



CSR policy 2022-2024

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.”



Hoofddorp, Noord-Holland

Corporate Social Responsibility (CSR)

As an investment manager specialising in the agricultural sector, a.s.r. real estate rural aims to create perpetual value for all stakeholders and to contribute to an innovative, sustainable and world-leading Dutch food sector. We wish to enable farmers to achieve their entrepreneurial goals within the framework of our sustainable development goals (SDGs) while honoring our Paris Proof commitment. And in doing so, we will provide an attractive and stable long term financial return to our investors.

a.s.r. manages a significant farmland portfolio which was built up over more than a century. The acquisition of a.s.r.'s first rural estate 'De Utrecht' laid the foundation for its current farmland investment portfolio. a.s.r.'s multi-billion investment portfolio is ranked among those of the top three international investment managers who manage farmland portfolios. a.s.r. aims to provide a stable and secure income in combination with a relatively low risk character.

The Fund takes a leading position in furthering transparency and accountability in sustainable farmland investing by applying its Climate Smart Agriculture strategy.

The strategy consists of three pillars. First we want to contribute to sustainable productivity and income for farmers in the sector. Maintaining and improving the quality of the soil and applying sustainable agricultural practices are key in creating long term value. Second, we will honor our commitment to the Paris agreement by implementing a Paris Proof roadmap. We will measure and disclose the greenhouse gas emissions in our portfolio and adopt an ambitious plan for reduction. And third, we aim to support our clients to adapt to climate change through solutions that provide alternative income sources and that contribute to improvement of biodiversity on our farmlands.

**—
ASR DFLF aims
to create
'perpetual value'
through
responsible
stewardship by
engaging
farmers to pass
on this valuable
asset in a better
condition to our
next generation
farmers.**

a.s.r. real estate platform

a.s.r. real estate has been investing in real estate for more than 125 years, and manages investments for institutional investors. a.s.r. real estate has one fund per real estate sector, and invests in renewables.



ASR Dutch Farmland Fund



ASR Dutch Prime Retail Fund



ASR Dutch Core Residential Fund



ASR Dutch Mobility Office Fund



ASR Dutch Science Park Fund

Executive summary

a.s.r. real estate:
Pedigree of more than

125
years



'Open bodemindex'
applied throughout
portfolio

Execute Paris Proof
roadmap



Paris Proof ✓

2045



36,000
hectares



20 climate
adaptation
projects in
2022-2024



100% green
leases for new
ground leases
in 2024

Investing in perpetual value translates to:

1. Planet



Committed to making
a positive impact on
climate and society

2. Partners



Building long-term
relationships with
sustainable partners

3. People



Healthy & satisfied
employees

Strategic objectives 2022-2024

While each theme focuses on a specific aspect of CSR, all five themes must work in tandem in order for the Fund to achieve its vision. Each theme has its own strategic objectives, which are listed in the table to the right. The Fund revises its one-year and three-year goals on a yearly basis.

Strategic objectives 2022-2024		
		2022 2024
1		<p>Planet</p> <p>Sustainable productivity and sustainable farmer's income</p> <p>Soil quality - Tenant participation in 'Open bodemindex' (% of portfolio)</p> <p>Soil use - Portfolio contributes to food supply (% of portfolio)</p> <p>Green leases for new ground lease agreements</p> <p>Number of tenants that apply to the good agricultural principles (common agricultural policy European Union)</p> <p>Reducing greenhouse gas emissions</p> <p>Paris Proof roadmap</p> <p>Allocate less efficient farmland for renewable energy (# of projects, yearly)</p> <p>Adapting and building resilience to climate change</p> <p>Transition roundabout (# of projects)</p> <p>Climate adaptation - landscape elements (# of projects, yearly)</p>
2		<p>Partners</p> <p>Building long-term relationships with sustainable partners</p> <p>Tenant satisfaction</p> <p>Active strategic partnership for sector development (# of partners)</p> <p>Facilitate young farmers (# of new young farmers ground lease agreements)</p> <p>Active tenant participation programme (# of events, yearly)</p>
3		<p>People</p> <p>Healthy & satisfied employees</p> <p>Employee satisfaction rating</p> <p>Personal Development</p> <ul style="list-style-type: none"> - Training (% of annual salaries) - Sustainable employability (% of annual salaries) <p>Health & Well being</p> <p>Diversity & Inclusion</p> <p>Sound business practices</p>

SDGs

On 25 September 2015, 193 world leaders committed their nations to the 17 SDGs of the United Nations to enhance sustainable development at the global level. Between now and 2030, these goals will focus on eradicating global poverty and inequality, combating climate change and creating a prosperous and peaceful life for all.

