



ESG update report 2020

Meaningful investing

syntrus | achmea
real estate & finance

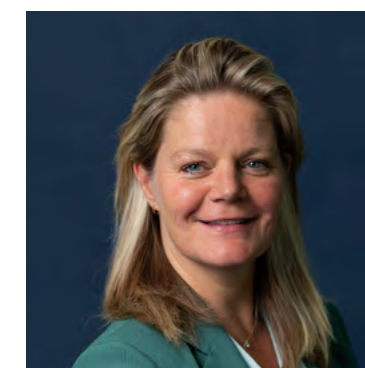
FOREWORD

Syntrus Achmea chooses to make sustainable investments that offer both financial and social returns. In September 2019, we therefore launched our ESG strategy. This strategy is based on five pillars and each pillar has four concrete objectives. Since then, we have been working hard to achieve these twenty ESG objectives.

The horizon for achieving most of these objectives is 2030. For others, it is 2025, or obviously as much earlier as possible. This first Update Report aims to show what we have done, or are doing, to achieve the ESG objectives and the progress we have made to date. We will issue an updated version of this report each year. This report is a snapshot in time and in 2021 and the years to come we will continue to work hard to achieve our goals – hopefully at an accelerated pace. We are more than happy to discuss our ESG performance with you.

Management team

Arthur van der Wal
Mascha Hendrickx
Nicole Maarsen
Bruno Oudega



THE IMPACT OF SYNTRUS ACHMEA 2020

Investing in tomorrow's world



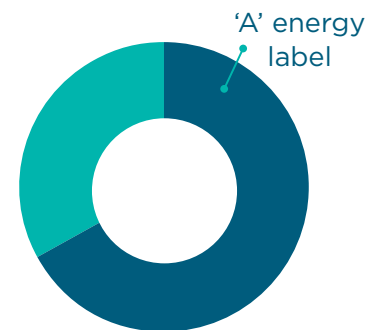
34%

CO₂ reduction achieved
in the residential portfolios
from 1990–2019



1,873

mortgage clients
have downloaded a
sustainability profile



67% of all properties have
an 'A' energy label



82

the average GRESB score
in 2020 for Dutch funds and
portfolios



18%

fewer CO₂ emissions from
our business operations in
2019 compared to 2013

Focusing on closer relationships with stakeholders



**€423
million**

invested as an
urban partner in projects
during 2020



7.4

employee engagement
in 2020



7.5

satisfaction with home and
living environment

8.2/8.4

satisfaction with mortgage
advisers concerning
Syntrus Achmea and Attens
Hypotheek mortgages,
respectively



7.7

average client satisfaction
in 2020

Achieving the highest level of services and products



New sustainable office
for our employees



8.0

average
liveability score
in our portfolios



7.2

average GPR Gebouw
score for all acquisitions
in 2020

58,8%

of funds based on gross
asset value have financially
outperformed the MSCI real
estate benchmark



180

mortgage clients helped after
losing their income because
of the coronavirus measures

Stimulating innovation



**€1,1
million**

invested in
sustainable innovations
in 2020



550

smart homes
completed in 2020



763

mortgage clients have participated
in the 'making your own home
more sustainable' project



€1,100

invested in each
employee's training
and development



OUR ESG STRATEGY

Vision

Our asset management contributes towards a sustainable future.

Mission

We choose to make sustainable investments that offer both financial and social returns. This means helping our clients (and their clients) build a solid financial foundation and an attractive living environment.

Now, in the near future and in the longer term.

Meaningful investing

Syntrus Achmea chooses to make sustainable investments that offer both financial and social returns. A proper ESG (Environmental, Social and Governance) policy is vital for this purpose. Based on clear choices and concrete objectives. Investing with meaning that considers people, the environment, and society. For us, investing in sustainable real estate and mortgages is the best way to achieve a stable, long term financial return combined with social impact for our clients and minimised risks. Our ESG policy is an important part of our strategy. In 2019, we launched our ESG strategy based on four main themes: investing in tomorrow's world, focusing on closer relationships with stakeholders, achieving the highest level of services and products, and promoting innovation. We have integrated these themes into five strategic pillars:



Investing
in tomorrow's
world



Focusing
on closer
relationships with
stakeholders



Achieving the
highest level
of services and
products



Stimulating
innovation

1 Positive impact on society

Climate
change

Urban Partner
initiatives

Improving
Quality of life
Scores

Investing in
innovation

2 Best investment manager in the Netherlands

GRESB
performance

Client
satisfaction

Financial
outperformance

New investment
products

3 Best employer

Carbon-neutral
operations

Employee
engagement

Sustainable
office

Training and
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

POSITIVE IMPACT ON SOCIETY

We operate in many places in the Netherlands. We offer people attractive places to live, shop, be cared for and work, and we make it possible for thousands of buyers to purchase a home every year.

We aim to positively impact society by investing in the liveability. We operate in over 50% of all Dutch municipalities and contribute towards the affordability of housing, both to rent and buy. We focus on liveable environments where sustainable development takes centre stage and users live, work and shop in pleasant surroundings. We invest in locations that take account of future generations, socio-demographic changes, climate adaptation and technological developments. Through our involvement, we directly influence quality of life and stimulate social cohesion. Through our real estate investments, we indirectly impact the quality of life of our residents and their environment. Syntrus Achmea wants this effect to be positive and lasting. We aim to contribute towards creating future-proof living environments that are connected to and reinforce each other.

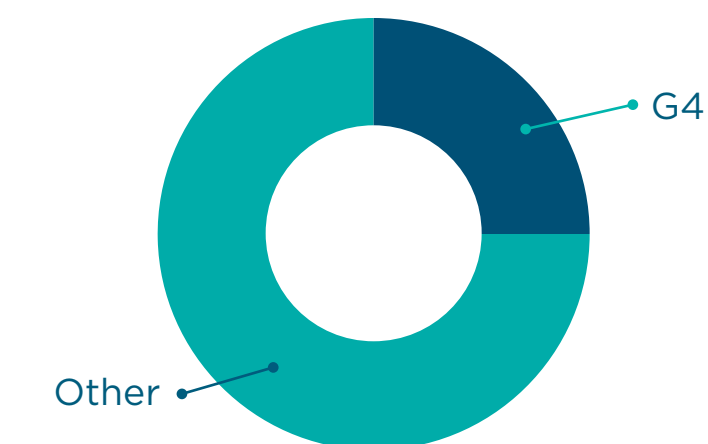


2020 facts

Impact on
22,300
households and 960
business owners

Active as a real estate
investor in
180
of the 347 Dutch
municipalities

650
real estate projects in
operation, of which 25% are
in the major four cities ('G4')



10,566
mortgages signed,
throughout
the Netherlands

INVESTING IN TOMORROW'S WORLD

CLIMATE CHANGE

We are committed to reduce our real estate CO₂ emissions to zero and anticipate on possible effects of climate change impacting our investments.



KPI: Achieve carbon neutral real estate portfolios by 2050.

To limit our impact on climate change, our ambition is to become carbon neutral. We are well on the way to meeting the Climate Agreement targets.

On average the CO₂ emissions in the residential portfolios are 34% lower than in the reference year (1990). The target is a 50% reduction by no later than 2030, with the final target of a carbon-neutral real estate portfolio by 2050. We have drawn up roadmaps in which various scenarios have been calculated for this purpose. This makes it easier for our investors to make an informed choice about a scenario to reduce their CO₂ emissions.

The achieved reductions comes from strict requirements for acquiring and making existing properties more sustainable.



A great example of a property achieving carbon reductions is De Flair health centre in Gilze en Rijen. This 2,331 m² site was redeveloped a few years ago into a modern health centre with fifteen healthcare disciplines, including two general practitioner practices, a pharmacy, a physiotherapist, a podiatrist and a midwife practice. We replaced the conventional lighting with LED lighting, insulated the heating pipes and installed an additional heat pump in the central boiler room. We also installed a building management system so that systems communicate with each other and heating and cooling do not overlap. The roof has been extra insulated and we are considering installing solar panels. These measures have reduced carbon emissions by 35%.

