Impact policy 2021-2023

ASR Dutch Science Park Fund

a.s.r. real estate

Our vision on impact

On 1 March 2019, a.s.r. real estate launched the ASR Dutch Science Park Fund (ASR DSPF). The Fund has a dedicated focus on real estate located on science parks in the Netherlands.

Science parks are unique drivers of innovation, and integral parts of the Dutch knowledge economy. Here companies, universities and research institutes form unique ecosystems, where, through collaborative R&D, fundamental research is applied towards innovative real-world applications.

ASR DSPF strives to make a positive societal impact by stimulating the further development of science parks in the Netherlands

ASR DSPF strives to make a positive societal impact by stimulating the further development of science parks in the Netherlands, by investing in real estate for the broad range of functions that are needed for science park ecosystems to thrive. By doing so, the Fund provides room for companies to work on a wide range of innovative and sustainable products and solutions that contribute to a better world.

The Fund achieves this by making targeted individual investments, and through partnering with (semi) public entities, e.g. universities and local governments. These partnerships create a shared interest, with separate responsibilities, towards the further development of science parks, as well-functioning science park ecosystems require both public and private real estate investments.

In its partnership model the Fund invests in the type of real estate, which (semi) public entities are unable to invest in, but are needed to fuel its ecosystem. As the Fund's partners are often the sole land owners of the science park, real estate investments can be centrally coordinated and controlled.

The Fund's partnership model allows for a wider investment scope compared to 'regular' commercial parties, thereby optimally serving the needs of the science park ecosystem. The Fund entered into a partnership with TU Delft in 2019 and aims to further expand its partnership network.

Complementing the Fund's aim to make a positive societal impact, it has developed an ambitious sustainability strategy aimed at limiting the Fund's negative impact on the environment. This document describes the Fund's vision on the impact it aims for and outlines the operationalization of its impact themes, including sustainability, as described in the Fund's Three Year Business Plan 2021-2023.

The Gallery, Kennispark Twente

Background

Locations where researchers of companies and distinct knowledge institutes (e.g. universities, research institutes) collaborate intensively in R&D and innovation on essential themes, such as health, technology nutrition, clean energy and water management, have grown to become key drivers of the Dutch knowledge economy, sustainability and innovation. These locations are called 'science parks'.

A common feature of science parks is the provision of accommodation for businesses, research institutions and often a university, enabling these parties to collaborate on R&D projects. Open innovation and a focus on commercial applicability is anchored in the three main goals of universities in the Netherlands: education, research, and valorization.

Valorization is a process that achieves social and economic impact by applying knowledge and expertise in the form of products, services, processes and/or entrepreneurship.[1)] This includes, for example, an incubator in which start-ups are given space and business advice to continue developing their product or business in preparation for a market launch, which results in a move to the commercial real estate market. Over the last 30 years the valorization process has led to a sharp increase in entrepreneurship in the Netherlands,[2)] with the positive result being growth of innovative business activity nurtured by a university. This phenomenon is particularly evident at the 39 Dutch science parks monitored by ASR DSPF, where employment is growing much more strongly than in the rest of the Netherlands. Most of this growth has been generated internally, by former students or staff whose ideas and products have been further developed, often to great commercial success.

Almost every science park in the Netherlands houses a number of large and successful businesses that originated there as start-ups. This process has been boosted in recent years, for example by facilitating active start-up programmes and dedicated buildings.

Once a start-up has outgrown its incubator phase, accommodating it no longer fits in with the university's valorization objective. These businesses then have to rely on the commercial market for business space. However, investors have been reluctant to invest in this type of real estate, due, for example, to low pre-letting rates of scale-up buildings, low granularity of support functions or the influence a public institution such as a university can have on the admission criteria for potential tenants.

As science parks have developed beyond their (mostly) academic origins, towards driving forces of the Dutch knowledge economy, there is lack of space for an increasing number of commercial companies. The conditions which allow science park ecosystems to flourish therefore require both private and public investments, as the Dutch law 'Wet Markt en Overheid' (the Dutch Public Enterprises Market Activities Act) inhibits universities from investing in real estate for commercial means.

Market participants such as real estate developers or investors, however, often lack the long-term commitment needed to positively influence the local science park and focus on a limited part of the investment market,[3)] as described above. The diversity of functions required for a science park to thrive is therefore unable to develop. This is underpinned by various reports and research [4)] in the Dutch science park sector, which highlight the lack of commercial real estate investments as a bottleneck for further development of science park ecosystems.[5)] It has also been shown that a mismatch between supply and demand for science park facilities and services can negatively impact the achievement of policy goals and business performance, and makes it harder to attract potential tenants.[6)]

The observation of this trend led the ten 'campuses of national importance' to reach out to a.s.r. real estate in 2017, aiming to stimulate an institutional real estate investment fund which addressed this challenge by aligning interests of institutional investors and public parties.

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1) van Drooge & de Jong, 2015
2) Stam, 2014
3) European Commission, 2013
4) BCI, 2014; 2016; 2018
5) Ng, 2020; Dinteren & Jansen, 2018
6) Albahari et al., 2019

Subsequently, a.s.r. real estate began to research the fundamentals of this growing asset type and its opportunities in the Dutch Market. The conviction in the strength of the market and promising future as an asset class led to the launch the ASR Dutch Science Park Fund in 2019. In the same year the Fund entered into a public-private partnership with TU Delft. Through this partnership the parties aim to provide an answer to the market challanges mentioned above in order to realize commercial real estate on the TU Delft Campus. In this case, risks can be mitigated as a result of the partnership. For example, the joint efforts in attracting tenants means the Fund can initiate real estate developments in an earlier stage.

Prior to this partnership, a legal and economic state aid assessment (staatsteuntoets) was conducted which confirmed that earlier initiatives to involve the market had not delivered the mix of buildings that the TU Delft Campus ecosystem requires. The design of the Fund, focused specifically on the mix of functions required for a successful ecosystem, provides such added value for the development of the campus that it was not deemed to constitute state aid.

The joint tackling of these challenges laid the foundation of the Fund's impact strategy, which is described in further detail in this document. During the development of our impact strategy we engaged with Impact Institute, an established impact investing consultant, and the Fund's accountant KPMG, to design an Impact Management Framework.

As the field of 'impact investing' is relatively new, we expect the market's understanding, as well as our own reporting standards, to improve over the years. The methodology we have developed to plot our impact is therefore intended to clarify our ambitions, and provide a reporting framework which can be further expanded on, over the following years.

Utrecht Science Park, Utrecht

Strategic objectives 2021-2023

Through its impact policy ASR DSPF aims to optimally accomodate the interests of its tenants and investors. It does so by realizing and maintaining real estate on science parks which has long-term value from both a financial and a social perspective, and to achieve this in a sound and responsible manner with engaged and aware partners and employees.

To work towards these goals, each year the Fund develops a strategic policy around four themes:

Impact	Positive impact on science park ecosystems
Sustainability	Limiting of negative impact on environment and society
Partners	Sustainable partners in long-term relationships
People	Sound business practices and healthy and satisfied employees

While each subject targets a specific aspect of impact, all four themes must work together in order for the Fund to achieve its goals. Each theme has its own strategic objectives, which are projected for a one-year (2021) and a three-year (2023) period.