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



ASR DFLF 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, we contribute 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's Paris Proof commitment will be further specified in 2022. The Fund is already measuring the carbon footprint of the Fund's portfolio and will design an ambitious roadmap for reductions of the greenhouse gas emissions from the Fund's portfolio. The Fund will integrate reduction target in our strategies and planning (target 13.2) and will help our farmers in building resilience and adapt to climate change (target 13.1).



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

1



Planet

Climate change and the loss of biodiversity are among the greatest challenges of our time. Together with our partners we want to find answers to these challenges and therefore we have adopted an ambitious Climate Smart Agriculture strategy. Every day we experience that agricultural entrepreneurs feel engaged and are prepared to take responsibility, supported by a reliable government that invests in entrepreneurship, innovation, knowledge development and platforms for experimentation. Our Climate Smart Strategy consists of three pillars.



Sustainable productivity and sustainable farmer's income

The soil is the most important source for our food production and the long term value creation in the Fund depends on healthy soils. In order to keep this important resource vital for the future, we are co-creator of the 'Open bodemindex' (www.openbodemindex.nl). This innovative tool provides insight into soil health and tools for improving it. In this way the Fund creates more biodiversity in and on the ground.

The Fund realises better than anyone that being a farmer is fantastic, but we also see that becoming a farmer is challenging. In addition to the complexity on the farm, large investments are required. With our leasehold products we offer farmers investment space for starting, expanding or making a business more sustainable. This contributes to the continuity within the agricultural sector and thus a sustainable income for the farmer. To further facilitate the transition to sustainable farming, we have developed Green Lease Products, providing incentives to farmers that commit to implement sustainability measures in their farming practices. Examples of such measures are the annual application of the 'Open bodemindex' and the development of a business plan that includes farm specific sustainability measures.

Objective
Soil use -
Portfolio
contributes
to food supply
(% of portfolio)

2022

≥ 80

2024

≥ 80



Niekerk, Groningen



Niekerk, Groningen

Roll-out strategy for the 'Open bodemindex'

The Fund is convinced that farmers can make a significant contribution to the various ecological services such as water quality, water retention, biodiversity etc. Sustainable soil management is key in this process, and acknowledged by every farmer. However due to financial constraints sustainable soil management is not implemented in full by every farmer. a.s.r. therefore developed in close cooperation with its charter coalition partners Rabobank and Vitens the 'Open bodemindex'. 'Open bodemindex' has received national recognition when it was integrated in the public private partnership Beter Bodembeheer. 'Open bodemindex' measures the health of the soil and looks at chemistry, biology and structure.

In 2021 the Fund has executed a first high level assessment of the quality of the soil in our portfolio. This 'level 1' measurement is based on publicly available data on the characteristics of the land and the land use. It provides us with a first insight in the quality of the soil of our portfolio. For this business plan period, the Fund will introduce the further use of the 'Open bodemindex' to our farmers. The so-called 'level 2' analysis includes soil samples and that gives us even more insights in the soil quality and allows for farm-specific annual measurements.

Objective
Soil quality - Tenant participation in 'Open bodemindex'
(% of portfolio)

2022

≥ 5

2024

≥ 15

Green lease products

Next to engaging with our farmers and including our sustainability objectives in our acquisition decisions, the Fund also wants to contribute financially and reward farmers for the transition they are making. Our green lease products are available for all clients, both new and existing contracts, and provide a discount (5-10% on the annual ground lease rent) if a farmer commits to a set of sustainable farming criteria. The criteria consist of 3 categories:

- 1) Implementation of the 'Open bodemindex' to measure and report on soil quality;
- 2) Implement biodiversity measures in line the Nature and Landscape management framework of the Dutch government; and
- 3) A detailed business plan that includes farm specific sustainability measures and compliance with the criteria in the EU Common Agriculture Policy. Our aim is to make our green lease products the standard in our portfolio and offer only green leases in 100% of all new contracts by 2024.

