. As the Fund consists for a large part of monumental high street assets in historic city centres that are unique in terms of building characteristics and size, asset-level execution plans are key to specifying actions that need to be taken to reach net zero. The first asset-level execution plans have been developed and the Fund will gradually develop an execution plan for all standing assets in the portfolio. For 2025, the Fund's objective is to develop Paris Proof roadmaps at asset level for ≥ 20% of the assets in the standing portfolio.

Objective
**Asset-level execution plan**
(% of standing assets)

**2025**
**≥ 20%**

**2027**
**≥ 50%**

# Coverage of A labels

All stores in the portfolio are energy label certified. A large proportion of these properties are located in historic city centres and qualify as monumental buildings. By 2027, the Fund aims to have an A Label for ≥ 83% of its portfolio. In order to achieve this, properties will be made more sustainable or converted as soon as possible in the operating process. In the Fund's Programme of Requirements and Technical Due Diligence process, strict sustainability requirements have been set for acquisitions, new developments and renovations. The Fund continues to advise and encourage tenants to use sustainable installations, as the energy labels for high street retail properties are largely determined based on installations and modifications made by tenants. More details of the green lease agreements between the Fund and its tenants are included in the Social chapter.

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

**2025**
**≥ 80%**

**2027**
**≥ 83%**

# Coverage of BREEAM Very Good or higher

The Fund will take steps to improve owner-related BREEAM credits, in order to identify the areas for improvement. As of 2021, 100% of all standing investments in commercial units in the Fund's portfolio were BREEAM-certified. Therefore, having received structured insight into the possibilities of making its premises more sustainable, the Fund is committed to achieving at least a 'Very Good' BREEAM certification for 30% of the portfolio by 2027. In order to do so, it is essential to integrate all aspects of the BREEAM rating system in its 'Programme of Requirements' for refurbishment and redevelopment activities and for new acquisitions. In addition, the Fund aims to involve its tenants in the process of BREEAM certification and, more importantly, in the sustainability improvements required for BREEAM certification. The Fund's tenants are an important partner in the BREEAM certification process and the associated improvement measures since they play a major role in the final BREEAM score.

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

**2025**
**≥ 27%**

**2027**
**≥ 30%**

# Embodied carbon

11% of the total GHG emissions in the Netherlands are embodied carbon emissions. Embodied carbon emissions are GHG emissions arising from the extraction, production, transportation and assembly of building materials.

In 2023, a.s.r. real estate conducted a study to identify and evaluate existing standards for measuring and limiting embodied carbon. Currently, the DGBC standard is the most suitable standard for real estate in the Netherlands. This standard uses the Global Warming Potential (GWPa) indicator and sets target values for embodied carbon per asset type.

The Fund has integrated the GWPa indicator in its programme of requirements for acquisition and renovations. The objective is to collect embodied carbon data and to challenge partners to adopt an integrated approach that addresses both operational and embodied carbon emissions.

Based on the collected data, the ambition is to assess the development of a roadmap for reducing embodied carbon.

The Fund identified two key strategies to mitigate embodied carbon:

### 1. Preservation of existing real estate

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

### 2. Application of biobased materials

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


Leidsestraat 106-108, Amsterdam

# Climate change adaptation plans

In recent years, society and nature have witnessed an increase in the frequency and intensity of extreme weather such as heatwaves, torrential rain, floods and droughts. By both understanding and anticipating the short-, medium- and long-term risks of climate change, the Fund strives to build a portfolio that is progressively adaptable to climate change.

The Fund uses the internally developed Climate Risk Monitor ('CRM') to conduct a comprehensive climate risk and vulnerability assessment for all the properties in its portfolio. The CRM is based on the Framework for Climate Adaptive Buildings ('FCAB') to ensure transparent and consistent disclosure of climate-related risks and opportunities. Disclosures of climate-related risks and opportunities are made in line with the SFDR and EU Taxonomy. The assessment includes four major climate risks (heat, drought, flooding and extreme weather) and integrates both climate-related effects and building-specific characteristics:

- The 'environmental score' (or 'gross physical climate risk') is an estimate of the climate effects within the immediate vicinity of a building.
- The 'building score' is an estimate of the vulnerability of a building to the various climate effects.
- The combined environmental and building score results in the 'climate risk score' (or 'net physical climate risk') and is used to identify the assets that are exposed to high physical climate risks.

The Fund identified assets with a potential high physical climate risks, for which an in-depth analysis ('deep dive') will be carried out. The in-depth analysis identifies physical and non-physical solutions ('adaptation solutions') that can reduce the identified physical risks in 2025. The Fund's objective is to implement the adaptation solutions within a period of three years.