In 2020, with the help of the Climate Adaptation Services (CAS) foundation, we improved our understanding of physical climate change risks, such as flooding and heat stress, for our real estate and mortgage portfolios. This insight is useful for discussions with supervisory authorities.

2020 facts

34%

CO₂ reduction in the residential portfolios from 1990-2019

100%

of all selected climate risks identified for the entire portfolio

A CO₂ roadmap

has been drawn up for all residential portfolios

7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



FOCUSING ON CLOSER RELATIONSHIPS WITH STAKEHOLDERS

URBAN PARTNER INITIATIVES

We partner with municipalities, housing associations, project developers, construction companies and others to make our cities resilient.



KPI: Investing €1 billion in Urban Partner initiatives by 2030

We want to invest in real estate, and in the communities we are active in. To achieve our goals, we connect municipalities, residents and business owners. We work together on social issues such as combating loneliness. Since attractive and safe living environments increase the value of our real estate, we want to invest €1 billion in Urban Partner initiatives by 2030. These initiatives contribute towards affordable housing for specific groups and enhances the liveability of neighborhoods.

We are developing a bicycle and car-sharing system and have also introduced a 'Health & Happiness Programme', focusing on residents' health and happiness. Syntrus Achmea is also one of the partners in

the 'Living Longer at Home Agreement'. Over the next five years, this partnership of 40 market operators wants to build enough suitable homes for Rotterdam's elderly in their own neighbourhoods.

We initiated the 'Independent Together' project. Together with Zilveren Kruis, we have developed a home where single senior citizens can live independently, healthier and happier.

'We are discussing this concept for other locations with municipalities, property developers and investors,' says Nicole Maarsen, Syntrus Achmea's Real Estate Director.

Local authorities and housing associations are important partners for Syntrus Achmea as an Urban Partner. Syntrus Achmea shares innovative ideas with them to develop joint initiatives. Syntrus Achmea also organises sessions to assess the consequences of regulations and to develop innovative concepts to address them.

One Space® (an investment of BPL Pensioen), a new residential concept in Delft, offers future residents communal spaces where they can work, exercise and relax. Residents form a community that combines the privacy of their own home while sharing common facilities. They share office, meeting and lounge spaces as well as bicycles and cars. As this makes a private car superfluous, fewer cars drive through Delft and carbon emissions are avoided. The expected completion date for this project is in the first quarter of 2022.

2020 facts

The Acquisition & Development team spent

5%

of its working hours on Urban Partner initiatives

€423 million

invested as an Urban Partner in projects during 2020

227

studios under development for the new One Space® concept in Delft

Partner in the 'Living Longer at Home Agreement'

3 GOOD HEALTH AND WELL-BEING



11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS



ACHIEVING THE HIGHEST LEVEL OF SERVICES AND PRODUCTS

QUALITY OF LIFE SCORES

Through our investments, we improve the quality of life in the neighbourhood.



KPI: Improving the Liveability scores for at least half of our investment properties by 2025 compared to 2018.

As a real estate asset manager, we sometimes invest for different clients in the same city or district. We want to make these communities more attractive and comfortable places to live in. We monitor this with the 'Liveability Barometer', an index that the Dutch government has in place since 2002.

The Liveability is measured by five dimensions and one hundred indicators, resulting in nine scores ranging from 'very poor' to 'excellent'. Between 2012 and 2018, the Liveability scores increased by 0.41 points to 8.0, in districts where our homes are located. This means the average Liveability score in our portfolio is 'good'.

We can improve the score by adding amenities that contribute towards the residents' health and safety and investing in the attractiveness of the building and its surroundings. But also by investing in the needs of specific target groups. Syntrus Achmea focuses on younger demographics (0 to 24 years) and on low home-turnover rates.



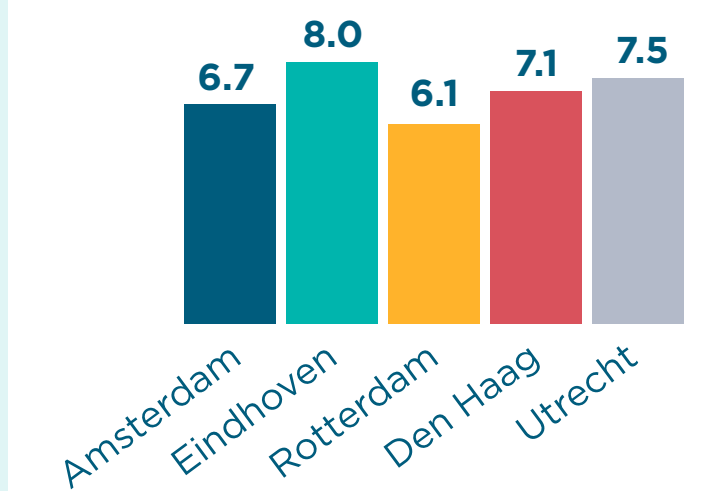
We build affordable housing for students, first-time buyers and parents with young children. It is possible to have tenants live in their homes longer by developing projects that focus on aspects such as light, natural materials, the indoor climate and social interaction.

One example of investing in the liveability of communities is the Het Remisehof project in the south of Rotterdam. Completed in June 2020, this is one of the Achmea Dutch Residential Fund's investments. People who already lived in Rotterdam rent most of the 137 homes. As much as 40% of the residents come from the surrounding districts, including the Afrikaanderwijk. The homes differ greatly in size and layout and share a community garden. To stimulate people to move out of the subsidised (social) rental sector, has been achieved with this project.

2020 facts



Average quality-of-life score in our portfolios



Average quality-of-life score for Syntrus homes in the five major cities

Quality-of-life scores are available for all neighbourhoods of the 575 residential properties we manage - more than 22,000 homes



STIMULATING INNOVATION

INVESTING IN INNOVATION

We actively work on innovative initiatives that contribute maximally towards a sustainable, healthy and safe living environment.

 **KPI: Investing €0.5 billion in innovation by 2030**

For Syntus Achmea, innovation is indispensable to our position as a leading real estate asset manager. In the coming years, we will focus on strengthening our innovative capacity, leading to additional sales, more effective business-processes and improvements of our existing products.

In 2020, we established an innovation policy that measures the impact of innovations and encourages employees to actively seek improvements. There is an annual innovation budget for investing in employees' own capacity to produce intelligent ideas and put them into practice.



In the past year, we launched a pilot project enabling tenants to make their own repair requests and schedule them easier online. This innovative platform, Ziezodan, was launched in June 2020.

The Ziezodan dashboard brings together the process and communication of reporting, planning and repair. A tenant is able to report the need for and schedule repairs within minutes. Smart-routing software sends the closest technician to their home, reducing the need to travel and the burden on the environment. The dashboard shows the status of the request, the quality of the repairs, turnaround time and tenant satisfaction.

We are also making our existing real estate portfolio future-proof through innovation. We have installed green roofs on dozens of storerooms and garages in several of our clients' residential portfolios. We work together with Groendakcoach in this regard. Green roofs are now included in the minimum requirements for new development projects. The advantages of green roofs are water collection, cooling in summer and insulation in winter. And residents also say they enjoy the extra green space. In 2020, we completed 447 green roofs in the managed portfolios, measuring 4,000 m² in total.

2020 facts

€1,1
million

invested in sustainable
innovations in 2020

48

ongoing innovation
programmes in 2020

Syntus Achmea

Innovation
Policy drawn up



BEST INVESTMENT MANAGER IN THE NETHERLANDS

We offer our clients a broad range of services in which achieving stable financial returns goes hand in hand with achieving social returns.

At Syntrus Achmea, we strive to be the best investment manager in the Netherlands. We do this by investing on behalf of our clients in real estate and mortgages with both a financially stable return and a visible and measurable positive social impact. Various aspects play a role in responsible investment. Because we want to contribute positively towards society as a whole, we have set high quality standards for our internal organisation and the parties we work with, such as suppliers and service providers.