Objective

Green leases for new ground lease agreements (%)

2022

≥ 50

2024

100

Objective

Number of tenants that apply to the good agricultural principles (%)

2022

≥ 50

2024

≥ 70



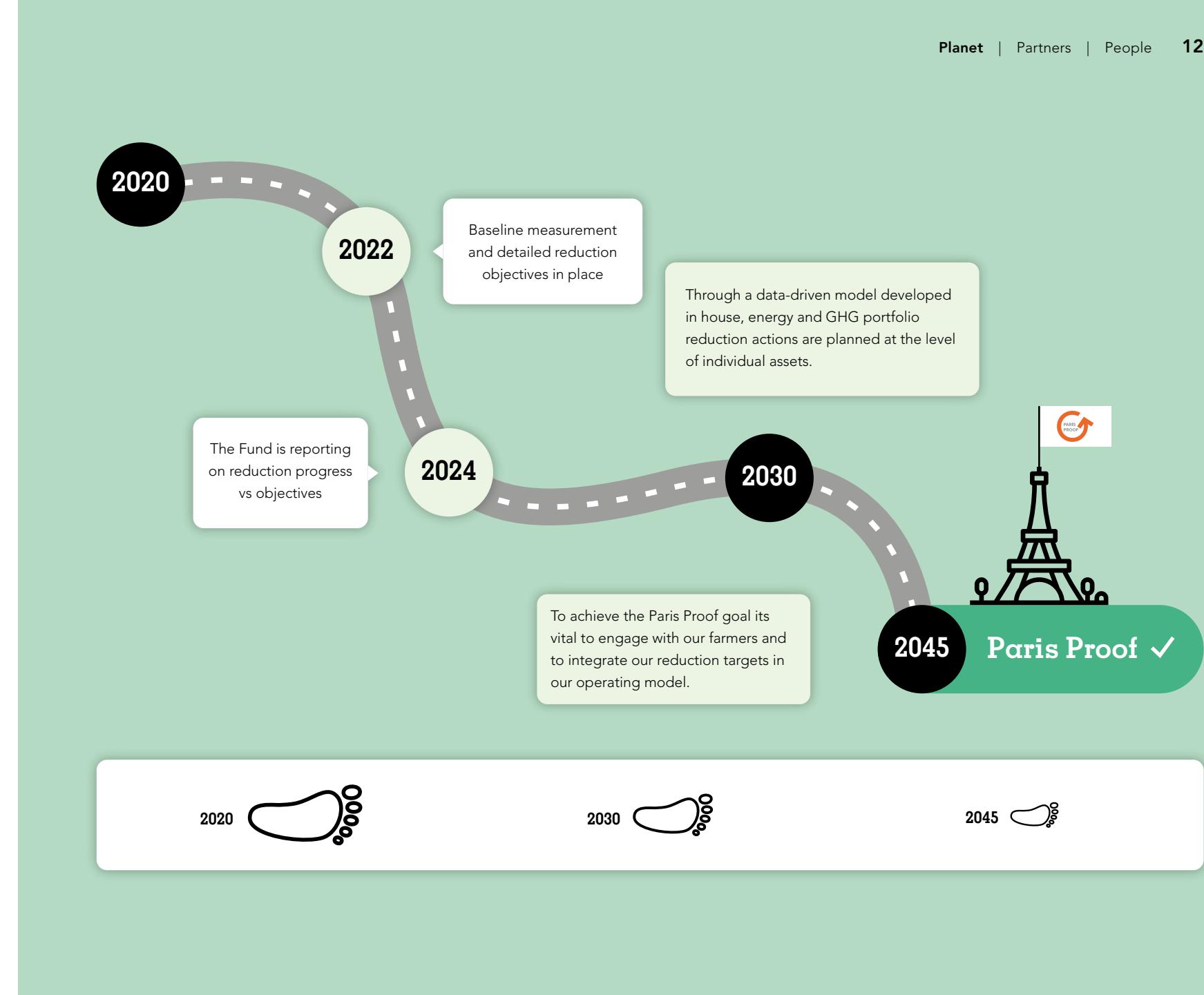
Reducing greenhouse gas emissions: our Paris Proof commitment

The Commitment

The Fund aims to be a frontrunner in furthering transparency and accountability in sustainable farmland investing, and this is why the Fund is working on an ambitious greenhouse gas reduction strategy. The agriculture sector plays a crucial role in reducing greenhouse gas emissions, and our Paris Proof commitment in 2045 plays a central role in the fund's strategy. We will use 2022 for further detailing this commitment and drawing an ambitious roadmap that matches the characteristics of our portfolio. We commit to measure and disclose the greenhouse gas emissions of our portfolio. And we commit to reduce the emissions in our portfolio at least in line with the objectives of the national Climate Agreement for the agriculture sector as presented by the Ministry of Agriculture, Nature and Food Quality. In drawing our more detailed roadmap in 2022, we will explore if we can adopt an even more ambitious reduction objective.

