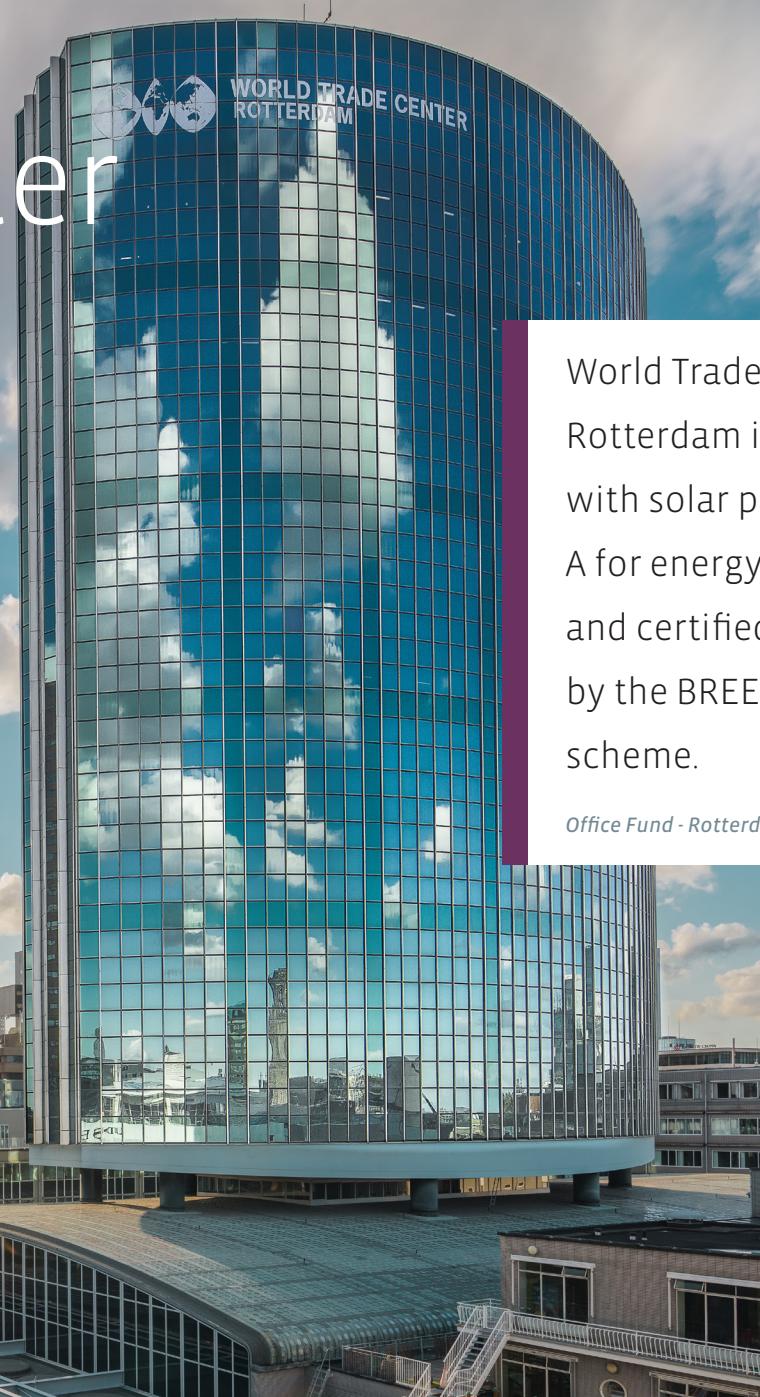


Responsible Investment Policy



Last updated in 2020

World Trade Center Rotterdam



World Trade Center Rotterdam is equipped with solar panels, is rated A for energy efficiency and certified as 'Very Good' by the BREEAM-NL In Use scheme.

Office Fund - Rotterdam - The Netherlands

Responsible Investing

Bouwinvest Real Estate Investors has specialised in managing real estate portfolios for pension funds and third parties since 1952 and is now one of the biggest real estate investors in the Netherlands. Our mission is to enhance pension benefits in a responsible way by investing in sustainable real estate.

We believe that long-term financial success is intertwined with our social responsibilities. And we never forget the responsibility of investing for pensioners, so they can enjoy a decent and secure income during their retirement years.

So how do we make this a reality? At Bouwinvest, corporate responsibility goes further than the minimum standards set down in law. It plays a part in every decision we take. The challenge we face is to meet the financial expectations of our clients through creating added value for society as a whole. We believe financial and societal returns go hand in hand and are therefore crucial for long-term success.

As a company that invests in real estate worldwide, it is our duty to play a part in finding solutions to environmental and societal issues. Working toward this is central to every investment decision we take and we actively motivate all our employees to be actively involved in meeting our objectives. Bouwinvest subscribes to the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights. We are therefore committed to align our policy and management systems in accordance with these international standards.

