




ESG STRATEGY

Meaningful investing

syntrus | **achmea**
real estate & finance



Syntrus Achmea chooses to invest in sustainable real estate that offers both financial and social returns. Our investment policies and practices are rooted in a solid Environmental, Social and Governance (ESG) policy. We avoid fancy language and put our money where our mouth is by making informed decisions based on tangible goals and objectives. This document sets out our ESG strategy up to the year 2030. We would like to invite you to join the discussion, so we can work together on building attractive and sustainable communities. Will you be our partner?

Management Team

Mascha Hendrickx

Nicole Maarsen

Arthur van der Wal



Vision

Our asset management contributes to a **sustainable future**.

Mission

We choose to invest in sustainable real estate that offers financial and social returns. This means helping our clients (and their clients) **build a solid financial foundation and vibrant and thriving communities** – now, in the near future and in the longer term.



Sustainable Development Goals

In 2015, all 193 United Nations members adopted **17 global goals** (Sustainable Development Goals, SDGs) designed to put an end to extreme poverty, inequality, injustice and climate change.

As an asset management firm, we seek to work with our investors, within the context of the local real estate and mortgage market, on helping to achieve these ambitious goals. In 2017, we therefore made a selection of the Sustainable Development Goals to which we will be committed over the next several years. In implementing our ESG policy, we are working on achieving these five Sustainable Development Goals and the objectives we have defined.

- 3. Good Health and Well-being
- 7. Affordable and Clean Energy
- 11. Sustainable Cities and Communities
- 12. Responsible Consumption and Production
- 17. Partnerships for the Goals



ESG issues 2020-2030



Investing in
tomorrow's world



Focusing on closer relationships
with stakeholders



Achieving highest level
of services and products



Promoting
innovation

Our ESG strategy



Investing in tomorrow's world



Focusing on closer relationships with stakeholders



Achieving highest level of services and products



Promoting innovation

1 Positive impact on society

Climate change

Urban Partner initiatives

Improving Quality of Life Score

Investing in innovation

2 Best investment manager in the Netherlands

GRESB performance

Customer satisfaction

Financial outperformance

New investment products

3 Best employer

Carbon neutral operations

Employee engagement

Sustainable office

Training & Development

4 Attractive and sustainable real estate

Energy labels

Tenant satisfaction

Sustainable acquisitions

Smart homes

5 Sustainable mortgage provider

Energy-efficiency measures

Agent satisfaction

Active support

Sustainable private homes



1 Positive impact on society

We aim to make a positive impact on society by investing in liveable cities: these are cities that prioritise sustainable development, are mindful of (and accommodate the needs of) future generations, factor in social and demographic trends, pursue active climate change adaptation strategies and incorporate advances in technology into their plans. Through our close involvement in these projects, we have an impact on local quality of life and promote social cohesion.

Climate change

We invest in reducing the impact of the built environment on climate change, which enables us to improve living conditions for future generations.

We have set ourselves a clear goal: making our real estate portfolios fully carbon neutral by 2050.

We have already taken the first steps towards this goal by identifying the immediate carbon impact of our real estate properties and we have established what mitigation measures need to be taken in response. By investing in the circular economy, energy-efficient roofs, insulation and efficient systems and installations, we are reducing the impact of carbon emissions on our real estate in the immediate future. In addition, we invest in sustainable energy, including the installation of solar panels and the use of waste heat.

Specifically, this means that we:

- Improve the sustainability of real estate.
- Invest in the circular economy and climate change adaptation.
- Generate sustainable energy.



Urban Partner initiatives

At city and district levels, we invest in building close partnerships with local stakeholders, in order to create socioeconomic value in the long term. **To achieve this, we intend to invest €1 billion in Urban Partner initiatives by 2030.**

Urban Partner initiatives help to make housing more affordable for specific demographic groups. Urban partners are local governments, property developers and contractors. These initiatives aim to increase social cohesion by stimulating interaction and launching mobility concepts. Through these Urban Partner initiatives, we invest in enriching communities on behalf of our clients, which stands to benefit both current and future generations.

Specifically, this means that we:

- Serve as partner to local councils in large-scale urban projects.
- Offer housing concepts for specific demographic target groups.
- Launch mobility concepts.