The Roadmap

The Paris Proof roadmap starts with a baseline measurement. In 2021 we have improved the carbon measurement methodology by contracting the Nutrient Management Institute (NMI) in collaboration with Wageningen University to map the carbon emissions of each single piece of farmland in our portfolio. In 2022 we will receive the final results of this exercise and disclose these results as our baseline. Furthermore the NMI will assist us in defining more detailed reduction objectives for various milestones towards 2045. And we will integrate these objectives in our operating model and decision making. By the end of 2022, a detailed Paris Proof roadmap for the Fund will be in place.





Renewable energy

Through its dispatched ownership of farmland the Fund is well positioned to facilitate energy parks. According to the 'zonneladder' policy conducted by government the Fund decided to cooperate with our lessees to allow energy parks on farmland.

Investments in wind and solar parks offer the opportunity to achieve sustainability goals and contribute to the energy transition. It enables a.s.r. to create impact. It also provides the farmer the possibility to derisk his business model as energy parks provide for the first 15 years a guaranteed cashflow based on subsidies.

Policy-makers like the so-called 'Regionale Energie Strategieën' define the areas where energy parks are most likely to be erected. Based on the total predicted hectares the Fund will define an objective for the numbers of hectares to be set aside for energy parks.

Influence of solar parks on soil vitality

The adverse ecological influence of solar PV mainly concerns the living environment in places where birds nest and land animals reproduce. Solar parks can also result in a reduction or fragmentation of ecological zones. The magnitude of the adverse impact largely depends on the way in which projects are embedded in the landscape. Solar energy offers more possibilities in that respect than wind energy (for example by installing solar panels on roofs or along roads. the Fund has decided to map the effects of solar parks on soil quality in collaboration with a knowledge institute.

Objective
Allocate less efficient farmland for renewable energy
(# of projects, yearly)

2022

> 5

2024

> 5

Adapting and building resilience to climate change

Farmers have been associated with nature for thousands of years and have the ability to adapt to changing circumstances. Climate changes play a major role in this. We see adapting to this as one of the most important challenges. In order to make the sector resistant to climate change, we are in close contact with knowledge centers and enterprising farmers. We also test promising crops and cultivation methods together with farmers. This together contributes to the choices in techniques and varieties with future possibilities that can be scaled up. Together with NextEconomy and Rabobank we created the project 'transition roundabout'. The aim of the project is to create a platform for climate adaptation and alternative income solutions. The platform should function like a knowledge center and an incubator of new business models for both the technical as well as the economical aspects of these new solutions. Examples are new crops, new farming techniques or alternative revenue streams from payment for ecosystem services. The project is currently in its pilot phase, which will continue through 2022.

An example of such a pilot project is the project 'scalability of the crop Sorghum'. a.s.r. made available 21 hectares of crop land which was seeded by one of our arable farmers. Both the farmer and the initiator experienced the effects of larger harvest as there were e.g. the use of harvesting machines which were able to cut both the plume and the stems; the storage of harvest and the marketability of it. The initiative contributed to a better understanding of the possibilities of Sorghum for the Dutch farmers. The farmer in this initiative will use Sorghum as a cover crop in his crop rotation scheme as he discovered positive soil health effects.

Next to the transition roundabout projects we will directly invest in 'landscape elements' on the farmlands in our portfolio. We plan to launch 5 projects every year during this business plan period. An example of such landscape element is the conversion of farmland to nature in the combination with a nature cemetery.

Objective
Transition roundabout
(# of projects)

2022

≥ 1

2024

≥ 2

Objective
Climate adaptation - landscape elements
(# of projects, yearly)

2022

≥ 5

2024

≥ 5



Sorghum

2



Partners

Corporate social responsibility is not something we do alone. We build long-term relationships with sustainable partners. This enables us to optimise the quality of use and the sustainability of our assets. We also aim for satisfied tenants.

- Tenant satisfaction
- Active sector partnership projects
- Tenant participation programme
- Facilitate young farmers



Tenant satisfaction rating of at least 7.5

A tenant satisfaction survey is held periodically, at least every two years. It includes questions about the quality of service provided by a.s.r. and, if applicable, the manager in question. The 2020 tenant satisfaction survey identified a number of areas that would increase customer satisfaction and improve the performance of a.s.r. real estate and its contractors with regard to quality of service. The average rating in the tenant satisfaction survey is currently 7.4 out of 10. Just below our objective of 7.5 score.