Strategic objectives 2021-2023

		2021	2023
Impact	**Positive impact on science park ecosystems**		
	Portfolio's match with the science park impact categories	≥ 50%	≥ 50%
	Number of strategic partnerships with (semi) public parties or institutions	≥ 2	≥ 3
	Coverage of tenants' contribution to UN SDGs using the UN PRI Market Map	≥ 75%	≥ 100%
Sustainability	**Limiting of negative impact on environment and society**		
	Carbon intensity (kg of CO_2 per sq. m. per year)	13.2 kg	12.0 kg
	Energy intensity (units per sq. m. per year)	111.9 kWh	106.8 kWh
	- Total energy consumption	119.6 kWh	116.3 kWh
	- Onsite energy generation	7.7 kWh	9.6 kWh
	- Sustainable energy sourcing	75%	76%
	Green Building Certificates (BREEAM NL or comparable) coverage	100%	100%
Partners	**Sustainable partners in long-term relationships**		
	Tenant satisfaction rating	≥ 7.0/10	≥ 7.0/10
	Green lease	100%	100%
	Sustainable procurement	100%	100%
	Invest in sustainable mobility solutions (# of science parks)	≥ 1	≥ 2
	Conduct community projects (# of yearly projects)	≥ 1	≥ 2
	Contribute to the continued growth of parties on science parks	Investigate possibilities	≥ 1
	Active tenant participation programme	Newsletter, welcome package	
People	**Sound business practices and healthy and satisfied employees**		
	Sound business practices: implementation sustainability in risk control framework	TCFD & SFDR	Future regulation
	Personal development of employees (% annual salaries)	≥ 2%	≥ 2%
	Focus on employee's health and wellbeing	Improvement of vitality score	
	Employee satisfaction: Denison scan	≥ 94/100	≥ 94/100

1 Impact

Strategic objectives

ASR DSPF intends to invest in a balanced range of real estate on science parks, aimed at the various functions and tenants which occupy a successful science park ecosystem. The Fund identifies three separate categories of investments which make a distinct contribution; the 'science park ecosystems impact categories'. The Fund aims for a majority of its Portfolio to match one or more of these three categories.

Alongside individual investments, the Fund aims to widen its investment range through partnerships it forms with (semi)public parties and the alignment which these create. The Fund therefore aims to expand its partnership network, in order to create alignment on more of its selected science parks.

Through its investments, the Fund provides room to occupants that actively contribute to a better world, through innovative products and sustainable applications. These companies, ranging from start-ups to well-established international firms, are as diverse as the fields they operate in, from agricultural science in Wageningen to Aerospace engineering in Delft. The Fund's tenants therefore offer innovation solutions for a broad range of environmental and social challenges. The Fund measures, and reports on, their contribution to United Nations' Sustainable Development Goals.

Positive impact on science park ecosystems

	2021	2023
Portfolio's match with the science park impact categories	≥ 50%	≥ 50%
Number of strategic partnerships with (semi) public parties or institutions	≥ 2	≥ 3
Coverage of tenants' contribution to UN SDGs using the UN PRI Market Map	≥75%	≥100%

Portfolio's match with the science park impact categories

ASR DSPF makes a positive and measurable impact on the quality of science park ecosystems in the Netherlands by investing in the blend of real estate which is needed to host the broad range of functions which allow science park ecosystems to thrive. This is measured through the Portfolio's match with the science park impact categories. These categories are explained in further detail on pages 7 and 8.

Policy 2021 – 2023
Goal: The Fund aims for at least 50% of its portfolio to match one or more of the three defined science park impact categories.

Currently 73% of the Portfolio matches with the science park impact categories, as only the Exact building does not match one of the categories. The Fund will seek to maintain the portfolio's current match with the science park impact categories, and will take this goal into account for every acquisition, but sets no individual goals on an asset level.

Science park impact category:

Space for tenants who add value to the local ecosystem

Examples
This includes buildings for tenants that have shared research programmes with the local knowledge institute(s) or that offer unique knowledge or facilities to the local ecosystem.

Background
A science park works as a self-reinforcing magnet that attracts (international) knowledge workers and organizations. Locating at a science park brings advantages for companies regarding easy access to knowledge, talent, research facilities, image (place to be) and common facilities / services. Spatial concentration of economic activity enforces these advantages. The importance of spatial concentration has increased due to the emerging need for open innovation. That means that instead of conducting R&D individually, companies are increasingly conducting R&D together with universities, research organizations, spinoffs etc.[7] The Fund provides space to tenants who add value to this dynamic, as defined by important stakeholders, such as municipalities and universities.

Measurability
Buildings fit this category when offering space to tenants that match local criteria posed through zoning plans or that have passed a screening, evaluating its value to the ecosystem, by for example a university. An example of this is the screening of tenants Oldelft Ultrasounds by the TU Delft, before approving the realization of their new lab facilities on the TU Delft Campus, by ASR DSPF. TU Delft's tenant screening process includes categories such as identity, sustainability and connection with and contribution to the university's strategy, ambitions and educational programmes.

Science park impact category:

Space for neglected tenant groups

Examples
This includes multi-tenant space for tenants who have outgrown their start-up phase (e.g. scale-ups). Their spatial needs are not met as they fall outside the scope of the university's valorization scope and the market has been unable to provide ample space. As this could lead to tenant departures from the science park, this could negatively impact the strength of the ecosystem as a whole.

Background
The absence of space for this type of tenant stifles the mix of occupants needed for a thriving ecosystem. One of the most important challenges in realizing this type of real estate is the significant associated upfront leasing risk, due to the inability of fast growing tenants to commit to a rental contract several years before delivery of a building.[8] This has led to a broad absence of this type of space on Dutch science parks. The absence of this type of space on the TU Delft Campus was one of the driving factors behind the Fund's partnership with TU Delft. In this case, the partnership allows for a joint tackling of the upfront leasing risk associated with this type of real estate.

Measurability
Buildings fit this category when offering space to 'scale-ups' whose needs are not met by the market or for whom a public entity such as a university has (reluctantly) provided for. An example of this is the realization of a multi-tenant scale-up building (NEXT Delft) on the TU Delft Campus, or the acquisition of a multi-tenant start-up/scale-up building (The Gallery) on Kennispark Twente from a local consortium including the University of Twente.

7) Raspe, 2009; Mazzarol & Battisti, 2016; BCI, 2018; NG, 2020

8) European Commission, 2013; BCI, 2018

Science park impact category:

Assets which add specific value to local ecosystems

Examples

These include public or specific functions made available to a wider community. These functions are often too costly to develop for firms and out of scope for universities. Examples of this category are public functions such as conference and restaurant facilities, short-stay housing for researchers or visiting professors, as well as student housing, parking, or retail. Despite its wide range of functions, the Fund will have limited exposure to this impact category.