Improving Quality of Life Score

We are committed to making a positive impact on society both directly and indirectly. **By 2025, we want the average score in the quality-of-life meter at the district level to have improved from 2018 for at least 50% of our real estate investments.**

We are accomplishing this by financing homes for specific demographic groups and contributing to solving challenges surrounding a liveable and changing climate: by promoting and creating 'green' practices and by improving local amenities and facilities such as shops and care facilities. By optimising facilities and services at the building level, we improve overall quality of life and create a safe and attractive living environment for the future.

Specifically, this means that we:

- Develop real estate for specific demographic target groups.
- Increase water resistance and heat resistance.
- Improve local facilities and amenities.



Investing in innovation

By investing in smart technologies and innovation, our clients improve the viability of the real estate and the surrounding community. **By investing €500 million in innovation between now and 2030, we are making real estate smarter, more sustainable, more efficient, and by extension more marketable.**

Examples of these innovations include new service concepts which contribute to the quality of living, smart technologies for saving time and expenses, and the use of data analysis to make buildings more energy-efficient. For one, we are working on developing mobility-as-a-service, offering a bicycle-sharing system and a car-sharing system. Additionally, we are implementing interactive screens that allow users to track energy consumption.

Specifically, this means that we:

- Introduce new services.
- Use smart technologies.
- Improve the efficiency of buildings.





2 Best investment manager in the Netherlands

We achieve social and financial returns for investors. We are service-oriented and reliable. By setting high quality standards for our internal organisation, suppliers and service providers, we provide across-the-board support to our investors. We are progressive when it comes to managing social and environmental impact: it's how we make our investments meaningful. We measure our sustainability performance annually in the Global Real Estate Sustainability Benchmark (GRESB).

GRESB performance

We believe we can achieve solid financial returns in the long term through sustainable investment in real estate. We measure our sustainability performance annually against that of other property funds in the Global Real Estate Sustainability Benchmark (GRESB). Our healthcare real estate fund has been named the world's most sustainable of its kind on several occasions, earning it the title of GRESB Sector Leader. **We aim to be ranked in the highest GRESB league with all our funds.**

We follow the guidelines set by the clients on whose behalf we invest, including UNPRI (United Nations-supported Principles for Responsible Investment). We respond to innovations and best practices by keeping a close watch on the market.

Specifically, this means that we:

- Achieve sustainable results across all our portfolios.
- Improve policies and internal processes.
- Anticipate trends in the real estate market.





Customer satisfaction

We are working on providing the highest-level services for our clients. We invest in quality and aim for operational excellence. **This is why we have set the goal of attaining a client (investor) satisfaction score of 8 or higher starting in 2025.**

We achieve this by learning more about our clients' needs and best practices in the industry.

Specifically, this means that we:

- Achieve investment goals in relation to risk/return profiles.
- Optimise governance and risk management.
- Communicate in a transparent and professional manner.

Financial outperformance

Through careful portfolio management, we can offer the highest possible returns to our clients: returns which are in proportion to a risk/return profile appropriate for our investors. **For our portfolios, we aim for financial outperformance.**

These high returns will directly benefit pension funds and other institutional investors. Strong and stable returns on investments help pension funds to offer their members solid and affordable pensions. We achieve outperformance by actively driving our portfolios with our internal client teams in conjunction with a sold acquisition and disposition strategy.

Specifically, this means that we:

- Achieve returns for solid pensions.
- Engage in active portfolio management.
- Work on a research-driven basis.



New investment products

We create innovative, viable investment products which help our clients achieve their objectives.

In order to put ‘meaningful investment’ into practice when it comes to innovation, we have set the target of implementing a minimum of 5 innovative ideas for investors by 2025.

These ideas relate to investment portfolios and various types of services. Through internal research and cooperation with partners from within and outside the industry, we regularly launch new investment products for our clients.

Specifically, this means that we:

- Encourage innovative ideas within the organisation.
- Work with our partners on implementing new products.
- Launch new products for investment portfolios and various types of services.





3 Best employer

We offer our employees a dynamic, sustainable and healthy workplace. Together, we work on achieving maximum customer satisfaction for investors, tenants and mortgage customers. We encourage teamwork and a high level of employee engagement within the organisation. Our approach is based on inspiring each other, collaborating and giving feedback: we make sure to get the job done. It's just one of the factors that makes us so appealing as an employer.