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

**2025**
**100% prepared**

**2027**
**100% executed**

Passage 67-71 Den Haag

# Enhance local biodiversity

Biodiversity is a fundamental pillar of ecological balance and sustainability. A loss of diversity leads to adverse impacts on well-being, quality of life, food security, resilience to natural disasters and availability of water and resources. Nature-based solutions help to mitigate these adverse impacts and can act as natural buffers against climate-related hazards. By integrating nature-based solutions, the Fund reduces the risks associated with climate change and enhances the resilience of its portfolio.

The Fund believes that properties with rich biodiversity and well-maintained green spaces have a higher aesthetic, social and economic value. The Fund therefore aims to conserve and enhance the biodiversity on and around its properties and to minimise its impact on biodiversity loss.

In 2023, the Fund drew up a biodiversity framework in collaboration with an external ecologist. This framework is integrated into day-to-day operations, ensuring that biodiversity is considered in relevant aspects of asset and property management. The framework provides guidelines to increase the share of vegetated area and capitalise on nature-related opportunities.

The Fund identified ‘land artificialisation’ as a quantitative metric to gain additional insight into the share of non-vegetated surface area, compared to the total surface area of all assets. A baseline analysis conducted in 2023 and resulted in an estimated percentage of approximately 2% non-vegetated surface area within the portfolio. The insights obtained from this analysis are used to formulate a strategic plan and to identify promising assets to enhance the potential ecological value in the portfolio. The Fund has incorporated the framework in the asset development plans, though the impact for the total portfolio is expected to be limited. The actual biodiversity investments will be made when the asset plans are scheduled to be implemented.

Koningsplein, Amsterdam

# Case study

## Decarbonising our portfolio

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

**District Shopping Centre Hoge Vucht in Breda**
District Shopping Centre Hoge Vucht in Breda was built in 1960 and has more than 13,000 sq.m. of retail space, mainly consisting of food-anchored tenants (e.g., Jumbo and Aldi) and daily shopping. The shopping centre has been thoroughly renovated in the past one and a half years, stepping up the net zero ambition and being a lead example for future-proofing (district) shopping centres. The energy performance has increased significantly, and the building has been made future-proof. This offers many advantages for the tenants such as lower energy costs and a healthier indoor climate. Future-proof buildings are also attractive to investors, since a sustainable portfolio adds value over time and helps to mitigate risks.

**Facts & Figures**
In the renovation, value was added by creating space for new stores, existing leases were extended and a number of stores were enlarged. The shopping centre energy performance was improved significantly by the renovation due to the following adjustments to the building:

- Skylights were replaced with insulated profiles containing HR++ solar control glazing;
- Closed parts of the passages were replaced with insulated sandwich panels;
- Entrance facades were replaced with insulated profiles containing HR++ glazing;
- A number of flat roofs were replaced with additional insulation with new roofing;
- Entrances were equipped with entrance heaters on heat pumps to prevent cold air flows into the DSC;
- Lighting was replaced with LED lighting and twilight switches;
- Floors of vacant units and newly leased units were insulated.

Through these adjustments, DSC Hoge Vucht significantly improves its energy performance. The new energy intensity is well below the CRREM target for 2030, making it ready for the future.