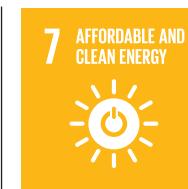
We support the United Nation's sustainable development goals, we are making efforts to combat climate change in line with the Paris agreement, and are affiliated with organisations such as UN PRI, GRESB, DGBC, MVO NL and ULI to learn from and share best practices.



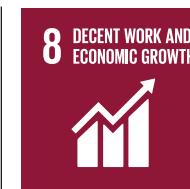
Bouwinvest actively supports four United Nation Sustainable Development Goals



We invest in health-care real estate, healthy buildings and life-cycle-proof homes



We are working to reduce energy usage of buildings and we invest in onsite renewable energy solutions

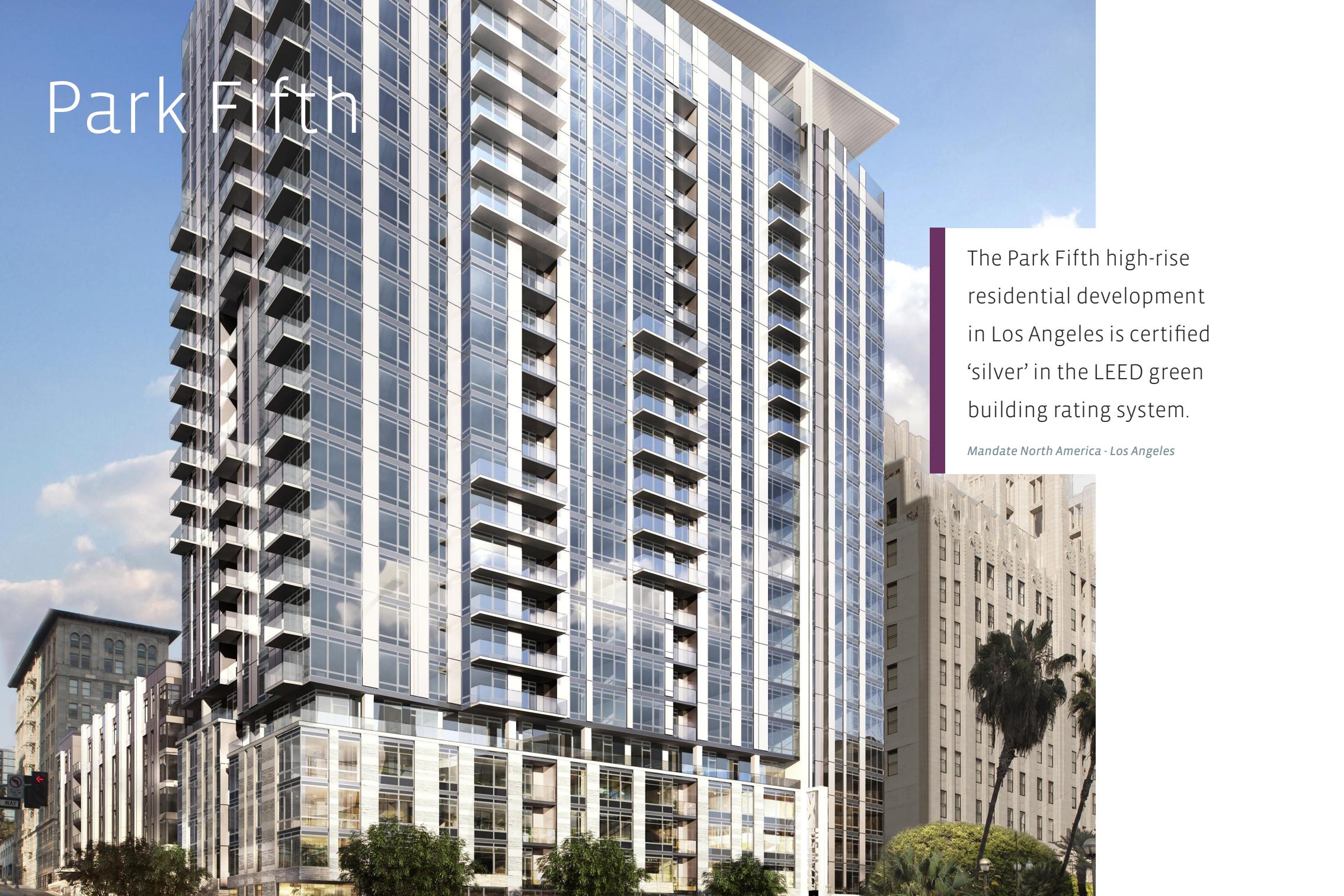


We engage partners on health, safety and working conditions at construction sites



We invest in certified sustainable real estate and affordable housing

Park Fifth



The Park Fifth high-rise residential development in Los Angeles is certified 'silver' in the LEED green building rating system.