Carbon neutral operations

We seek to be part of the solution when it comes to reversing climate change: **we will therefore be completely carbon neutral by 2030.**

We implement a variety of measures to achieve this, including a sustainable purchasing process and reducing our consumption of energy from non-renewable sources. We will be based in a sustainably certified office building from 2023. We invest in the future by designing our workspaces using dynamic, sustainable and healthy methods. We also promote the use of 'green' modes of transport, including bicycles, public transport and electric vehicles. This is all part of our Meaningful Investment campaign.

Specifically, this means that we:

- Are reducing our impact on climate change.
- Are adopting more sustainable practices in the purchasing process.
- Are reducing energy consumption from non-renewable sources.



Employee engagement

Our employees act as ambassadors for our organisation, providing the best possible services to our clients and helping to increase their returns. **This is why we aim to achieve a minimum score of 8 by 2025 in the Engagement section of the Employee Satisfaction Survey.**

By promoting enthusiasm and engagement, we create long-term enterprise value. We want to give our employees the opportunity to reach their full potential, with professional and personal development both being priorities. We focus on the following three aspects: inspiration, collaboration and providing feedback.

Specifically, this means that we:

- Aim to achieve a minimum score of 8 for engagement.
- Create long-term enterprise value.
- Promote professional and personal development.



Sustainable office

We are improving the sustainability of both the properties in our real estate funds and of our own office. Since the sustainability of the building and the health and well-being of our employees are directly linked, we are using the BREEAM certification system for our new office in South East Amsterdam (Amsterdam Zuid-Oost). **We aim to earn a BREEAM In Use certificate for our new office by 2023.**

This sustainability certificate factors in both social and environmental aspects, helping us to focus on employees' health and well-being. We are implementing a series of measures, which includes creating inspiring locations for our people in order to promote knowledge-sharing and innovation.

Specifically, this means that we:

- Promote healthy behaviour among our employees.
- Are improving the sustainability of the office building.
- Will earn an 'Excellent' sustainability label.



Training & Development

We invest in our employees, promote personal development and encourage our employees to actively contribute to the organisation. **This is why all our employees will have a personal and professional development plan in place by 2022.**

The personal development plan provides our employees with the flexibility they need to take charge of their own career path when it comes to personal and professional development, in line with the organisation's objectives. We promote collaboration as a way of achieving long-term growth. We also encourage our people to inspire younger generations, including through practical internships and classroom teaching.

Specifically, this means that we:

- Encourage personal growth - now and in the future.
- Support professional development.
- Align the personal development plans with our organisational objectives.





4 Attractive and sustainable real estate

We endorse attractive and sustainable real estate, not just for the users of the buildings but for the local community as well. This is why we are creating a Syntrus Achmea quality standard: services that provide across-the-board support to building users, educate them and help them to make sustainable choices. We also work actively with our managers on building a future standard for real estate management, as well as implementing smart tools designed to improve office users' health.

Energy labels

We are working on building an energy-efficient portfolio. **Our goal is for 100% of our real estate portfolio to have an 'A' energy label by 2030.**

We have set these goals in anticipation of changes in the current laws and regulations. We are also improving sustainability awareness among our tenants and inspiring them to consume energy more efficiently, ultimately resulting in lower monthly energy bills for building users.

Specifically, this means that we:

- Anticipate more stringent laws and regulations.
- Improve energy-efficiency and increase awareness among users.
- Reduce users' monthly expenses.



Tenant satisfaction

We are committed to ensuring our real estate properties remain attractive to our tenants. An important criterion is tenant satisfaction, which is measured through an annual survey. **We aim to improve the average satisfaction score for real estate and the environment by at least 5% between 2018 and 2025.**

The survey provides us with information about likeliness to relocate, satisfaction with the building, nearby amenities and facilities and our services. We prepare an annual improvement plan together with the property managers, based on the survey results.

Specifically, this means that we:

- Optimise the complaint handling process.
- Implement the Syntrus Achmea quality standard for all assets.
- Are working with managers on improving our services.