We aim to make new investments as sustainable as possible and to make our existing investments more sustainable.

We inspire our clients to invest in innovations such as timber construction and innovative forms of investment such as mixed use. We also do this by expanding relationships with our clients for greater impact and excellent financial performance. And we make this concrete through continuous measurement and improvement.



2020 facts

5,4%

Average actual real estate
return in 2020

64

institutional clients

€37,4 billion

Assets under management
in real estate and mortgages

INVESTING IN TOMORROW'S WORLD

GRESB PERFORMANCE

We aim for the highest ESG performance for the real estate portfolios.



KPI: Achieving high sustainability scores within GRESB

We believe we can achieve stable financial returns in the long term through sustainable real estate investments. We participate in the Global Real Estate Sustainability Benchmark (GRESB) which is an investor-based initiative that evaluates and compares the ESG performance of real estate funds. Over 1,200 funds worldwide participated in 2020, including ten portfolios managed by Syntrus Achmea.

Two of Syntrus Achmea's real estate funds achieved the highest rating in 2020: the Achmea Dutch Residential Fund and the Achmea Dutch Retail Property Fund both received five stars for their ESG performance. Seven other funds received four stars. The Dutch funds and portfolios managed by Syntrus Achmea obtained an average score

of 82 points out of a possible 100. All funds and portfolios managed by Syntrus Achmea scored above the global average.

GRESB changed the scoring method last year. The weight of certain indicators – energy consumption, CO₂ emissions, water consumption and waste flows, in particular – has increased significantly. The results for all funds worldwide



are therefore lower. If the scoring method had remained unchanged, the funds and portfolios we manage would have scored 6.3% higher on average in 2020. In 2021, we will have an external party verify the consumption data and we will collect even more data on our buildings.

In the coming years, we will also focus on reducing CO₂ emissions further, which will also help improve the GRESB score. In 2020, we developed a dashboard that shows the CO₂ emissions in the real estate portfolios. Emissions in residential portfolios have fallen by 34% in 2019 compared to 1990. Our target is a reduction of at least 50% by 2030. We will include the other real estate portfolios in the dashboard in 2021.

“We are proud of the highest rating for the Achmea Dutch Residential Fund and the Achmea Dutch Retail Property Fund,” said Arthur van der Wal, Chief Executive of Syntrus Achmea. “Yet we continue to work on improvement. In line with our ambition to top our peer group in sustainability, we are stepping up our game”.

2020 facts

82

The average GRESB score in 2020 for Dutch funds and portfolios

Participation with

3.4 million

m² in GRESB 2020

Participation with

7.9 billion

of invested assets in GRESB 2020

46%

of the invested assets scored higher than the peer group in GRESB



FOCUSING ON CLOSER RELATIONSHIPS WITH STAKEHOLDERS

CLIENT SATISFACTION

We understand our client's wishes and needs and tailor our services to them.



KPI: Achieving an investor satisfaction rating of 8 or higher by 2025.

By investing in the quality of our internal organisation and procedures, the buildings we manage and the services we provide directly and through third parties, we believe that we can achieve the highest level of service for our investors and operational excellence. Aligning our services with our clients' wishes and objectives is the basis for this, while clear communication and close relations with our stakeholders are also crucial.

We communicate with our clients in different ways. We inform them about performance and insights in annual and quarterly reports about topics such as ESG, through presentations at client meetings and newsletters such as our ESG Quarterly Update. And we organise several meetings during the year at which clients share their views with

us. We also conduct a client satisfaction survey once a year and use the results to improve our services. We aim to raise the client satisfaction score to 8 by 2025. We set the bar high because we expect top scores for client satisfaction.

Since 2018, Syntrus Achmea has had the account managers conduct the client satisfaction survey. They visit their clients with a questionnaire for this purpose. This direct contact between the client and Syntrus Achmea allows us to discuss and improve the points raised immediately.

The average client rating for our overall service in 2020 was 7.7. Because of the coronavirus measures, 2020 was an exceptional year in which we still served our clients well based on the unchanged client rating. At 7.5, the average score for the eight subsections is also the same as the previous year. Implementing investment arrangements, the returns achieved, and client relationship management are among the areas in

which we scored well. Our research also shows that the provision, accessibility and timeliness of information are considered especially important. As always, there are also points for improvement. And that is what we will focus on in the coming period. IT and the transparency of the cost structure are among the areas that will receive extra attention.

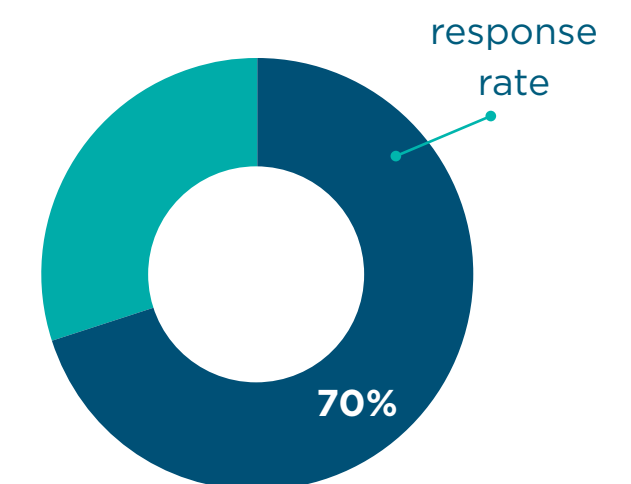


2020 facts

7.7

Average client satisfaction in 2020 (2019: 7.5)

Only digital questionnaires from 2020 onwards



Response rate (2019: 51%)

ACHIEVING THE HIGHEST LEVEL OF SERVICES AND PRODUCTS

FINANCIAL OUTPERFORMANCE

We use research-driven portfolio strategies to achieve stable long-term returns.

 **KPI: Achieving financial outperformance in our real estate portfolios.**

We participate annually in the Morgan Stanley Capital International (MSCI) Property Index to compare the financial performance of the funds with regional peers in the sector. Through careful portfolio management, Syntrus Achmea can offer its clients the highest possible return. We aim for our portfolios to financially outperform the MSCI real-estate benchmark. Performance is commensurate with a risk-return profile that meets our investors' expectations and requirements.

In 2020, we achieved financial outperformance in 58.8% of our real estate portfolios based on gross asset value. The seven residential portfolios managed by Syntrus Achmea jointly surpassed the benchmark both on

total return for 2020 and on the three-year and ten-year averages.

The Achmea Dutch Health Care Property Fund achieved a total return of about 9.1% based on both a three-year and a five-year average. Unfortunately, there is no MSCI benchmark for this real estate category.

We can outperform our competitors by combining active management of our portfolios through our client teams with a robust acquisition and sales strategy and outstanding asset management. We actively pursue high occupancy rates and closely monitor our operating costs to create lasting benefits for our investors.



2020 facts

58.8%

Financial outperformance based on real estate value.

All residential portfolios jointly surpass the benchmark both on total return for 2020 and on three-year averages

Our healthcare fund has a stable long-term total return of around

9.1%



STIMULATING INNOVATION

NEW INVESTMENT PRODUCTS

We are constantly looking for investment solutions that benefit our clients and society alike.

 **KPI: Implementing at least five innovative propositions for investors by 2025.**

We have set the target of offering investors at least five innovative propositions by 2025, including investment portfolios – real estate and mortgages – and services.

One example is introducing mixed use as an investment option. Multifunctional buildings that combine homes, shops, catering establishments and offices provide more efficient use of space and improve quality of life. Synergy and diversification benefits for institutional investors arise as the initial yields of the various functions converge. The reward is a sustainable financial and social return with less risk. Lorentz, located close to Leiden Central Station, is such a mixed-use project. It comprises 167 apartments and studios in the Achmea Dutch

Value Added Partnership (ADVARP), combined with 4,000 m² of offices and 1,300 m² of retail space.