Objective
Tenant satisfaction rating
(out of 10)

2022

≥ 7.5

2024

≥ 7.5

“

a.s.r. real estate is the largest party and has a keen eye for economies of scale in the areas in which it operates. a.s.r. real estate entered the market early on and therefore has a great deal of land to trade."

“

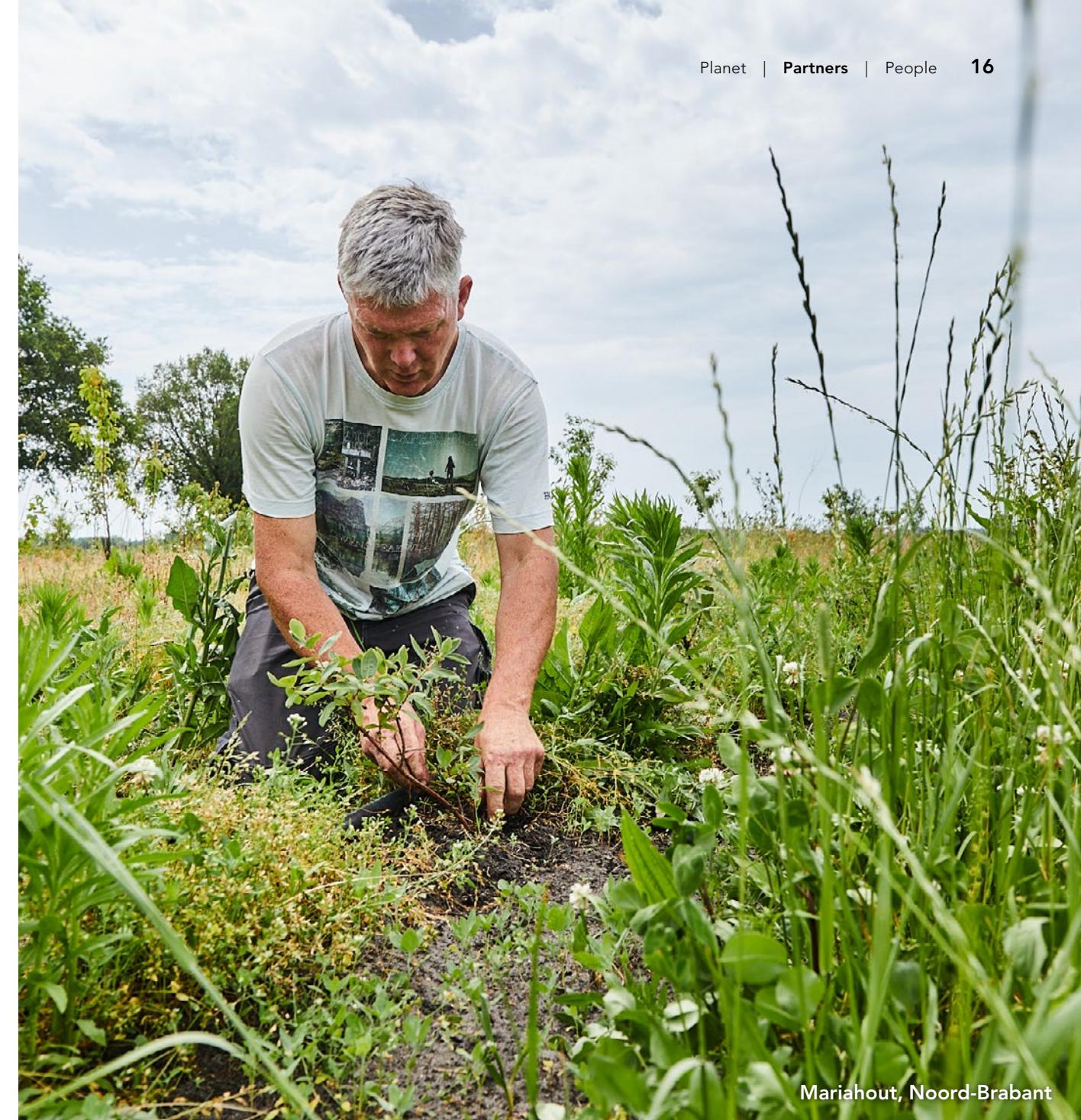
a.s.r. real estate is easy to reach and if anything needs to be dealt with they respond immediately. For example, we discuss land acquisition and how we can work together in this area. The lines of communication are short and that is a good thing. We are always in a position to move quickly."