DSC Hoge Vught, Breda

# 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.

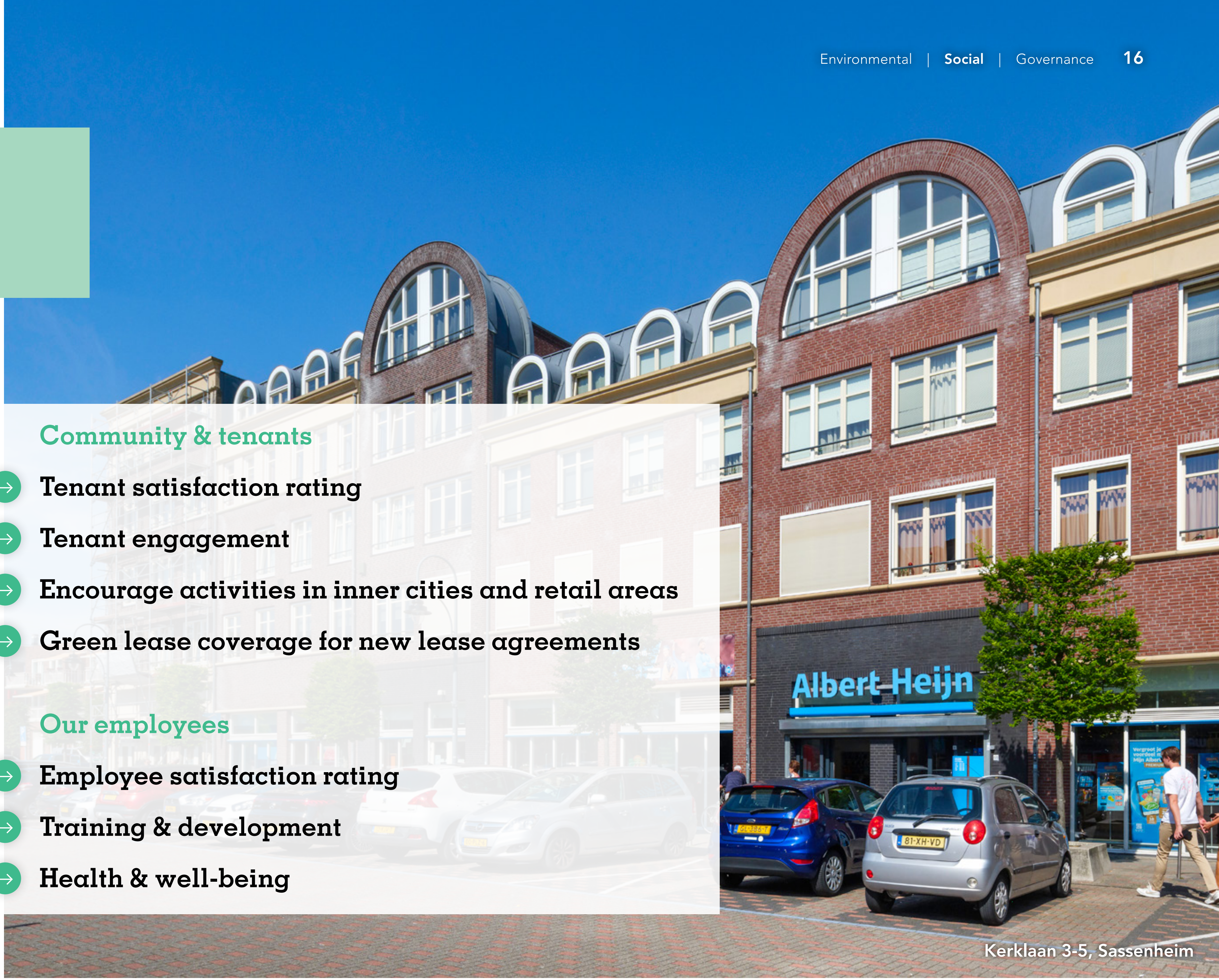
11 SUSTAINABLE CITIES AND COMMUNITIES

## Community & tenants

- Tenant satisfaction rating
- Tenant engagement
- Encourage activities in inner cities and retail areas
- Green lease coverage for new lease agreements

## Our employees

- Employee satisfaction rating
- Training & development
- Health & well-being




Kerklaan 3-5, Sassenheim

# Community & tenants

## Tenant satisfaction rating

Tenants are key partners. Therefore, the Fund actively involves them and ensures they are satisfied. To achieve this, a.s.r. real estate periodically sends out a tenant satisfaction survey. The last survey was conducted in 2023, with an average score of 7.3. The survey included questions about the services provided by a.s.r. real estate and the external property manager. Tenants also evaluated the store, the surrounding area and other important aspects like accessibility. The survey results are discussed internally and with external property managers and individual tenants. In the future, steps will be taken to make tenant satisfaction surveys part of the ongoing communication between a.s.r. real estate and tenants, for example by conducting follow-up surveys after complaints.

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

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

**2025**
≥ 7.0

**2027**
≥ 7.0

## Tenant engagement

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

In 2025, tenant participation will remain an important theme. Priorities will include collaboration on energy reduction projects, sharing ideas on energy data and knowledge-sharing. The Fund aims to have at least five tenant engagement projects each year.

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

**2025**
≥ 5

**2027**
≥ 5

# Encourage activities in inner cities and retail areas

The Fund contributes to society by investing in social amenities and green spaces near its properties in inner cities and retail areas. a.s.r. real estate also participates in initiatives that make inner cities more attractive and liveable. Additionally, the Fund contributes to society by participating in city centre associations (e.g., The Hague and Amsterdam) and supporting charities ('Helping by taking action'). The Fund aims to be involved in a minimum of four projects each year.