In 2020, we researched using timber in major renovations and new buildings and found that it fits in with our clients' investment strategy, both from a financial and sustainable perspective. Wood replaces polluting materials such as concrete and steel but is at least as strong and future-proof. As a renewable raw material, wood contributes towards circularity and waste reduction. Limiting CO₂ emissions is another important benefit, also because less transport is needed during construction. Timber construction also provides an earlier return for our clients due to faster construction opportunities. We believe that timber construction creates an investment product whose risk-return profile at least equals that of a regular investment product. It also meets the future standard for a sustainable building,

signifying a more stable investment value and a higher residual value. Timber construction helps to resolve two pressing social issues: climate change and the shortage of affordable housing.

At the end of 2020, we introduced the possibility of customised residential mortgages through a separate account in addition to the PVF Particuliere Hypothekenfonds. This innovation gives investors a portfolio that suits their expectations and meet their goals. In the coming years we will work together with our clients, to initiate more innovation within our mortgage products.

2020 facts

3

new investment propositions introduced (mixed use, timber construction and customised mortgages)

Ambition to invest
€200
million
a year in timber construction



BEST EMPLOYER

We are part of Achmea, a cooperative organisation with a social mission. Besides a duty of care towards society, this also means consideration for our employees

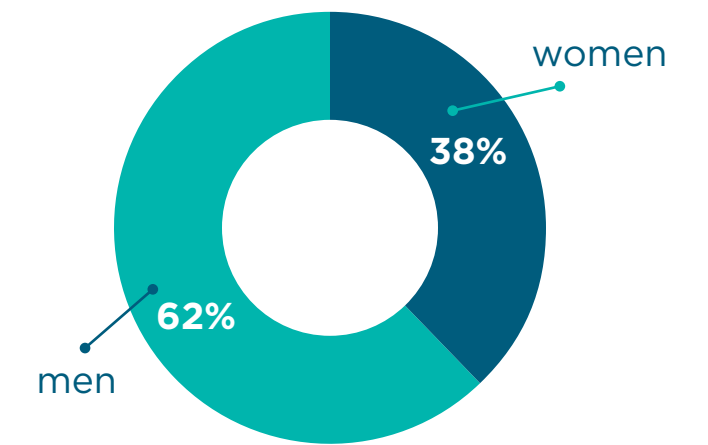
It is our employees who achieve our organisation's ambitions. They put 'Meaningful investing' into practice every day for our clients and other stakeholders. We realise that we have to give our employees a working environment in which they can do meaningful work, with a mindset in keeping with a society in which work and private life are more integrated. Besides a sustainable and healthy office, this not only involves dynamic work and space for personal and professional development, but also contributing towards the organisation's success, in the short and long term. Together we work towards maximum satisfaction for our investors, tenants and mortgage clients.

What makes us unique is the way we work together. It is based on ownership, inspiring each other and giving feedback: we make sure we get the job done together. We encourage teamwork, individual growth and a high level of employee engagement within our organisation – all aspects that make Syntus Achmea an attractive employer.

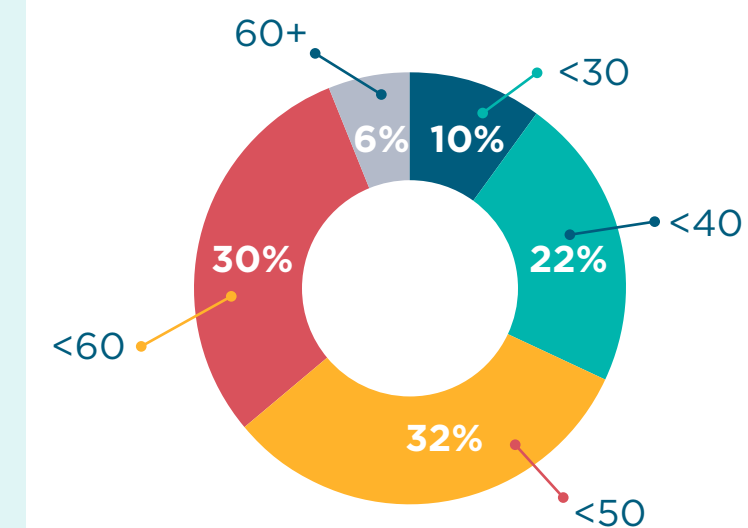


2020 facts

518
employees



Women/men

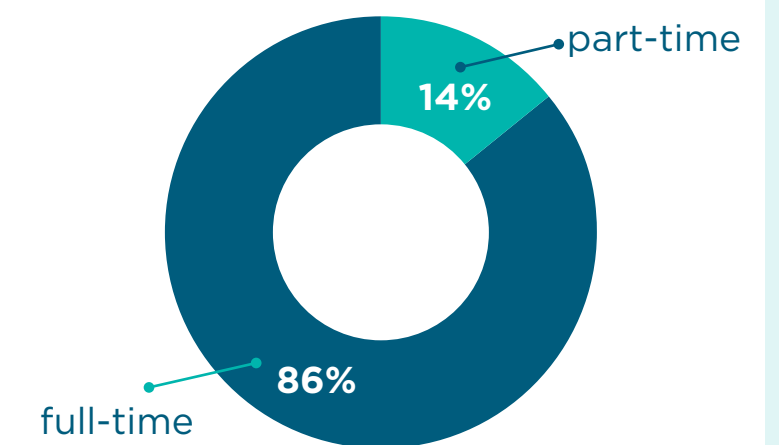


Breakdown of employees by age

3,1%
Sick leave

26%

women in management positions



Full-time/part-time

INVESTING IN TOMORROW'S WORLD

CARBON-NEUTRAL OPERATIONS

We aim to reduce our organisation's CO₂ emissions to zero



KPI: A carbon-neutral organisation by 2030

In 2020 we moved to another office in Amsterdam (Qube Offices) and worked entirely remotely through coronavirus. Relocating to a new location has accelerated the process that Syntrus Achmea had already started: offering employees more flexibility to structure how they work.

Our work can be done remotely, which makes hybrid working possible. The lockdowns in 2020 led to less commuting for our employees. As the office has hardly been used, this has greatly reduced energy, paper and water consumption, among other things.

Our office has been designed as a meeting place with fewer workstations, where teams can meet and work together, and creativity is encouraged. For hybrid work, there are adequate opportunities to work from home.

This was accelerated in 2020, during the Coronavirus period.

We want to be completely carbon neutral by 2030. An ambitious goal, but one that we believe is necessary to ensure the future of our company.

We aim to achieve this goal through various measures. We are increasing the quota of electric lease cars, reducing our energy consumption from non-renewable sources and making our procurement process more sustainable. We are also encouraging the use of bicycles and public transport for commuting to our offices or visiting our clients.

And we are closely monitoring our carbon footprint by continuously measuring our use of natural gas, refrigerants, lease cars, electricity, air travel, business kilometres, paper and waste. Digitalisation has already significantly reduced our paper consumption. Invoices are signed digitally, making administration easier and more environmentally

friendly. In this way, we are making our own business processes increasingly greener and more sustainable. But there are more advantages. More digitalisation contributes towards better access to information, time- and location-independent working and cost reduction.

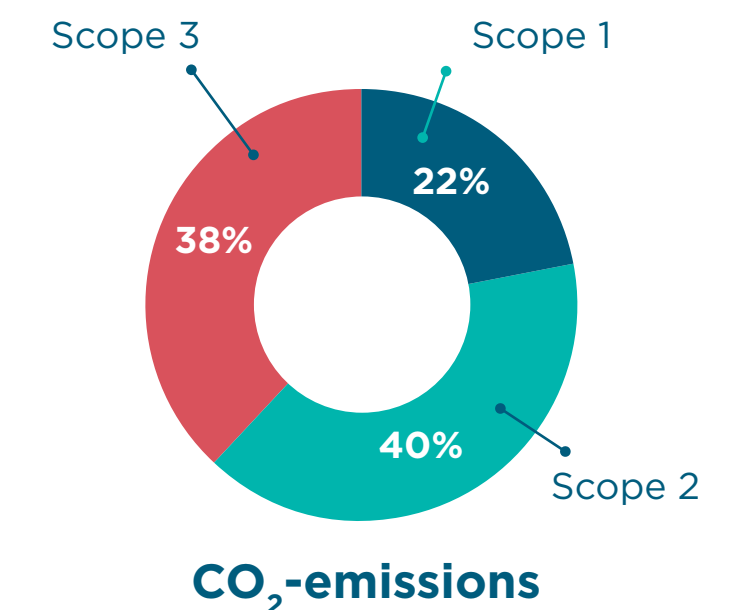


2020 facts

3.4
tonnes of CO₂
per FTE (2019)

22%

reduction in CO₂ emissions
in 2019 compared to 2015



FOCUSING ON CLOSER RELATIONSHIPS WITH STAKEHOLDERS

EMPLOYEE ENGAGEMENT

By focusing on engaging and inspiring our employees, the job satisfaction and performance are improved.