Background

In a well-functioning ecosystem various types of functions adequately support tenants or visitors of the science park, by providing, for example, space for conferences or off-site meetings as well as basic catering needs.[9] As the Fund's main investment focus is to invest in sizable commercial real estate, mostly office or lab-related, this type of real estate support often falls outside its investment scope, for example due to its limited and granular investment volume or heavy management requirements. However, in a balanced ecosystem all required functions are present. The Fund therefore adds value by investing in these functions, in seperate assets, or integrated in assets which fall within the Fund's main investments focus.

Measurability

Buildings fit this category when they lie outside the main investment scope of the Fund, as defined in the Fund's PPM and other strategic documentation, but add specific value to the (entire) local ecosystem. It is important that functions do not serve the needs for tenants of a specific building or concept, but rather serve the needs of a broader group. An example of this is the lab training facility on Leiden Bio Science Park, in which (lab)space can be rented for short periods, and used to 'train' incoming lab staff. This space can be rented by all users on the science park and adds unique value to the science park.

9) Ng, 2020

Exact, TU Delft Campus, Delft

Number of strategic partnerships with (semi) public parties or institutions

Besides individual investments in science parks, the Fund aims to strike partnerships with stakeholders on selected science parks in the Netherlands, such as universities and municipalities. The Fund's long-term scope aligns with the long-term vision needed for the development of a science park. Its institutional clients provide a university or other public entity with an ideal commercial match. By acting as a reliable long-term commercial partner, the Fund gains preferred access to tenants and deal flow, creating the opportunity to invest in real estate for a wide range of functions, which have largely fallen outside the scope of traditional investors.

Policy 2021 – 2023
Goal: The Fund aims to enter into additional partnerships with (semi) public parties, forming at least a second partnership in 2021 and at least a third by 2023.

Currently ASR DSPF has a dedicated partnership with Delft University of Technology. The Fund is in discussions at various locations with the aim to establish additional partnerships, based on the example of TU Delft. The details of every partnership will vary depending on the local (ownership) situation. This can differ between the acquisition of one or more assets from a public entity, a partnership as with TU Delft or the acquisition of an entire science park portfolio from a private investor, or participation in an established local entity alongside other (often public) participants.

The Fund is currently in discussions with potential partners on several locations.

Coverage of tenants' contribution to UN SDGs using UN PRI impact markers

By stimulating the ecosystems of Dutch science parks, the Fund provides room to occupants which work on a broad range of innovative solutions, through different parts of their life cycle. From companies which have recently moved beyond their start-up phase, to well-established international firms. These companies are operational in diverse fields, often spun out of an initial idea formed through their diverse academic backgrounds.

The Fund's tenants' contributions to real world problems are equally diverse. To provide insight into the impact they make, the Fund measures and reports on the number of FTEs, working in its assets, which contribute to the UN Sustainable Development Goals. For this process the Fund uses the UN PRI Market Map. The Market Map aims to provide a practical link between the broad ambitions of the SDGs and real-world impact investment opportunities.

This tool distinguishes ten impact markers, categorized in environmental and social thematic areas of impact investments and businesses that, by their nature, intend to contribute to sustainability and the SDGs.[10)] Each impact marker matches with one or more (sub) SDGs, providing a direct link between the Fund's tenants and the SDGs. As the Fund aims to invest in science parks with varying fields of focus, the Fund's tenant base has the potential to match every impact marker. The Fund therefore has the potential to contribute to a wide range of SDGs through its tenants, alongside its contribution directly through the characteristics of its buildings.

For an overview of Fund's contribution to the SDGs, please see page 11.

Policy 2021 – 2023
Goal: The Fund aims to map the impact match of 100% of its tenants using the UN PRI Market map by 2023, reaching 75% in 2021.

In 2021 the Fund will start mapping the match of its tenants with the UN PRI Impact markers. The mapping process is done in collaboration with the Fund's tenant, to ensure proper validation. For a description of the mapping process, please see page 10.

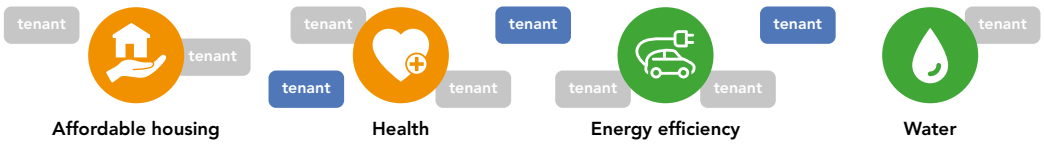
Tenants of the current Portfolio will be first approached for the mapping process in 2021. After the process with current tenants is completed, new tenants will automatically be included in the mapping process ensuring full tenant coverage.

10) Morriesen, 2018: 5

Tenant impact mapping process

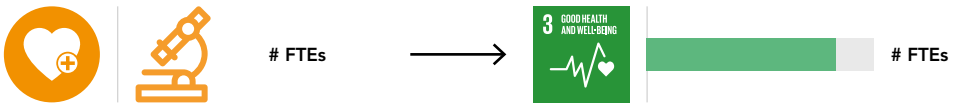
1 Mapping

Upon entering into a new lease, tenants go through a mapping proces. In this process tenants declare whether the activities of their company within the Fund's asset match one or more of the Impact Markers, according to the definition of the UN PRI Market Map.



2 Matching

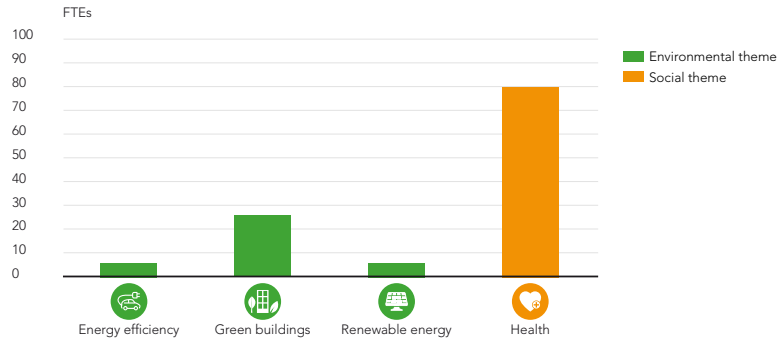
The UN PRI Market Map contains ten environmental and social thematic areas of impact that contribute to sustainability and the SDGs. The Fund pairs its tenants' match with the Impact Markers with the SDGs.



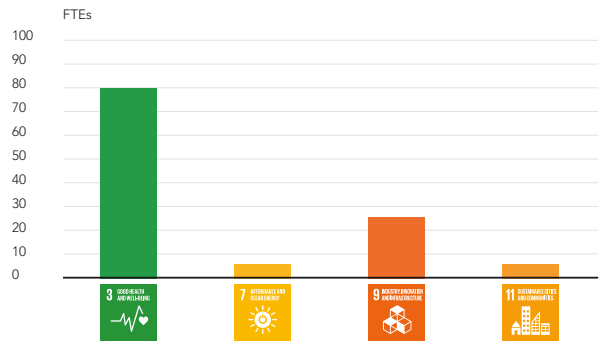
3 Reporting

The Fund reports on the Portfolio's tenants' match with the UN PRI Impact Markers in FTEs, as well as their subsequent match with the UN SDGs.