“

a.s.r. real estate should think collaboratively and constructively and it does. It is vital to have a relationship of trust; that's something that really needs to grow. I trust my land agent and he has a company behind him that inspires trust."

“

The person you are talking to is also in a position to take many of the decisions."



Mariahout, Noord-Brabant



Facilitate young farmers

Our Young Farmers lease product facilitates young farmers to kick-start their company. The product provides the young farmer with investment space and offer a tailor-made contract of up to 40 years. Every young Farmer lease contract includes sustainability criteria.

Objective

Facilitate young farmers

(# of new young farmers ground lease agreements, yearly)

2022

≥ 5

2024

≥ 5

Farmers knowledge-sharing events

Although farmers are already tremendously skilled we try in our workshops to find out which areas of their skill set they would like to improve. Over the last years we worked together with a consultant company that is very knowledgeable on soil treatment and soil fertility. The Fund will continue to organise workshops as we consider knowledge sharing an important part of the transition.

Objective

Active tenant

participation programme

(# of events, yearly)

2022

≥ 2

2024

≥ 2

3



People

We believe it is important to be an attractive employer. We prioritise the well-being of our employees and encourage them to reach their full potential.

In addition, we ensure that everyone at a.s.r. real estate is fully committed and aware of their particular role in achieving our CSR objectives.

- Sustainable employment
- Sound business practices



Sustainable employment

Employee satisfaction rating

On a yearly basis, a.s.r. real estate conducts the Denison Organisational Success Survey among all its employees. This survey measures the success of an organisation on several dimensions, e.g. employee satisfaction, engagement and adaptability. The results are compared to a global benchmark of large organisations that use the Denison Survey. Following each survey, the results are analysed and discussed intensively by the board, the internal Denison workforce and all business lines. Where necessary, steps are taken to improve a.s.r. real estate's standing as an excellent employer.

In 2021, a.s.r. real estate scored 94/100 for employee satisfaction.

Personal development

The main focus of a.s.r.'s human resource management policy is the personal development of its employees in terms of professional expertise, competences and skills. 1% of annual salaries is devoted to training and development and 1% is devoted to sustainable employability. A dedicated HR team provides guidance for employees who wish to develop their talents and take control of their own future by developing their talents, moving to another position (sustainable employability) or leaving a.s.r.

As at 30 September 2021, 1.2% and 1.0% of annual salaries has been spent on these themes respectively.

Objective
Employee satisfaction rating
(out of 100)

2022
≥ 94

2024
≥ 94

Objective
Personal development
- Training
- Sustainable employability
(% of annual salaries)

2022
≥ 1

2024
≥ 1

Health & Well being

Prioritising health and wellbeing 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 workshops, has a dedicated team to support employees and offers flexible working conditions. During COVID-19, particular attention has been paid to this theme by questioning employees through a weekly survey and by providing the necessary hardware to improve home working conditions.

Employees are questioned annually on the key themes of stress, absentee rate, working ability, physical complaints and level of enthusiasm. Based on the outcomes, a customised vitality programme will be drawn up.

The last survey took place in 2021. The participation rate was 56% and a.s.r. real estate scored equal to or better than the Dutch average on five out of seven themes. The next survey takes place in 2022.

Diversity & Inclusion

a.s.r. stands for equal opportunities for all and strives for an inclusive culture. Different perspectives, backgrounds, knowledge and experiences contribute to the realisation of a.s.r.'s objectives and are positively and sustainably used and deployed. It is important that space is created to express these differences.

The aforementioned yearly Denison Organisational Success Survey contains a Diversity & Inclusion module where the perception and progress of this issue is measured against four pillars:

- perceptions of inclusion and respect;
- a working environment that is safe and free from discrimination;
- fair and equal access to opportunities;
- leadership with an eye for diversity values.

a.s.r. continues to work on this theme every day. The results of the Diversity, Equity and Inclusion policy will be reported in a.s.r.'s annual report.

Objective
Health & Well being

2022 - 2024
Improvement of vitality score

Objective
Diversity & Inclusion

2022 - 2024
Execute diversity, equity and inclusion policy

Sound business practices

For a.s.r. real estate, it goes without saying that corporate social responsibility can only be fully embedded by means of sound, transparent business practices. Important principles of a.s.r.'s governance are 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 AFM since 2015 as a provider of financial services in the field of collective and individual asset management.