KPI: Achieving a minimum score of 8 in the engagement section of the Employee Satisfaction Survey by 2025.

Our employees are our ambassadors, helping clients to increase the financial and social return on their investments. We support employees to reach their full potential by prioritising professional and personal development. We also offer attractive employment conditions such as flexible working hours, opportunities for extra leave, a good pension scheme and Zilveren Kruis, Centraal Beheer and Interpolis insurance discounts.

We use an annual survey to monitor employee engagement. This tool helps us identify points for improvement, which we then include in an improvement plan for each department. An independent third party conducts the survey and monitors health and well-being aspects and diversity. Both internal and external employees can participate.

We ask employees questions on a wide range of topics, including efficiency, teamwork, work-life balance, promotion prospects, engagement and satisfaction with both management and Syntrus



Achmea as an employer. In 2020, we achieved a score of 7.4 in the engagement section, an increase of 9% compared to 2019.

Of course last year was no normal working year. Employees had to work from home and contact with colleagues was online. To support employees in this, we invested €128,000 in setting up home offices. We also asked all managers to discuss work-life balance and, if necessary, to take action by encouraging employees to take holidays or attend wellness programmes.

And we conducted additional research, which showed that the assessment of work-life balance decreased from 7.4 to 6.1 during the coronavirus period. We expect this balance to be restored once the coronavirus measures cease to apply. Confidence in the future of Achmea rose from 7.2 to 7.8 in the same period. This shows that employees believe we have managed the coronavirus crisis well, are future-proof and offer them security.

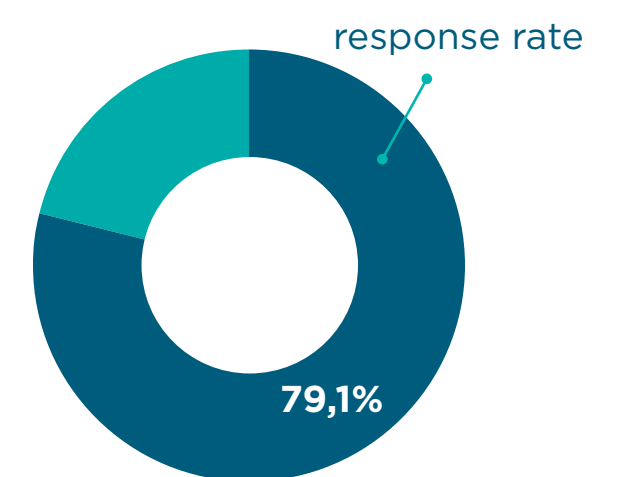
2020 facts

7.4

Employee engagement score in 2020

9%

increase in engagement in 2020 compared to 2019



Employee engagement survey

ACHIEVING THE HIGHEST LEVEL OF SERVICES AND PRODUCTS

SUSTAINABLE OFFICE

We set high sustainability standards for our own office accommodation and provide a healthy working environment for our employees.

 KPI: Achieving a BREEAM In-Use certificate by 2023

Personal development, vitality, a healthy working environment and a good work-life balance are essential at Syntus Achmea. To ensure a good work-life balance, Achmea switched to a 34-hour working week in 2020. A vitality plan encourages employees to go the extra mile in relation to vitality and health. And we also moved to a sustainable office with an 'A' energy label in 2020.

A healthy working environment impacts positively on our employees' productivity and well-being. We use the independent BREEAM In-Use standard to assess and improve the sustainability performance of our office and it will be certified with this standard by 2023.



This standard factors in both social and environmental aspects, allowing us to focus on our employees' health and well-being in various ways. BREEAM focuses on the building and how it is managed. Among other things, it looks at improving accessibility, safe walking and cycling routes, air quality, waste recycling, water supply and energy efficiency. BREEAM's guidelines are in line with our goal of carbon-neutral working by 2030.

Besides being a place to work, the office will mostly be a meeting place for colleagues and an inspiring place to proudly welcome our clients. The office

layout matches Syntus Achmea's vision of work: a pleasant environment where employees feel at home. The office has indoor greenery and moss walls, smart LED lighting, innovative audiovisual techniques and a circular layout. There is also a Healthy Working square with a physician and physiotherapy. Employees do not have a fixed workstation but come together to work on projects or for meetings. Most of the work can also be done from home. To facilitate working from home, Achmea supports each of its employees with a financial contribution of up to €1,000 to organise their home office so it complies with occupational health and safety standards.

2020 facts

5,450

m² of office space
equipped according to the
Hybrid Work concept

Activity-related
work zones,

325

workstations,

34

meeting spaces

Ambition:

**BREEAM In-Use
certified office**

3

GOOD HEALTH
AND WELL-BEING

7

AFFORDABLE AND
CLEAN ENERGY

12

RESPONSIBLE
CONSUMPTION
AND PRODUCTION

STIMULATING INNOVATION

TRAINING AND DEVELOPMENT

We give our employees the opportunity to develop their skills in a broad range of areas within the organisation's objectives.

 **KPI: By 2022, every employee will have a personal and professional development plan.**

Syntrus Achmea is committed to ensuring that all employees can continuously develop their professional and personal skills.

We invest in our employees, support their personal development and encourage them to actively contribute towards our organisation. We trust that this will enable our employees to gain knowledge and skills to perform their roles within our organisation and to discover and develop their talents further.

We promote collaboration as a way of achieving long-term growth and encourage our people to inspire younger generations, including through practical internships and classroom teaching. We want to encourage young talents to start their career at Syntrus Achmea by offering them



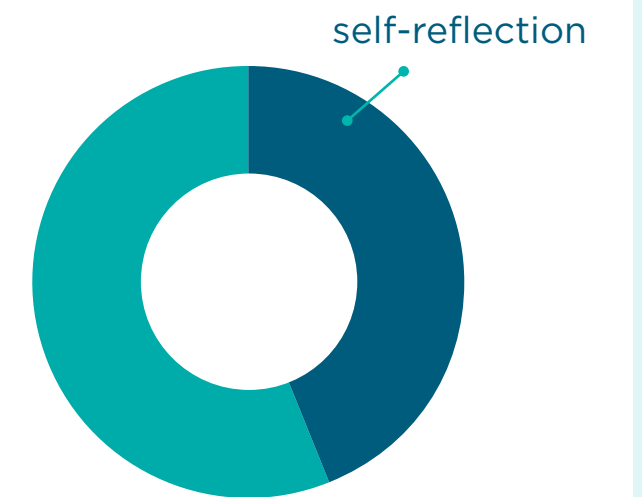
traineeships, talent development schemes and a management development programme.

Syntrus Achmea's training and development programme is an important component of our employees' personal and professional growth. We have started implementing Talent Development and Performance (TOP), a programme that will be available to all our employees by the end of 2022. The self-development plan offers employees the flexibility they need to take control of their career when it comes to personal and professional development. Employees can include personal ambitions in this programme that contribute towards

our organisation's goals. They also learn professional skills such as giving feedback, coaching leadership and self-reflection.

In 2020, 44% of employees completed a self-reflection exercise, and we invested an average of €1,100 in each employee's education and training. We assessed the performance of everyone with a variable remuneration using a 360-degree review, which included feedback from managers and team members. The TDP programme will be made available to all employees and supported by a programme manager in the Human Resources department.