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



ASR DSPF's tenants' match with UN SDGs



United Nations Sustainable Development Goals

On 25 September 2015, 193 world leaders committed themselves to the 17 SDGs of the United Nations, which are designed to achieve sustainable development worldwide. Between now and 2030, these goals focus on the eradication of global poverty and inequality, combating climate change and ensuring that everyone can lead a prosperous and peaceful life. It is not only up to governments but also to companies such as a.s.r. and a.s.r. real estate to make a contribution in this context.

a.s.r. and a.s.r. real estate aim to contribute to the UN SDGs through its operations, as well as investments. ASR DSPF aims to directly contribute to five SDGs through its investments and a maximum of 13 SDGs through its tenants.

Fund's contribution through its assets

The Fund aims to realize a Paris Proof Portfolio by 2045. In order to reach this target, the Fund has set yearly goals in energy use, local energy generation and the procurement of sustainable energy.

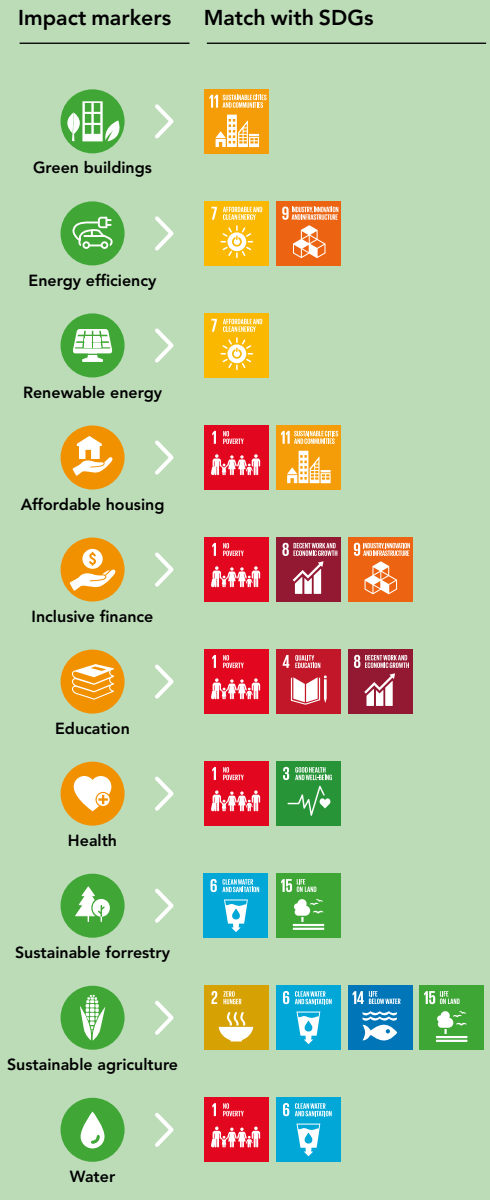
The Fund invests in sustainable research and development facilities on science parks throughout the Netherlands.

The Fund focuses on improving the ecosystem on science parks in the Netherlands through partnerships with public anchors, and invest is local sustainability through its properties and by offering shared mobility solutions.

The Fund targets to reduce its CO2 footprint and has set yearly targets aimed at increasing the amount of energy procured from a sustainable source.

Besides the Fund's focus on climate mitigation, climate adaptation is key in mitigating climate risks. To build a progressively resilient portfolio, an important objective for 2021 is to add at least 450 sq. m. of greenery and monitor, and adapt to, the effects of climate change.

Fund's contribution through its tenants



2 Sustainability

Strategic objectives

As a fund that has focused on making a positive impact, sustainability is an integral part of its strategy. By being ready for a carbon neutral future, the Fund's assets will actively contribute to the goals of the Paris Climate Agreement and the related energy transition within the built environment. Since the Fund has a build-to-core strategy with an expected large share of newly built assets, it can exert strong influence on the sustainability standards of its Portfolio. The Fund strives for a highly sustainable standard not only aimed at reducing the impact on the environment, but also from a risk/return perspective. By being ready for a carbon neutral future, the Fund's assets will contribute to the energy transition, without requiring heavy investments in the future.

The Fund will realize a carbon neutral Portfolio before 2045. This goal is operationalized using the 'Paris Proof' methodology, with individual goals on energy efficiency, onsite energy generation and sustainable sourcing, leading to an energy intensity (net energy use) of 50 kWh per sq. m. per year. Additionally, the Fund has set clear goals on the obtainment of Green Building Certificates such as BREEAM.

ASR DSPF's roadmap towards a 'Paris Proof' portfolio by 2045 (units per sq. m. per year)

	Q3 2020	2021	2023	2045
Energy intensity	114.5 kWh	111.9 kWh	106.8 kWh	50.0 kWh

ASR DSPF's objectives for energy efficiency, energy production and sustainable sourcing (units per sq. m. per year)

	Q3 2020	2021	2023	2045
1 Total energy use	121.3 kWh	119.6 kWh	116.3 kWh	80.0 kWh
- Average energy label	A+	A++	A++	n/a
2 Onsite energy generation	6.8 kWh	7.7 kWh	9.6 kWh	30.0 kWh
- # of PV panels	830	1,750	3,000	n/a
3 Sustainable energy sourcing	74%	75%	76%	100%
- % sustainable heat source	74%	75%	76%	100%
- % sustainable electricity source	73%	75%	76%	100%

Green Building Certificate coverage

	Q3 2020	2021	2023	2045
BREEAM-NL (or comparable) coverage	20%	100%	100%	n.a.

In 2019, a.s.r. real estate signed the Paris Proof Commitment of the Dutch Green Building Council, dedicating itself to achieving a carbon neutral portfolio by 2045. To actively work towards this goal, the Fund has developed a roadmap, based on the Paris Proof principles and points of departure developed by the Dutch Green Building Council.

2.1 Carbon neutrality

The Fund aims to realize a carbon neutral portfolio before 2045. It uses the Paris Proof methodology to reach this goal, as the share of energy which can be produced sustainably in the Netherlands should be in balance with the energy demand from the built environment. The energy intensity goal of 50 kWh per sq. m. is based on the current prognosis of the Dutch Green Building Council (the DGBC) with regard to the amount of sustainable produced energy in 2050 and the energy demand of the built environment.

The DGBC works with the European Carbon Risk Real Estate Monitor research consortium (CRREM) to streamline its methods in order to achieve the best possible objectives for 2050. CRREM is based on the methodology of the Science Based Target initiative (SBTi) to calculate the decarbonization pathway to a 'zero emission' built environment by 2050. As insight into the energy transition increases over the years, this will impact the Fund's energy and CO2 intensity objectives, which will become increasingly detailed.

Currently the Fund has a relatively low carbon footprint, as a large share of its tenants procure energy from a sustainable source. The Fund is therefore well positioned to outpace its goals towards CO2 neutrality, pending the adoption of the Fund's green leases by current and future tenants. The Fund will therefore strive to achieve full carbon neutrality, ahead of its 2045 Paris Proof Goal.