Last year, a.s.r. addressed the issue of China violating human rights among the Uyghurs, a Turkic ethnic group, who were forced to mine raw materials for PV panels. The Company decided to tighten the screening procedure for all PV panel projects to ensure that it only partners with manufacturers that are not related, directly or indirectly, to China's suspected violation of the human rights of the Uyghurs.

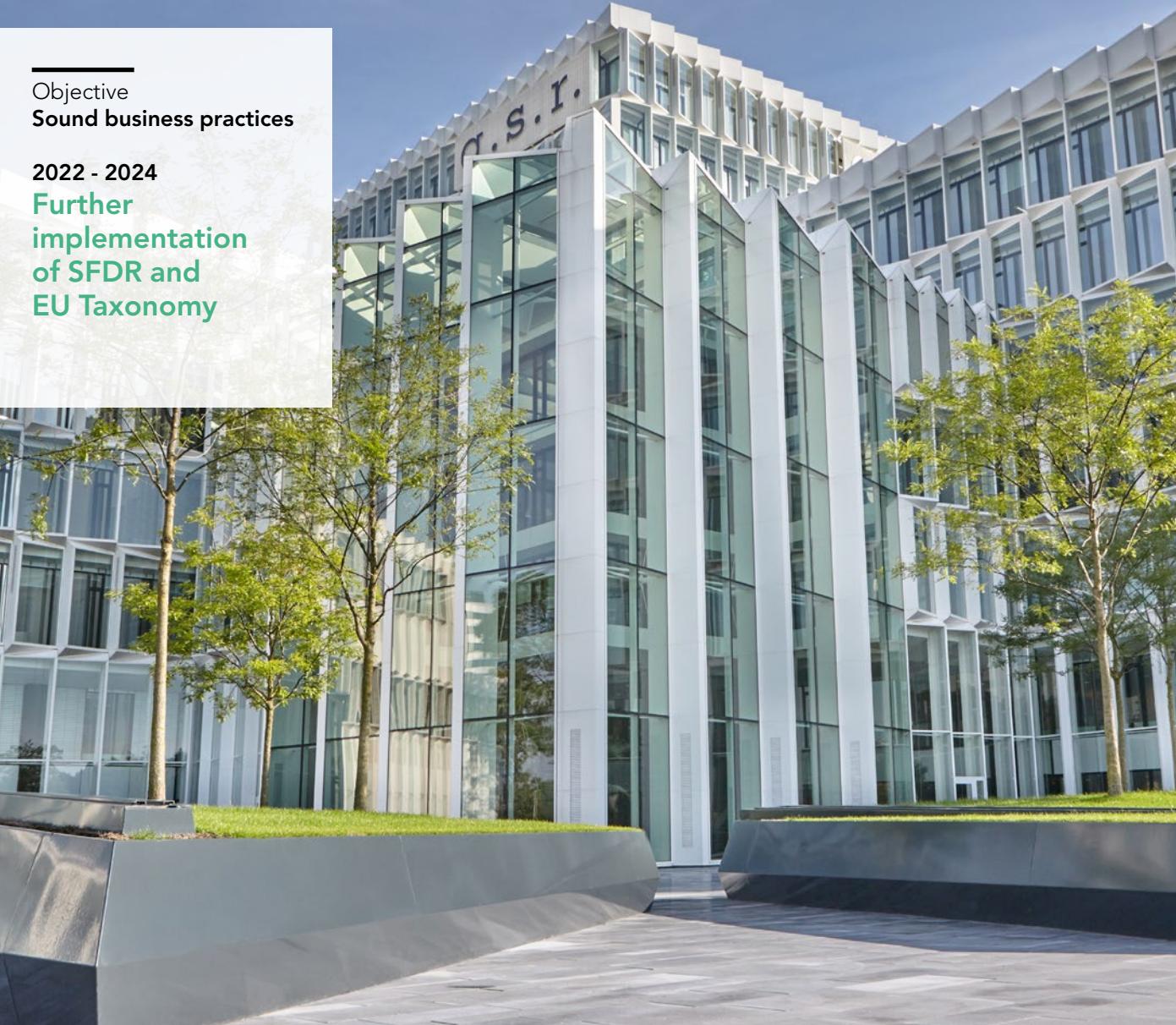
SFDR & EU Taxonomy

In 2018 the EU released an action plan for financing sustainable growth, based on three pillars: reorienting capital flows towards sustainable investments, mainstreaming sustainability into risk management and fostering transparency and long-termism in financial and economic activities. A package of measures was adopted, two of which apply to the Fund: SFDR and EU Taxonomy.