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

**2025**
≥ 4

**2027**
≥ 4

# Green lease coverage for new lease agreements

The Fund aims to sign 'green lease' contracts, where the landlord and the tenant agree on making the leased asset more sustainable. As of 2019, 100% of all new retail rental contracts (excluding temporary contracts) have been green lease contracts. As a result, the number of green lease contracts is still growing (71% as at 30 September 2024). The Fund aims to further increase this to ≥ 75% in 2025 and ≥ 77% in 2027.

Objective
**Green lease coverage for new lease agreements**
(% of total commercial leases)

**2025**
≥ 75%

**2027**
≥ 77%

Diezerstraat 50, Zwolle

# 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. The eMood® survey considers three categories:

- Employee satisfaction;
- Vitality;
- Productivity.

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

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

**2025**
≥ 7.5

**2027**
≥ 7.5

## Training & development

The main focus of the human resource management policy is personal development of a.s.r. employees in terms of professional expertise, competences and skills. 1% of annual salaries is devoted to training and development.

Additionally, 1% of annual salaries is devoted to sustainable employability. A dedicated human resources team provides guidance for employees who wish to develop their talents and take control of their own future by developing their talents, moving to another position (sustainable employability) or leaving.

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

**2025**
≥ 1%

**2027**
≥ 1%

## Health & well-being

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

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

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

**2025**
≥ 7.5

**2027**
≥ 7.5

### 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 utilised and deployed within innovative, sustainable solutions for our tenants and investors.

At a.s.r., diversity, equity and inclusion (DEI) are permanently on the agenda. a.s.r. continues to work on these themes, the policy is evaluated and further developed every year. a.s.r. real estate adds additional commitment to DEI by facilitating a discussion group for employees twice a year.

a.s.r. annually carries out an organisational Denison survey. Progress on DEI is measured based on:

- Perceptions of inclusion and respect;
- A working environment that is safe and free from discrimination;
- Fair and equal access to opportunities;
- Leadership that is aware of the value of diversity.

# 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. In order to achieve the strategic objectives, a dedicated sustainable governance framework has been put in place. The Fund closely participates in, aligns with and complies to sector-wide sustainable initiatives, guidelines and regulations.

- **Sound business practices**
- **Alignment with sustainability guidelines**
- **Contribution to SDGs**
- **GRESB**

# 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.

## Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy

The Fund adheres to the EU SFDR. 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 the climate and environmental objective of 'climate change mitigation' as included in Article 9 of the EU Taxonomy Regulation. The Fund promotes this objective in its underlying investments by promoting the stabilisation of GHG concentrations in the atmosphere in accordance with the long-term temperature goal outlined in the Paris Agreement.

The Fund continues to implement updated Regulatory Technical Standards (RTS) related to the SFDR and related legislation. For further information on the SFDR regulation, please refer to the pre-contractual and periodic disclosures in the Fund's prospectus, annual report and the ESG annual report on the website.

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

### Contracts

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

# Alignment with sustainability guidelines

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

## UN SDGs (UN Sustainable Development Goals)

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

## SBTi (Science Based Targets initiative)

a.s.r. has joined the Science Based Targets initiative (SBTi). The Fund is already using SBTi guidelines through the CRREM pathways in the Paris Proof roadmap. SBTi has approved CRREM as a science-based target.

## 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).

## CRREM (Carbon Risk Real Estate Monitor)

a.s.r. real estate uses the CRREM pathways to develop Paris Proof roadmaps for its real estate funds. The pathways were developed by the EU to help real estate investors to measure their exposure to emission-related risks.

## 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.

## 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.

## 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.

## 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.

## UN PRI (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.

## 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.

# Contribution to 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.

# ASR DPRF actively contributes to four SDGs

**7 AFFORDABLE AND CLEAN ENERGY**

The Fund aims to achieve a net zero portfolio in 2045. Its objective for 2025 is to reduce the energy and GHG intensity towards 146 kWh / sq.m. / year and 28 kg $CO_2$ / sq.m. / year, and to increase on-site renewable energy generation towards 2,200 installed kWp.

**11 SUSTAINABLE CITIES AND COMMUNITIES**

The Fund contributes to society by investing in inner cities and retail areas through social amenities and green spaces near its properties. The Fund also participates in initiatives to make inner cities more attractive and liveable and contributes to society by participating in city centre associations. The Fund aims for a minimum of four contributions or initiatives per year.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

Operational emissions are the focus of the Fund's aim to realise a net zero portfolio. Since 2023, the Fund has also considered embodied carbon in acquisitions and renovations. By doing so, the Fund ensures an integrated approach to both operational and embodied carbon emissions.