ASR DSPF's roadmap towards a carbon neutral portfolio by 2045 (units per sq. m. per year)

	Q3 2020	2021	2023	2045
Carbon intensity (kg of CO_2)	14.0 kg	13.2 kg	12.0 kg	0 kg

The Fund's current carbon intensity is 14.0 kg per sq. m. per year. This is measured by the absolute energy intensity ratio per sq. m. and the CO2 emissions of the Fund's energy use.

The path to carbon neutrality is achieved by a maximum energy intensity of 50 kWh per sq. m. per year, of which 100% is sustainably sourced. In the following paragraphs the goals for energy- and carbon intensity are both operationalized.

2.2 Energy intensity

ASR DSPF's roadmap towards a 'Paris Proof' portfolio by 2045 (units per sq. m. per year)

	Q3 2020	2021	2023	2045
Energy intensity	114.5 kWh	111.9 kWh	106.8 kWh	50.0 kWh

To achieve a Paris Proof Portfolio, the Portfolio's current energy intensity of 114.5 kWh per sq. m. per year of the entire portfolio will be reduced to 50.0 kWh per sq. m. per year by 2045.

Energy intensity is defined as the net energy used on site, including all used energy by a building, reduced by the energy which is generated on-site. The Fund's strategy is therefore operationalized through separate goals on energy efficiency, onsite energy generation and lastly, sustainable sourcing:

1. to reduce the energy consumption of the portfolio;
2. to maximize onsite energy generation; and
3. to source all remaining energy from a sustainable source.

Policy 2021 - 2023

- **Goal 2021:** To reduce the energy intensity of the entire portfolio to 111.9 kWh per sq. m. per year and start certification of the Portfolio's assets with 'new' energy labels (NTA 8800).
- **Goal 2023**: To reduce the energy intensity of the entire portfolio to 106.8 kWh per sq. m. per year and 100% coverage of 'new' energy labels according to the NTA 8800 methodology.

The Portfolio's goals of reducing energy intensity is operationalized in the manner described in the following chapters, through the methodology described above.

New energy label and BENG-requirements
In order to implement the energy intensity policy, a uniform way to express the energy intensity of the buildings within the portfolio in kWh per sq. m. per year is necessary.

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

In addition to the new method to determine the energy label of buildings, from 1 January 2021 all new buildings must meet the requirements for Nearly Energy Neutral Buildings (in Dutch abbreviated to 'BENG'). The BENG-methodology is based on NTA 8800 and the score for 'BENG 2' (Primary fossil energy use) forms the basis for the new energy label.

BENG

	BENG 1	BENG 2	BENG 3
	Energy requirement (kWh/sq. m. per year)	Primary fossil energy use (kWh/sq. m. per year)	Share of renewable energy (%)
BENG-requirement	≤ 90	≤ 40	≥ 30

In 2021, the Fund aims to label all buildings in the Portfolio with the energy label in accordance with the new method (NTA 8800) in order to benchmark the energy requirement of the assets within one physical unity, which will be executed as follows:

Current portfolio
The buildings in the Portfolio that are currently under construction (Oldelft Ultrasound, TNO laboratory for construction innovation and NEXT Delft) will already be labeled using the NTA 8800 methodology.

The Fund's standing assets (Exact and The Gallery) will be relabeled from EPC (former energy label) to NTA 8800 in 2021. The assessments for the new energy label will be conducted after the planned installation of PV panels on the roofs of both assets, as this will influence the assets' energy label.

Acquisitions
New developments
New developments will be labeled using the NTA 8800 methodology upon delivery. In addition, these developments must meet the requirements for Nearly Energy Neutral Buildings ('BENG').

Existing buildings
Acquisitions of existing buildings will be relabeled from EPC (former energy label) to NTA 8800. The energy performance of the buildings should be able to be improved to an energy label A (160.01 - 180.00 kWh / sq. m. per year) in a relatively short term after acquisition (see section 2.2.1.). The assessments for the new energy label will be conducted after any optimization measures to improve the asset's energy performance, which have been identified during the acquisition process, have been implemented. These optimization measures will be linked to the planned actions in the multi-year maintenance plan (MYMP) so that adjustments can be made when maintenance or replacement is necessary.

2.2.1 Reducing Energy consumption

Energy efficiency is the first step towards lowering the Portfolio's energy intensity: unused energy does not have to be saved. Creating energy efficiency is therefore a key element of the sustainability policy: the energy consumption of the portfolio must be reduced to a maximum of 80 kWh per sq. m. per year in 2045.

Energy consumption

	Q3 2020	2021	2023	2045
Total energy consumption	121.3 kWh	119.6 kWh	116.3 kWh	80.0 kWh

Policy 2021 – 2023:

Goal: Maximize energy saving measures and investing in energy efficient systems for existing buildings

- **2021:** To reduce total energy consumption from current 121.3 kWh per sq. m. per year to a maximum of 119.6 kWh per sq. m. per year.
- **2023:** To reduce total energy consumption to a maximum of 116.3 kWh per sq. m. per year.

Current portfolio

In 2021 an analysis will be carried out for each building in the portfolio of the actual energy consumption and optimization possibilities, with a distinction being made between building-specific (heat, cold and ventilation) and user-specific (lighting and equipment) energy consumption.

The Fund continuously focuses on implementing improvements around energy consumption. For the two standing assets, the Fund has no energy optimalization measures scheduled during the Business Plan period, as considerable steps in reducing energy consumption have recently been taken. In 2020 LED lighting was installed by the tenant in the Exact building, in an effort to reduce energy consumption, and during the recent renovation of The Gallery a wide range of sustainable measures was taken.

The optimization measures are linked to the planned actions in the multi-year maintenance plan (MYMP) so that larger energy saving measures such as insulation or heating- and ventilation systems will be undertaken strategically upon expiry of the life time of systems or coinciding with other major CAPEX activities. For example the Fund will assess upgrading the roof insulation of The Gallery coinciding with the installation of PV panels in 2021.

In addition, large sustainability measures from 2021 onwards will plotted in the CRREM tool (see section 2.1 for more information about CRREM), providing insight into their contribution to the achievement of the Fund's long term objectives.

Acquisitions

New developments

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

Existing buildings

The energy performance is a large part of the acquisition process of existing buildings. During the due diligence stage of the acquisition, the Fund will assess the energy consumption of the property. Subsequently, a quickscan will be carried out to determine which investments are necessary to optimize the energy consumption of the building with a distinction being made between building-specific (heat, cold and ventilation) and user-specific (lighting and equipment) energy consumption. Existing buildings should be able to be brought to at least energy label A (160.01 - 180.00 kWh / sq. m. per year) in a relatively short term after acquisition. These buildings must be able to contribute to the Fund's sustainability objectives in the long term and may not have fundamental sustainability obstacles which (in time) lead to a 'stranded asset' in the CRREM tool. Based on this assessment will be determined whether the required measures (investments) are financially feasible and whether the Fund will proceed with the acquisition of the property.