2020 facts



44% of the employees have completed a self-reflection questionnaire

€1,100

invested per employee training and development

Implementation of the

**TOP
programme**



ATTRACTIVE AND SUSTAINABLE REAL ESTATE

We invest in real estate that suits our tenants' requirements and also meets the highest sustainability standards.

It is important to us that our real estate is sustainable and attractive, for the users and local environment, as well as the investor. We enforce this by being actively involved from the start. This starts with acquiring sustainable new real estate projects and signing leases. It continues through introducing innovative services, building management and communication with tenants.

We work actively with our property managers on building a future standard for real estate management and implementing smart tools to boost tenants' health and happiness, appropriate to the target group. We also have an active programme to make our existing real estate more sustainable and attractive for future generations.



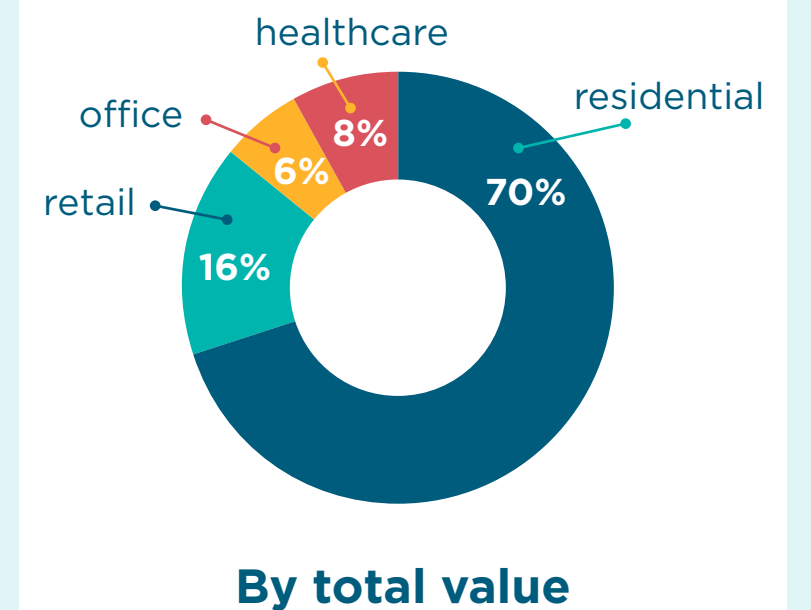
2020 facts

€**10.8**
billion

Total value of the real estate portfolio in the Netherlands, Germany and France

877
buildings

27,138
tenants



INVESTING IN TOMORROW'S WORLD

ENERGY LABELS

We aim to minimise the energy consumption of our real estate investments

 **KPI: 100% of the buildings will have an 'A' energy label by 2030.**

We aim to transform all existing investments to energy-efficient and resilient properties. We need different sustainability measures to achieve this. We work for example together with suppliers and service providers during major maintenance projects and renovations when new tenants enter. We are also working on energy transition in the portfolios.

All residential, retail, office and healthcare buildings that we manage have an energy label. In 2020, over 67% had an 'A' label and over 29% a 'B' or 'C' label. Compared to 2019, 20 buildings (2.4%) have been upgraded to an 'A' label. Another 45 buildings (5.5%) with a 'B' label or lower have been sold. During upgrades or renovations we aim to improve the energy label by at least two labels. This involves

installing smart meters for water and energy consumption, solar panels, wall, roof and floor insulation, LED lighting, high-efficiency glazing (HR++) and heat pumps. We also encourage our tenants to use natural resources as efficiently as possible, including through narrowcasting. These measures lead to a lower indirect environmental impact.

Upgrading energy labels is in line with our aim of making the real-estate portfolios completely climate-neutral by 2050. Last year, for example, we made 46 homes in Den Bosch more sustainable, upgrading from a 'C' to an 'A' label, on behalf of



BPL Pensioen. Installing moss and sedum on the roof saves about 21,000 m³ of gas annually and reduces CO₂ emissions by around 37 tonnes.

In Amersfoort, we are the asset manager of De Argonaut office building, a multi-tenant office measuring about 17,000 m². Extending the existing lease is conditional on an upgrade to an 'A' energy label. The building will be fitted with LED lighting, CO₂-controlled ventilation and a lighting and climate control system for each workspace. The tenant can see which areas have been used and adjust the cleaning schedule accordingly, or close parts of an office on quiet days.

2020 facts

67%

of all assets have an 'A' label

Sales in 2020:

45

assets with lower than an 'A' label

Improvements in 2020:

20

assets received an 'A' label

7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



FOCUSING ON CLOSER RELATIONSHIPS WITH STAKEHOLDERS

TENANT SATISFACTION

We are committed to achieving an ideal balance between tenants' wishes and the services we provide.



KPI: Improving tenants' average satisfaction score for the building and its surroundings by at least 5% by 2025 (base year 2018).

Positive collaboration with our tenants is essential for improving our buildings and services, launching initiatives such as energy-saving measures, creating local impact and receiving feedback.

Every year, we measure tenant engagement levels through surveys undertaken by an independent party. These survey results inform us about the likelihood of a tenant relocating, their satisfaction with the building, state of repair, quality of property managers, nearby amenities and facilities, and the services we provide. Based on this data, we develop improvement plans together with our property managers. We aim to improve the tenants' average satisfaction

score for the building and its surroundings by at least 5% between 2018 and 2025. In 2020, the average satisfaction level for a home and its living environment was 7.5. This is an increase of 2% compared to 2018. In the retail portfolio, the 2019 score was 6.25. In 2020, this score was 6.7, representing an improvement of 7%.

Following the 2019 tenant satisfaction survey, we refined our complaints handling procedure for retail. We also set up a key account management programme, under which retailers are given their own contact person at Syntrus Achmea. This ensures short lines of communication with our tenants. During the coronavirus period in 2020, in particular, this ensured quick and personal contact.

We started a Ziezodan pilot project – a smart online platform to resolve repairs and complaints – for two thousand homes in our residential portfolio. See 'Investing in Innovation' for a description of Ziezodan.

“Initially, we want to use these new technologies to increase tenant satisfaction and reduce CO₂ emissions,” says Annemarie Maarse, Syntrus Achmea’s Residential & Healthcare Director. “This will also enhance our knowledge of daily maintenance. We can then adjust our processes and conditions accordingly, leading to lower costs over time for our clients”.



2020 facts

7.5

Satisfaction score for home and living environment (base year: 2018; score 7.45)

6.7

Satisfaction score for shop and retail environment (base year: 2019; score 6.25)

5%

Average increase in satisfaction compared to base year (+2% residential; +7% retail)



ACHIEVING THE HIGHEST LEVEL OF SERVICES AND PRODUCTS

SUSTAINABLE ACQUISITIONS

We ensure that we acquire sustainable and thus future-proof projects.

 **KPI: All new build acquisitions will have an average GPR Gebouw score of 7.5 or higher.**

We will only acquire new buildings with an average GPR Gebouw score of 7.5 or higher. In 2020, the average GPR Gebouw score for all acquisitions was 7.2. GPR Gebouw assesses real estate based on five sustainability themes: energy, environmental performance, health & well-being, quality of use, and future value. This certificate helps us to improve the quality of our portfolio and understand the ESG performance of each acquisition.

Sustainability ratings such as GPR Gebouw and BREEAM provide insight not only into a building's technical condition, but also its resilience to climate change. These assessments are also used to better understand the energy and water efficiency, compliance with

current and future legislation, quantify aspects of health and well-being and the quality and availability of local amenities and facilities. Our acquisitions must contribute to society and connect people through well-designed public spaces.

We have drawn up a programme of requirements for new builds and developments. The programme includes conditions such as using sustainable timber, HR++ glazing, water-saving sanitary fittings and energy-efficient light fittings. Health and well-being standards are also included.