**13 CLIMATE ACTION**

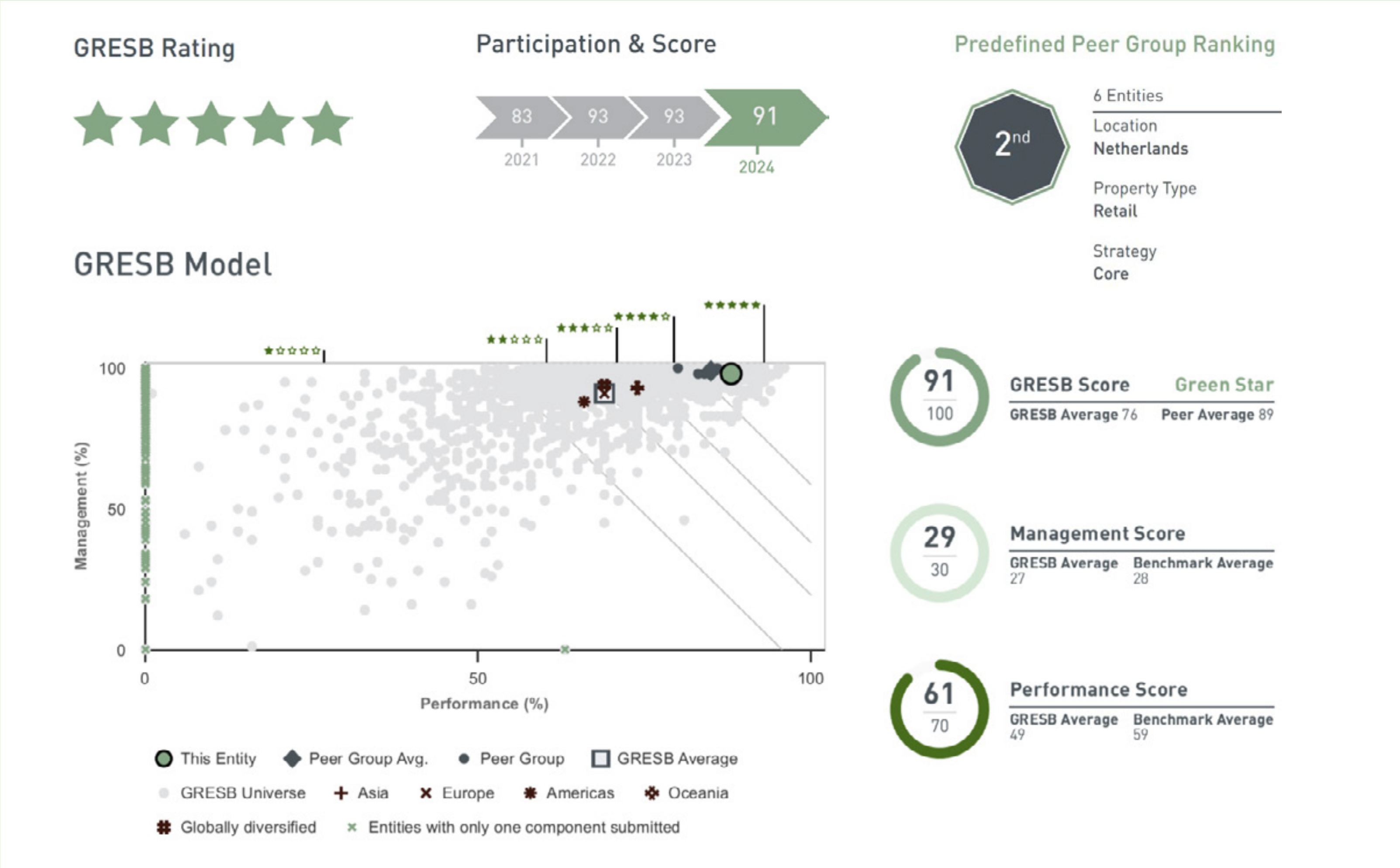
Climate adaptation is an objective of the Fund, to adapt to climate change and related risks. The Fund identified assets with a (very) high climate risk profile. The objective is to prepare climate change adaptation plans for all properties with a (very) high risk profile in 2025.

# GRESB

## Five stars for ASR Dutch Prime Retail Fund

The ASR Dutch Prime Retail Fund achieved a score of 91 points and for the third time in a row is 2nd in the peer group Netherlands Retail Core. With the GRESB rating of five stars, the Fund is one of the 20% best performing GRESB funds in the world. The Fund scores above the GRESB average (76) and the peer group average (89). The high score is due to improved performance on energy and GHG intensities and thorough analysis of climate risks.

**GRESB results ASR Dutch Prime Retail Fund**



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**Design**
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**Cover:** Eindstraat 26, Breda