For example: improving a building with a current energy label poorer than C can be cost-intensive. If this investment turns out not to be financially feasible, the purchase of the building will be carefully considered in order to achieve the sustainability goals.

When acquisitions are added to the Fund, optimization measures are linked to planned actions in the multi-year maintenance plan (MYMP) in order for adjustments to be made coinciging with planned maintenance.

2.2.2 Onsite energy generation

After reducing energy use, the second step towards improving the Portfolio's energy intensity and reducing its carbon footprint is onsite energy generation, as the Fund aims to minimize externally sourced energy. Onsite energy generation is therefore the second key element towards a Paris Proof portfolio: the onsite energy generation of the Portfolio must be increased to 30 kWh per sq. m. per year in 2045.

Onsite energy production

	Q3 2020	2021	2023	2045
Onsite energy production	6.8 kWh	7.7 kWh	9.6 kWh	30.0 kWh
- # of PV panels	830	1,750	3,000	n/a

The Fund currently specifically targets PV panels in reaching its onsite energy generation goals. PV panels currently offer the most viable solution to locally produced energy, as they have become increasingly affordable, are met with an attractive fiscal climate with readily available subsidies. The addition of PV panels to assets are mostly met with enthusiasm by tenants, who are often willing to pay a rent premium.

Policy 2021 – 2023

Goal: To maximize onsite energy generation, mainly using PV Panels.

- **2021:** To install approximately 1,000 PV panels on current Portfolio assets (from 830 to 1,750) and increase the onsite energy generation from the current 6.8 kWh per sq. m. per year to 7.7 kWh per sq. m. per year.
- **2023:** To further expand the Portfolio's PV panel capacity to 3,000 panels and increase the Portfolio's onsite energy generation to 9.6 kWh per sq. m.

Current Portfolio

The Fund aims to install PV panels on all assets in the current Portfolio (as far as possible due to roof size and agreements with tenants). The Fund has made individual plans for every asset in the current portfolio:

Exact

On the roof of Exact 424 PV panels can be installed. Additionally 198 PV can be installed on the carport. The Fund is in a broad discussion with the tenant about a range of sustainability measures (e.g. PV-panels and electric car charging stations). The Fund intends to reach an agreement on the sustainability measures which will be taken and carry out the upgrades in 2021. In preparation, the Fund has obtained a subsidy for 622 PV panels.

The Gallery

The Gallery has a relatively large roof, on which approximately 800 PV panels can be installed. The previous owner of The Gallery obtained a subsidy for the installation of these PV panels. The Fund is currently undertaking a feasibility study towards the installment of PV panels.

Oldelft Ultrasound

On the roof of Oldelft Ultrasound 295 PV panels can be installed. An agreement has been reached with tenant Oldelft Ultrasound on an additional lease for these PV panels. Implementation of this is included in the development/construction plans. The installation of 295 PV panels on Oldelft Ultrasound commenced in Q4 2020.

TNO laboratory for construction innovation

The roof of TNO laboratory for construction innovation can accommodate approximately 290 PV panels. Due to the long term triple net lease contract, TNO will fund the installment of these PV panels. The installation will be carried out by TNO under supervision of the Fund. Even though the panels are funded by TNO they will contribute to the energy performance of the Fund.

NEXT Delft

The roof of NEXT Delft is relatively large with space for approximately 536 PV panels. The construction of the building started in Q4 2020. Upon completion of the building in December 2021 the PV panels will be installed on the building.

Acquisitions
New developments
The Fund aims to maximize the use of PV panels during the development phase of an acquisition. If during this process, installing the maximum amount of PV panels is not financially feasible, the Fund will ensure the (technical) possibility of expanding the building's PV installations at a later point.

Existing buildings
For each acquisition, the Fund assesses the possibility of installing PV panels, in line with the Fund's energy performance goals. The PV panels will be installed as soon as possible after acquisition, in consultation with the tenants regarding possible amendments to lease agreements, and in line with the multi-year maintenance plan (MYMP).

2.2.3 Sustainable energy sourcing

After reducing the Portfolio's energy consumption and increasing onsite energy generation, the Fund aims for all remaining energy to be sourced sustainably. This is the final step towards a carbon neutral portfolio.

In order to achieve its goal of 100% energy from a renewable source by 2045, the Fund aims to increase the share of renewable energy in the Portfolio by approximately one percentage point each year, from its current 74% (as at 30 September 2020). This includes electricity, for which the Fund uses a 'green lease', as well as energy which is sourced specifically to heat a building, which is the result of the physical characteristics of a building.

The Fund expects that the objective of 100% sustainable sourced energy can be achieved much sooner than the Fund's 2045 target, as it currently finds a signficiant willingness amongst tenants to source energy sustainably. This could in turn allow the Fund to achieve a CO2 neutral Portfolio well ahead of schedule, as the Fund's current assets are not connected to the natural gas network. It is important to note, however, that due to the Fund's acquistion target, sourced from newly developed, as well existing assets, the share of sustainably sources energy withtin the Portfolio can fluctuate. Additionally, a possible scarcity in 'green' energy, as general interest in sustainabilty increases, could result in stagnation of further progress towards the Fund's goal. The Fund will therefore maintain its focus on steady progress towards sourcing energy sustainably and not alter its goals, as results fluctuate.

Both electricity and the heat source are expressed in kWh and kilograms of CO2 and taken into account in the Fund's main goals. The Fund additionally targets a Portfolio which is not connected to the natural gas grid as a heat source, as it cannot be sourced sustainably and an asset's (future) shift from gas to an alternate energy system often requires heavy investments.

Policy 2021 – 2023
Goal: Heat
The Fund aims for the entire Portfolio that assets are not connected to the natural gas grid and will be heated through either an all-electric system or connection to a sustainable single/communal source.

Goal: Electricity
In addition to sustainable local energy production, all electricity purchased by the Fund will be supplied from a sustainable source as of 2021.

Current portfolio
Heat
Currently, no buildings in the Fund's Portfolio are connected to the natural gas grid, as a heat source.

Electricity
- 100% of the electricity that will be purchased by the Fund itself (such as electricity for communal areas and in case of multi-tenant buildings) will be from a sustainable source.
- The Fund strives to provide all current leases with a green lease clause, which enforces purchasing electricity from a fully sustainable source (e.g. 100% wind or solar, supplied through the national power grid). Currently only tenant Exact's lease does not source its energy sustainably. The Fund aims to amend Exact's lease with a green clause in 2021.

Acquisitions

Heat

- New developments will not be connected to the natural gas grid and will be heated and cooled through either an all-electric system or connection to an alternative sustainable source such as thermal storage.
- Existing buildings: the high temperature heat systems of existing buildings are often not suited for a low temperature source such as thermal storage. The heat source of existing buildings will therefore be heavily scrutinized during the acquisition, to determine which investments are necessary in order for the property meet the Fund's sustainability objectives. The neccessary transition from high- to low temperature system will be taken into account during the acquisition phase, requiring either a discount or the possibility of using an alternative high temperature source such as district heating.