Sustainable acquisitions

We promote social cohesion in the areas where we operate by investing in real estate with a positive impact on the community, so as to be able to offer attractive products to tenants and investors. In order to measure the health and sustainable quality of buildings, we use GPR Gebouw (GPR Building), a sustainability standard for buildings. **From 2023, we will only acquire new properties with an average GPR Gebouw score of 7.5 or higher.**

GPR Gebouw helps us to establish the standards for, and to create, a healthy and sustainable living environment for users, for example by improving the indoor climate. In addition, GPR Gebouw provides information on the quality of the amenities, facilities and green spaces in the local community.

Specifically, this means that we:

- Invest in healthy buildings and an attractive environment.
- Invest in buildings with a low environment impact.
- Cooperate with sustainable partners.



Smart homes

We are always looking for innovations in the market to make homes smarter and therefore more user-friendly and comfortable. **We aim for 100% smart homes by 2030. This is how we keep our housing portfolio appealing, now and in the future.**

Smart homes are homes that accommodate residents' needs as much as possible, for example by reporting technical issues automatically, implementing measures to make energy consumption and maintenance more sustainable, with convenient tools to operate systems, installations and lighting which are suited for digital services.

Specifically, this means that we:

- Optimise user-friendliness and living comfort.
- Implement more efficient measures to reduce energy consumption.
- Anticipate digitalisation and robotisation.





5 Sustainable mortgage provider

We have a strong reputation as a provider of sustainable mortgages. We teach consumers about the 'green' options that allow them to reduce their impact on the environment. We prevent and reduce payment arrears by actively supporting our clients in case of changes in their personal or financial situation. We treat each other with respect and expect our agents to reciprocate.

Energy-efficiency measures

We seek to help our clients in investing in the future. **This is why, by 2025, 100% of customers taking out new mortgages will be informed about Energy Saving Measures.**

This tells the new owner what measures reduce the building's impact on the environment. Special arrangements can often be made in providing mortgage loans to customers who implement these sustainable measures. This way, we help our customers save energy while at the same time reducing our indirect impact on the environment.

Specifically, this means that we:

- Share information on energy-saving measures.
- Help reduce energy expenses.
- Promote environmental awareness among our customers and clients.



Agent satisfaction

We have entrusted our mortgage services to agents, and feel it is important that they too can help improve client satisfaction. **This is why we aim to achieve a minimum customer satisfaction score of 8 among agents by 2025.**

We present the results of these customer satisfaction surveys to agents, discuss these results and work together on identifying opportunities for improvement. For example, we review the efficiency of our internal processes, the clarity of requests for information, and the level of customer focus exhibited.

Specifically, this means that we:

- Measure and improve agency satisfaction.
- Work with agents to offer better products.
- Describe customer-focused processes.



Active support

We make a point of keeping up with our customers.

We provide appropriate support to all vulnerable populations, including financial coaching to those who have fallen behind on their payments.

By proactively supporting and assisting customers in their personal situation, we prevent financial problems from arising or getting out of hand. This makes us valuable to our mortgage customers while at the same time reducing risk for our investors.

Specifically, this means that we:

- Provide active support during changes in customers' personal lives.
- Offer financial coaching services for specific demographic groups/populations.
- Reduce the risk of payment arrears.



Sustainable private homes

We improve urban environments together with our mortgage customers. **Our target is to implement a minimum of 500 sustainability measures by 2025, together with our current mortgage customers.**

These measures involve insulating the homes and constructing energy-efficient roofing and sustainable systems and installations, including solar panels and heat pumps. This is of the many ways in which we contribute to a sustainable living environment. This is how we define Meaningful Investment.

Specifically, this means that we:

- Improve sustainability awareness among homebuyers.
- Make urban environments greener.
- Offer competitive mortgage terms to reduce environmental impact.





Join us!

Syntrus Achmea is taking the lead, but we couldn't do this without our partners. We need your input in making our cities viable for the future. If you share our views, we invite you to be our partner.

Publication date

September 2019

Syntrus Achmea Real Estate & Finance

Gatwickstraat 1

1043 GK Amsterdam, the Netherlands

+31 (0)20 606 5600

info@achmeavastgoed.nl



www.syntrus.com