In 2020, Syntrus Achmea added more than 1,700 rental homes and various commercial properties to its clients' investment portfolios. These are mainly sustainable mid-priced rental homes in more than twenty municipalities across the country.

"It is great that we could complete so many handovers despite the coronavirus crisis," says Nicole Maarsen, Syntrus Achmea's Real Estate Director. "Our partners in the construction and real estate chain deserve a big round of applause for this. Together with them, we will continue to work on attractive, sustainable cities."

In the Lorentz mixed-use building close to Leiden Central Station, 167 apartments and studios were completed for the Achmea Dutch Value Added Partnership (Advarp). The GPR Gebouw score for this property is 7.5. In Soesterberg, 146 affordable homes in the Flight Deck project with a GPR Gebouw score of 7.8 were completed for PME.

2020 facts

€**540**
million

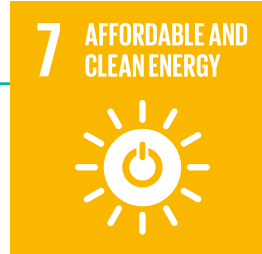
invested on behalf of our clients in acquiring new properties during 2020

7.2

The average GPR Gebouw score for all acquisitions in 2020

36%

of new acquisitions had a score of 7.5 or higher in 2020



STIMULATING INNOVATION

SMART HOMES

We use new technologies not only to increase a home's practical value for our tenants, but also to measure its sustainability performance.

 **KPI: By 2030, all our homes will be smart and future-proof.**

We keep our residential portfolio attractive through innovations that make homes smarter. Smarter means more user-friendly, safer and more comfortable.

This is how we ensure that our buildings are future proof. We carefully examine new technological developments such as automatic lighting and heating to create ideal living spaces, technical features that connect building users with their favourite digital channels, or intelligent concepts that contribute positively towards a safe and healthy living environment. We increasingly work together with colleagues from other Achmea divisions.

We have set ourselves the ambitious goal of having smart homes only by 2030. Over the coming years, we will make homes 'smart home ready' and focus, among other groups, on elderly people who want to continue living independently. We believe there is a need for smart homes in elderly care, with concepts that contribute towards residents' health and safety.

For example, our smart homes automatically report technical malfunctions resulting in a quick resolution of the problem. These initiatives also lead to energy savings, reduced costs through demand-driven maintenance projects and an improved indoor climate. User-friendly, comfortable homes with low energy consumption and prepared to use digital technology and robotics remain attractive to tenants.

One such example is Park Zonnehof in Duivendrecht. We have applied technology here that remotely monitors the heating and ventilation of 129 new homes. The maintenance company only needs to visit if a malfunction occurs. The annual inspection is a thing of the past. Remote monitoring reveals malfunctions sooner, so they can be resolved quicker. Tenants do not have to be at home for routine

inspections and the maintenance company assigns its personnel more efficiently.

In Amstelveen and Hilversum, tenants can use an app on their phone to control lighting and heating, and alert neighbours to a fire or burglary using Homies alarm systems. The homes in Duivendrecht will also get these applications.



2020 facts

550

smart homes completed
in 2020

2.3%

of all homes are smart



SUSTAINABLE MORTGAGE PROVIDER

We are a partner for our mortgage clients and advisers.

Syntrus Achmea has attractive options for consumers who are buying, renovating or making sustainability improvements to their homes. In 2020, the mortgage brands Centraal Beheer, Woonfonds, Syntrus Achmea, Attens and Tellius were all placed under one roof at Syntrus Achmea. This pooling of resources offers economies of scale.

We want our mortgage clients to be aware of the environmental impact of their homes and to help them reduce it. Clients can download their home's sustainability profile from our website. It shows the home's energy label and indicates the costs and benefits of various energy-saving measures. We also offer mortgage products to finance energy-saving measures.

Sustainability is not only about the environment, but also about our clients' social and financial well-being. We actively support clients during major changes in their personal or financial situation. And if payments are in arrears, we talk to the client ourselves.



2020 facts

€26.6
billion
Total value
of mortgage portfolio

5
Achmea mortgage
brands brought
together at
Syntrus Achmea

€25.7
billion
of this amount are
residential mortgages

INVESTING IN TOMORROW'S WORLD

ENERGY-EFFICIENCY MEASURES

We inform our clients about the options to make their homes more sustainable.



KPI: 100% of new-mortgage clients will be informed about Energy-Saving Facilities (ESFs).

Sustainability measures can often be financed as part of a mortgage. Since we realise the value of discussing sustainability measures during the mortgage advice process, we encourage advisers to pay attention to sustainability. We want to help our clients save energy and reduce the environmental impact of their homes while also indirectly reducing our impact on climate change.

We want to help our mortgage clients make their homes attractive and future-proof. We therefore advise them on the possible measures available to them. We offer financial solutions to clients who choose to implement these sustainable measures. These can include modifications

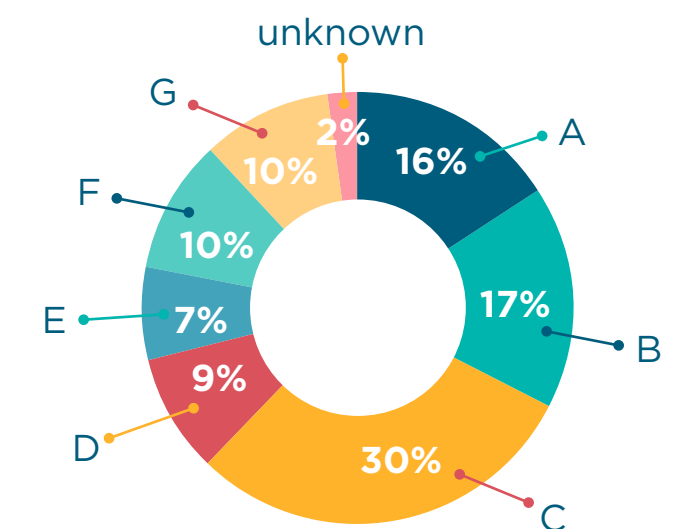
such as wall insulation or replacing windows, but also more drastic measures such as replacing heating or ventilation systems, floor and roof insulation or installing solar panels.

In 2020, we made the 'Sustainable Living Adviser' training course compulsory for employees that are in contact with clients and the entire management team. This enables us to respond better to our clients' sustainability wishes. And to further raise awareness of sustainability among consumers, we are partners in the *Iedereen doet wat* (Everyone does their bit) climate campaign. This central government platform provides practical tips for sustainable living.

Our aim is to inform all new mortgage clients about energy-saving measures and to provide insight into sustainability options by 2025. This will make homes more sustainable and improve the energy labels of the homes we finance. As a manager of mortgage funds and mandates,

Syntrus Achmea has joined the sector's *Duurzaam Wonen* (Sustainable Living) collective, an initiative to inform mortgage advisers about the options for improving a building's sustainability. We will further improve the availability, accessibility and visibility of information to promote sustainability through mortgage product websites.

2020 facts



Financed homes' energy labels

Climate partner in government campaign *Iedereen doet wat* (Everyone does their bit) climate campaign

1,873

clients have downloaded a sustainability profile



FOCUSING ON CLOSER RELATIONSHIPS WITH STAKEHOLDERS

AGENT SATISFACTION

We strive for valuable cooperation with our network.



KPI: Achieving a minimum satisfaction score of 8 among mortgage agents by 2025.

Our mortgages are offered through independent mortgage advisers (agents) who examine our clients' financial situation, advise them and help them to draw up their mortgage wishes and requirements. The advisers who work with us have a significant influence on purchasing and financing a home. A wide variety of mortgages are available, and advisers help clients choose the one that suits them best.

Because mortgage advisers play a crucial role in our mortgage lending, it is essential for us to improve the processes involved in providing a mortgage. We want to evaluate our joint services regularly so any improvements can be implemented quickly. Since 2016, we have had an independent party conduct an annual adviser survey to

measure the satisfaction levels. The results are discussed with the mortgage advisers. We assess the efficiency of our internal processes, the clarity of requests for information and responsiveness to clients. We jointly identify opportunities for improvement and draw up an action plan. We are aiming for a minimum satisfaction score of 8 among agents by 2025.