Electricity

- All new contracts which the Fund enters into will automatically include a green clause, demanding the procurement of electricity from a sustainable source.
- Existing contracts will be amended to include a green clause. This will happen at varying rates, according to tenant willingness. The Fund will aim to include other sustainability measures as part of this amendment, such as the addition of PV panels, to aid this process.

2.3 Green Building Certificates

The Fund has set clear goals on the obtainment of Green Building Certificates (BREEAM, LEED, GPR, etc.) as these are issued in recognition of sustainable and well-managed properties. Additionally, they provide a framework for holding builders, developers and other parties accountable on a wide range, and constantly developing, ESG related matters.

Policy 2021 – 2023

Goal: 100% Portfolio coverage of Green Building Certificates:

- New developments: BREEAM-NL Excellent or comparable
- Existing buildings: BREEAM-NL-in-use Very Good or comparable

Obtaining these certificates ensures compliance with a broad range of ESG-related matters, which are in constant development, driven by new insights and market standards. In addition to this broad compliance, the Fund has formulated several additional goals, which it deems most important. The below mentioned subjects will receive extra attention in the scoring of the Green Building Certificates and in the Fund's policy:

- water usage;
- waste management;
- climate adaptation; and
- mobility.

Current portfolio

BREEAM-NL-certification

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

WELL-certification

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

Reduce water usage

In 2021 smart water meters will be installed for the entire portfolio. Based on smart water meter data, water usage and real-time leakage control will be monitored and a water saving plan will be developed in consultation with the tenants of the buildings within the framework of the green lease agreements.

Manage waste

Under the terms of the green leases, tenants are committed to limit and separate their waste as much as possible. Paper, cardboard, metal, green waste, glass, plastic, residual waste and chemical waste will be seperately disposed of.

Material sourcing
As part of its impact policy the Fund has developed an ambitious programme of requirements and procurement guidelines which impact processes such as maintenance and procurement. Technical maintenance may only be carried out by CSR-certified businesses. The technical materials and systems used must additionaly comply with current CSR requirements. For example, only FSC-produced timber may be used.

Climate adaption
- Monitoring effects of climate change
  Besides the Fund's focus on climate mitigation, insight into the adverse effects of climate change is key to mitigate the impact of climate change on the portfolio. The Fund therefore assesses the risks and effects of climate change on its portfolio, to determine how urgently amendment is required. An important objective for 2021 is to further improve the monitoring of these effects.
  - The technical installations of the Fund's assets will be monitored and adapted to weather risk if necessary.
  - The roofs of the Fund's assets will be adapted to the asset's local situation creating a water buffer or mitigating the urban heat island effect.
- Resilience to catastrophe/disaster
  Climate change can also affect the management of the built environment as a result of natural disasters, such as rising sea levels and air or soil pollution. Insight into the adverse effects of climate change is vital in order to respond to the impact which climate change is already having, while at the same time preparing for its future effects.
- Use of roofs and facades to add green areas
  In 2021 a total of at least 450 sq. m. of vegetation in or on roofs, facades, gardens and/or courtyards will be added to the assets of the portfolio.

Sustainable and shared mobility solutions
- The Fund aims to invest in sustainable and shared mobility solutions. In 2021 the feasibility of a shared mobility hub for each location will be investigated.
- The Fund formulated a vision on electric car charging stations for the assets in the Portfolio and the acquisitions.

Acquisitions
The design and engineering of all new developments will be based on the requirements for a BREEAM-NL Excellent certificate.

For each acquisition during the due diligence stage of the acquisition a quick scan will be carried out to determine which investments are necessary to make the property meet the Fund's objectives. Within this quick scan will be analyzed whether the property could obtain a BREEAM-NL in Use Very Good certification and which investments this will take. Based on this quick scan will be determined whether the required sustainability measures are financially feasible and whether the Fund will proceed with the acquisition of the property.

The buildings that are acquired will be equipped with smart meters in order to also monitor the energy and water consumption of these buildings. Existing contracts with tenants will be amended to include a green clause to enforce sustainable energy sourcing, the separation of waste and to limit the quantity of waste. Climate-related risks will be part of all investment decisions as of 2021. Qualitative and quantitative data are used to assess the level of climate risks regarding its location and characteristics of an asset.

Climate adaptation in addition to limiting climate change

Anticipating on climate change

As the impact of climate change starts to emerge, the importance of a resilient portfolio becomes evident. By understanding and anticipating the long-term risks of climate change, the Fund strives to build a portfolio that is progressively adaptable. In general, the Royal Netherlands Meteorological Institute (KNMI) distinguishes four major climate risks affecting the portfolio. The indicators used are based on the 'Klimaateffectatlas' (Climate Impact Atlas), which is managed by Climate Adaptation Services (CAS).

Climate risks which increasingly affect the portfolio

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

Climate adaptation objective

The TCFD framework serves as a basis for consistent disclosure of climate-related financial risks and opportunities. Following the framework, the Fund has set an objective to mitigate the risks of heat, drought and extreme weather. Flooding does not appear to be a direct threat, because of active governmental water management. Longer periods of drought cause subsidence, which is currently not a threat for the Fund. Although the Fund closely monitors all four climate risks, the Fund focuses on heat and extreme weather.

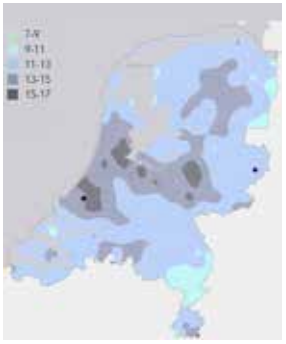
Climate adaptation objective

Climate risk	Indicators (situation in 2050)
Objective	Addition of 450 sq. m. vegetation roofs, facades, gardens and/or courtyards
Result	Green areas contribute to water storage, reduce heat stress, and have the potential to contribute to protecting and/or restoring biodiversity
Match with SDGs	

Implementation of climate risks and opportunities

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

Climate-related risks will be part of all investment decisions as of 2021. Qualitative and quantitative data are used to assess the level of climate risks regarding its location and characteristics of an asset. This data will be incorporated in the research filter, which identifies the best-performing locations. To periodically assess the standing portfolio as well, the hold/sell analysis will take into account climate risks by incorporating climate risk data in the research filter and the asset analysis tool (AAT).



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

Partnerships

Climate adaptation as a solution for mitigating climate risks, demands a large-scale approach. Resilience cannot be achieved by one player alone. Through collaboration, ASR DSPF strives to create an adaptive and more livable built environment.

3 Partners

Strategic objectives

Collaboration with partners is crucial in the implementation of the impact policy. The Fund is therefore in close contact with many stakeholders, from universities to (local) governments, from service providers to real estate partners and ultimately, of course, also its tenants. The Fund has set the following goals for the period 2021-2023.