- The EU Sustainable Finance Disclosure Regulation (SFDR) is a set of EU rules that came into force on 10 March 2021. SFDR aims to make the sustainable profile of funds comparable and better understood by end-investors. The Fund is fully compliant with the SFDR and is classified as an Article 8 Fund (fund promoting environmental and social characteristics). As of 1 July 2022, the second set of rules must be in place for the Level 2 SFDR. The Fund will be compliant with the regulation to the extend reasonably possible.
- The EU Taxonomy regulation reflects a common European classification system for environmentally sustainable activities. The alignment with the EU Taxonomy will be disclosed to the extend reasonably possible.

The Fund set the objective to be compliant to future regulations of the SFDR and the EU Taxonomy.

Objective
Sound business practices
2022 - 2024
Further implementation of SFDR and EU Taxonomy



Alignment with sustainability guidelines

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

UN Principles for Responsible Investment

a.s.r. obtained an UNPRI A+-rating for its strategy and governance and an A-rating for its properties.



Finance for Biodiversity pledge

a.s.r. signed the Finance for Biodiversity pledge, with the intention to commit to protecting and restoring biodiversity through the finance activities and investments. The pledge was launched on 25 September 2020.



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.



TCFD

The Manager, 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.



TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES



Dutch Insurance Code

The Manager, as part of a.s.r., has adhered to the Dutch Insurance Code since 1 January 2011.

SFDR (European Union Sustainable Finance Disclosure Regulation) & EU Taxonomy

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



UN Sustainable Development Goals (UN SDGs)

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



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Text

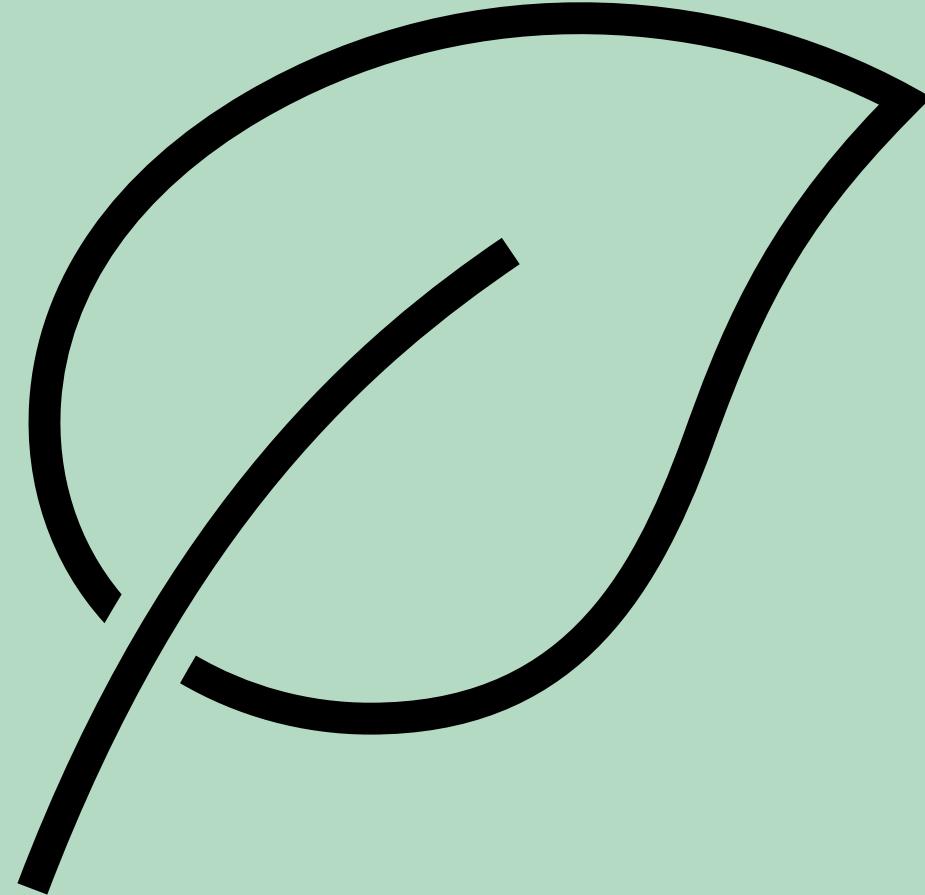
a.s.r. real estate

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