In 2020, mortgage advisers were satisfied with the mortgage acceptance process. Satisfaction scores relating to the speed of checking submitted documents, for example, rose from 89% in 2019 to 94% in 2020. Advisers do not struggle to get mortgages accepted. Telephone contact with our Service and Support team was rated at 8.2. According to our clients, our staff are knowledgeable, friendly and prepared to help find solutions.

The Net Promoter Scores (NPS) remained high in 2020. The NPS shows the extent to which advisers

recommend us as a mortgage provider. Syntrus Achmea (NPS score +51) and Attens Hypotheken (NPS score +61) both obtained excellent scores (NPS > 50), which means that most clients feel positive about our services.



2020 facts

General satisfaction among mortgage advisers

8.2

Syntrus Achmea

8.4

Attens



ACHIEVING THE HIGHEST LEVEL OF SERVICES AND PRODUCTS

ACTIVE SUPPORT

We support our mortgage clients whose lives take unexpected turns.

 **KPI: Offering appropriate support to all vulnerable groups, such as financial coaching to those who have fallen behind on their payments.**

Personal situations can change, and we fully understand the uncertainty this can cause for our mortgage clients. As we want to support them, they can easily contact us for guidance from our mortgage advisers if their personal and financial situation changes. Unforeseen events, such as a divorce, the death of a partner or the loss of a job, can significantly impact our clients' lives. We want to support them in the best possible way in situations that can lead to unexpected financial challenges.



Our website is a great source of information for clients affected by such challenges. But our support is also proactive. By assisting clients in their personal situation, we want to prevent financial problems from arising or getting out of hand. By doing so, we support our mortgage clients and reduce the risks for our investors. To establish and maintain even better and more personal contact with our clients, we have given communication training to fifteen employees. This allows them to stay in touch appropriately with at-risk groups going through a difficult time.

2020 was also a difficult year for our mortgage clients with many uncertainties. We helped 180 clients who ran into difficulty after losing their jobs because of the coronavirus measures. This help included financial coaching for 65 clients who are now struggling or might struggle in the future to pay their mortgages. We also offered job coaching to clients who lost their jobs.

2020 facts

We helped
180

mortgage clients after losing their income because of the coronavirus measures

5

clients received help from a job coach

65

clients used a budget coach

STIMULATING INNOVATION

SUSTAINABLE PRIVATE HOMES

We help to make homes more sustainable.

 **KPI: Implementing at least 500 sustainability measures with our existing mortgage clients by 2025.**

Together with our mortgage clients, we are driving efforts to make the housing stock in the Netherlands more sustainable. This is an ambition we are committed to and want to invest in. We offer support in implementing sustainability measures.

Participants in the Residential Mortgage Fund have provided a budget to further shape our sustainability strategy. In this way, we can contribute towards making our mortgage portfolio more sustainable.

In autumn 2020, we approached over 25,000 clients with the opportunity to gain insight into their home's energy label, options for making their home more sustainable and an estimate of the costs and benefits. They were also offered a €250 credit note towards

sustainability measures. To apply the credit note, clients had to spend €1,000 or more on energy-saving measures and they had to prove they had actually implemented these measures.

This campaign gave clients better insight into their home's energy label, the options for upgrading the energy label and how to reduce their monthly energy costs. The campaign was a great success, with 1,873 of the contacted clients registering for the campaign. They created a sustainability profile online and downloaded a €250 credit note. Of these clients, 763 demonstrably implemented energy-saving measures and submitted invoices for them. Improvements that our clients have made include energy-saving initiatives such as façade insulation, energy-efficient window frames, heat pumps, solar boilers and solar cells.



2020 facts

25,294

clients approached to make their homes more sustainable

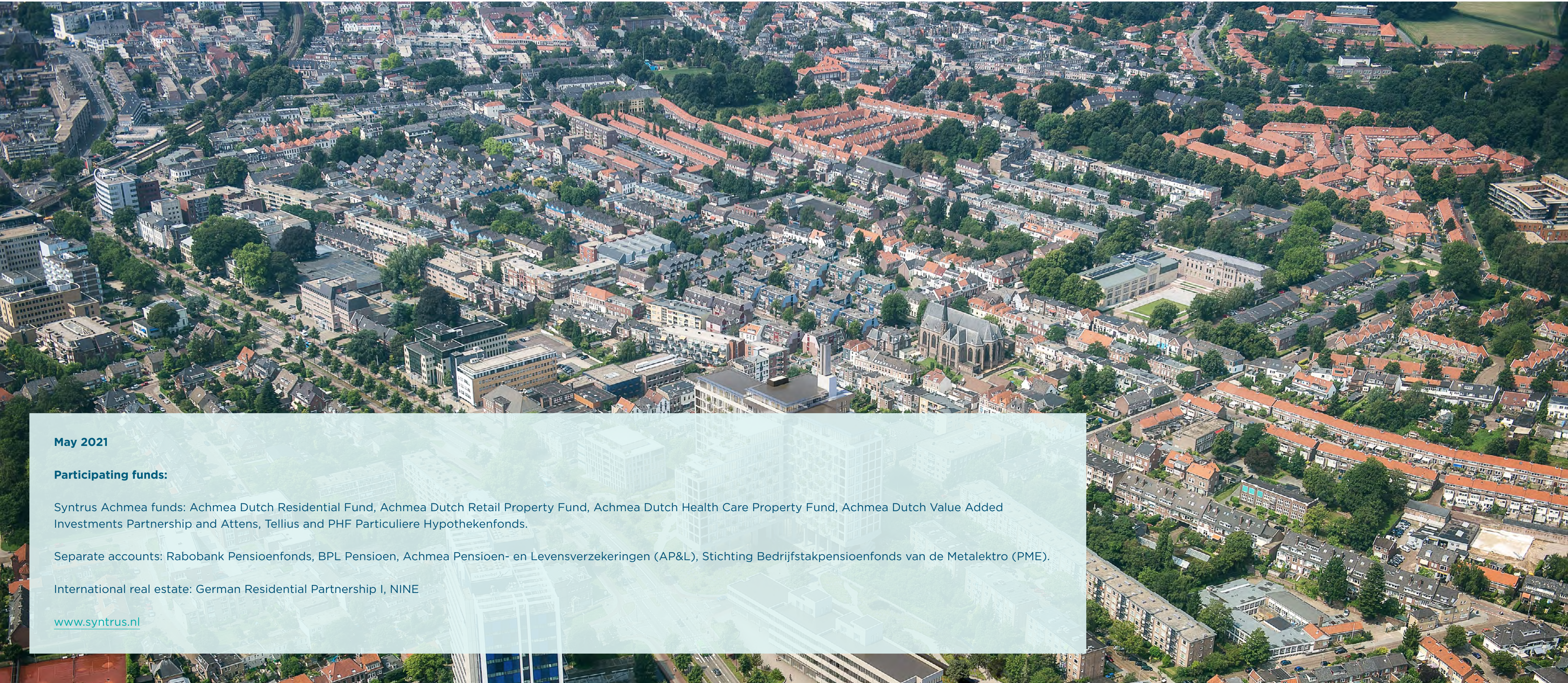
1,873

mortgage clients participated in the 'make your own home sustainable' campaign

763

of our clients implemented energy-saving measures





May 2021

Participating funds:

Syntrus Achmea funds: Achmea Dutch Residential Fund, Achmea Dutch Retail Property Fund, Achmea Dutch Health Care Property Fund, Achmea Dutch Value Added Investments Partnership and Attens, Tellius and PHF Particuliere Hypothekenfonds.

Separate accounts: Rabobank Pensioenfonds, BPL Pensioen, Achmea Pensioen- en Levensverzekeringen (AP&L), Stichting Bedrijfstakpensioenfonds van de Metalektro (PME).

International real estate: German Residential Partnership I, NINE

www.syntrus.nl