Sustainable partners in long-term relationships

	2021	2023
Tenant satisfaction rating	≥ 7.0/10	≥ 7.0/10
Green lease	100%	100%
Sustainable procurement	100%	100%
Invest in sustainable mobility solutions (# of science parks)	≥1	≥ 2
Conduct community projects (# of yearly projects)	≥ 1	≥ 2
Contribute to the continued growth of parties on science parks	Investigate possibilities	≥ 1
Active tenant participation programme	Newsletter, welcome package	

Tenant satisfaction rating

Tenants are important partners and the Fund wishes to ensure that its tenants are involved, aware and satisfied. The Fund will actively seek to improve tenant satisfaction and commitment by conducting tenant satisfaction surveys. The results of these surveys will be used to improve tenant engagement. In 2020, the Fund commissioned Keepfactor – a tenant satisfaction assessment company - to conduct these surveys. The resulting score was 7.3 out of 10. The Fund is aiming for a score of 7.0 or better. The Fund welcomes feedback from its tenants and uses that information both for sustainable investment and to maintain its long-term relationships with tenants. By communicating with tenants, the Fund is able to keep its finger on the pulse of what tenants need and want. The feedback from the survey in 2020 was analyzed and communicated to the tenants via a newsletter. This newsletter indicates which actions have already been taken and which issues will be addressed in 2021.

Active tenant participation

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

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

Improving knowledge and expanding the network

For a.s.r. real estate, improving and sharing its knowledge and expanding its network in the area of CSR is an important objective. Within the Company, involvement in and support for promoting CSR initiatives throughout the sector and society as a whole are at the forefront. For this reason, a.s.r. real estate is affiliated with several organizations (including IVBN, INREV, GRESB, DGBC, NEPROM, VOGON and RICS) and participates actively in a.s.r.'s sustainability working groups, IVBN, NEPROM and DGBC. a.s.r. real estate regularly shares its experience at congresses and other events.

High Tech Campus, Eindhoven

Alignment with sustainability guidelines

The Fund's strategy is aligned with guidelines set by the following organizations and principles:

UN Principles for Responsible Investment:
- a.s.r. obtained a UN PRI A+ rating for its Strategy and Governance and an A rating for its Properties.

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

INREV (European Association for Investors in Non-listed Real Estate Vehicles):
- The Fund is compliant with the INREV Sustainability Reporting Module (100% for the mandatory module and 97% for the sustainability best practices module).

IVBN (Foundation for Dutch Institutional Investors in the Netherlands):
- The Manager is present in multiple IVBN working groups in which the industry discusses and sets targets on multiple topics (including sustainability).

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

UN Sustainable Development Goals (UN SDGs):
- The UN SDGs selected by a.s.r. as well as the Fund are an integral part of the CSR policy.

Paris Proof Commitment DGBC:
- By signing this Commitment in 2020, a.s.r. real estate embraces the targets of the Paris Climate Conference and actively works towards a Paris Proof portfolio.

TCFD:
- 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.

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

4 People

Strategic objectives

Sound business practices and healthy and satisfied employees

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

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

Sound business practices

For a.s.r. real estate, it goes without saying that corporate social responsibility can only be achieved by means of sound, transparent business practices.

a.s.r. real estate is required to be licensed for the financial services it provides in the field of collective and individual asset management. The AIFMD licence was granted in February 2015 by the Dutch Authority for the Financial Markets (the AFM). In accordance with the AIFM Directive, 'Wet op het financieel toezicht' (Financial Supervision Act, (the Wft)) and 'Besluit Gedragstoezicht financiële ondernemingen' (Supervision of the Conduct of Financial Enterprises Deecree (the Bgfo)), a.s.r. real estate has an appropriate risk management system in place to adequately recognize, measure, manage and monitor all relevant risks associated with the activities, processes and systems of the investment firm. a.s.r. real estate has a business risk manager who operates independently of the operational departments. Independence of the business risk manager is guaranteed by a hierarchical reporting line to the CFRO of a.s.r. real estate and escalation lines with the Director Risk Management (CRO) of a.s.r.

In addition, independence is guaranteed, because the remuneration of risk management employees is not based on commercial objectives. a.s.r. real estate has set up and implemented its own ISAE Control Framework based on the key processes and key risks. This is annually coordinated with and tested by the external auditor. A Product Approval and Review Process (PARP) has also been set up in the context of financial services and the products of a.s.r. real estate. In addition, IT risks are managed in accordance with the Cobit standards of De Nederlandsche Bank (the Dutch central bank (DNB)) and integrity risks are managed on the basis of DNB's SIRA (Systematic Integrity Risk Assessment).

Each year, a risk self-assessment is conducted with the board of directors based on the company's objectives and the relevant strategic risks. Key policies are reviewed annually, addressing aspects such as conflicts of interest, incidents and outsourcing. Where necessary, existing controls are supplemented or changed.

Since 2020, risk management has been closely involved in the implementation and risk monitoring of new sustainability regulations in Europe. This concerns the implementation across the entire operational management of the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainable Finance Action Plan (SFAP) and the underlying Sustainable Finance Disclosure Regulation (SFDR). From 2021 onwards, risk management will implement the most important management measures for the sustainability objectives relating to TCFD and SFDR in the risk control framework, so that the external auditor can rely on this when drawing up the non-financial section of the annual accounts.

Personal development of employees

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 thereby take control of their own future, by moving to another position (sustainable employability) or leaving a.s.r. altogether. In 2019, 2.4% and 1.0% respectively are being spent on these themes.

Focus on employees' health and wellbeing

Prioritising health and wellbeing and avoiding stress are important issues for office-based companies. a.s.r. considers it important to help employees to remain mentally and physically fit and vital, especially during Covid-19. Awareness, prevention, and guidance are three important instruments in this regard. a.s.r. provides a wide range of workshops and has a dedicated team to support the employees. It also devotes a lot of attention to a healthy office (or home office) and flexible working conditions. During Covid-19, a.s.r. is questioning its employees weekly through a short online Mood Monitor survey to make sure it is assisting them as well as possible.

Prioritising health and wellbeing and avoiding stress are important issues for office-based companies. a.s.r. considers it important to help employees to remain mentally and physically fit and vital

An important objective is to measure the health and wellbeing of a.s.r.'s departments by carrying out a four-yearly vitality scan. Key themes are stress, absentee rate, working ability, physical complaints, and level of enthusiasm. Based on the outcomes, a customized vitality programme will be drawn up. The last survey among a.s.r. real estate's employees took place in 2018. The participation rate was 79% and a.s.r. real estate scored equal to or better than the Dutch average on six out of eight themes. With the programme currently being conducted, a.s.r. real estate hopes to improve themes on which it scored less well. The next survey will take place in 2022.

Employee satisfaction

On a yearly basis, a.s.r. real estate conducts the Denison Organizational Success Survey among all its employees. This survey measures the success of an organization on several dimensions, e.g. employee satisfaction, engagement and adaptability. The results are compared to a global benchmark of large organizations that use the Denison Survey. Following each survey, the results are analysed and discussed intensively by the board, the internal Denison workforce and all business lines. Where necessary, steps are taken to improve a.s.r. real estate's standing as an excellent employer. In 2020, a.s.r. real estate scored 94/100 for employee satisfaction. The goal is to maintain this excellent score. The next survey will take place in 2021.

Erasmus Medical Centre, Rotterdam

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