Mandate North America - Los Angeles

The Bouwinvest approach

At Bouwinvest, we believe that you cannot ensure long-term successful investment without taking the needs of society into account. We incorporate environmental, social and governance (ESG) factors into our investment decisions, to better manage risk and generate sustainable, long-term returns. We also monitor our investment and operational performance closely. Our main objective is to ensure at least 80% of our invested capital has an above-average sustainability rating by 2022.

Our Responsible Investment Strategy focuses on three key areas:



Investing in sustainable real estate

Sustainable real estate funds and buildings help to alleviate climate change and provide broader social, economic, environmental and health benefits. We believe that by focusing on these societal returns in the locality of our investments, they will keep their value in the future and that, in turn, will guarantee our strong long-term financial performance.



Enhancing stakeholder value

From investor to tenant, shareholder to local and national government from suppliers to local operators and regulators to communities, Bouwinvest endeavours to have long-term alliances with stakeholders because we believe collaboration is essential for future success. We listen to our partners and take the issues they find important to heart.



Being a responsible organisation

We recognise that dedicated and hard-working employees are crucial to ensuring we meet our goals and we do our best to create a pleasant and encouraging atmosphere at work. Our strict corporate governance, plus risk, integrity and control programmes and frameworks, guide our responsible business practices.

By concentrating on these three areas, we are challenging ourselves across our entire operation. Together, they ensure that we meet our financial targets and take our responsibilities to society seriously.

We believe in the long-term view, and that means working together with our partners, our tenants and our clients. Industry benchmarks allow us to follow our progress and highlight areas that still need improvement.

By year end 2021, at least 80% of our invested capital should have an above-average sustainability rating (GRESB 4 or 5 stars), and should actively contribute to meeting the UN sustainable development goals.

Investing in sustainable real estate



Our buildings have a significant impact on the environment and climate change through natural resource consumption, carbon emissions and waste generation. Our challenge is to strengthen our resilience against climate change, reduce our environmental impact and invest in renewable energy.

Our sustainable real estate strategy is built on two pillars: invest in sustainable buildings and portfolios, and reduce environmental impact. As an international real estate investor, we have a responsibility to the environment. Sustainable real estate helps to combat climate change and generates broader social, economic, environmental and health benefits. We are convinced that our approach reduces risks, raises client returns and increases the attractiveness of our real estate assets and portfolios.

Invest in sustainable buildings and portfolios

Green building ratings and certifications demonstrate the quality of our buildings and allow us to show where our investments are in terms of sustainability and how far we still have to go. We use internationally-accepted sustainability certificates to measure and assess the overall sustainability of our buildings and portfolios.

A benchmark like GRESB helps us to make informed business decisions to mitigate environmental, social and governance risks and enhance our long-term returns. Certificates such as BREEAM, LEED and GPR Building measure criteria that

go beyond legislative requirements. In addition, setting high standards on broad green building certificates enables us to manage the sustainable performance on a wide set of topics which go beyond those that are identified as material in our annually updated materiality matrix*. Topics include biodiversity, health & safety, environmental impact of materials, water-, waste- and energy efficiency. We are committed to reaching a net zero and near energy neutral portfolio before 2045 and thus contribute to meeting the targets of the Paris Climate Conference (COP21). In addition, Bouwinvest is integrating exposure and mitigation related to physical climate risks into its management systems in order to create climate resilient portfolio's.

Environmental impact

We are committed to making environmental stewardship an integral part of our daily operations and strive to decrease both our direct and indirect environmental footprint.

Energy consumption accounts for a large proportion of a building's environmental footprint. Data measurement and consistent reporting helps us to cut energy consumption

* Our materiality matrix can be found in the Bouwinvest annual report.

OUR LONG TERM OBJECTIVES

Have net zero carbon and near energy neutral Paris Proof portfolio's before

2045

Have climate resilient portfolio's before

2045

Align our Dutch portfolio's and operations with the ambition of the Dutch government to have a fully circular construction sector before

2050

and decrease the associated costs, in dialogue with our tenants. It is the most cost-effective way for Bouwinvest to reduce carbon emissions.

Bouwinvest aims to manage waste flows and water use at its properties responsibly and to apply sustainable building materials, such as FSC-certified timber. Moreover, we are committed to reduce water consumption, reusing water and preventing flooding and are actively experimenting with different concepts which contribute to circular economy developments.

Our quality requirements aim to minimise the environmental impact of our buildings by taking the sustainable alternative into account. This includes: installing energy-efficient heating, cooling and lighting systems; encourage tenants to minimise and recycle waste; installing renewable energy systems; and installing efficient water consuming fittings, sanitary facilities and kitchen appliances.

Climate adaptation

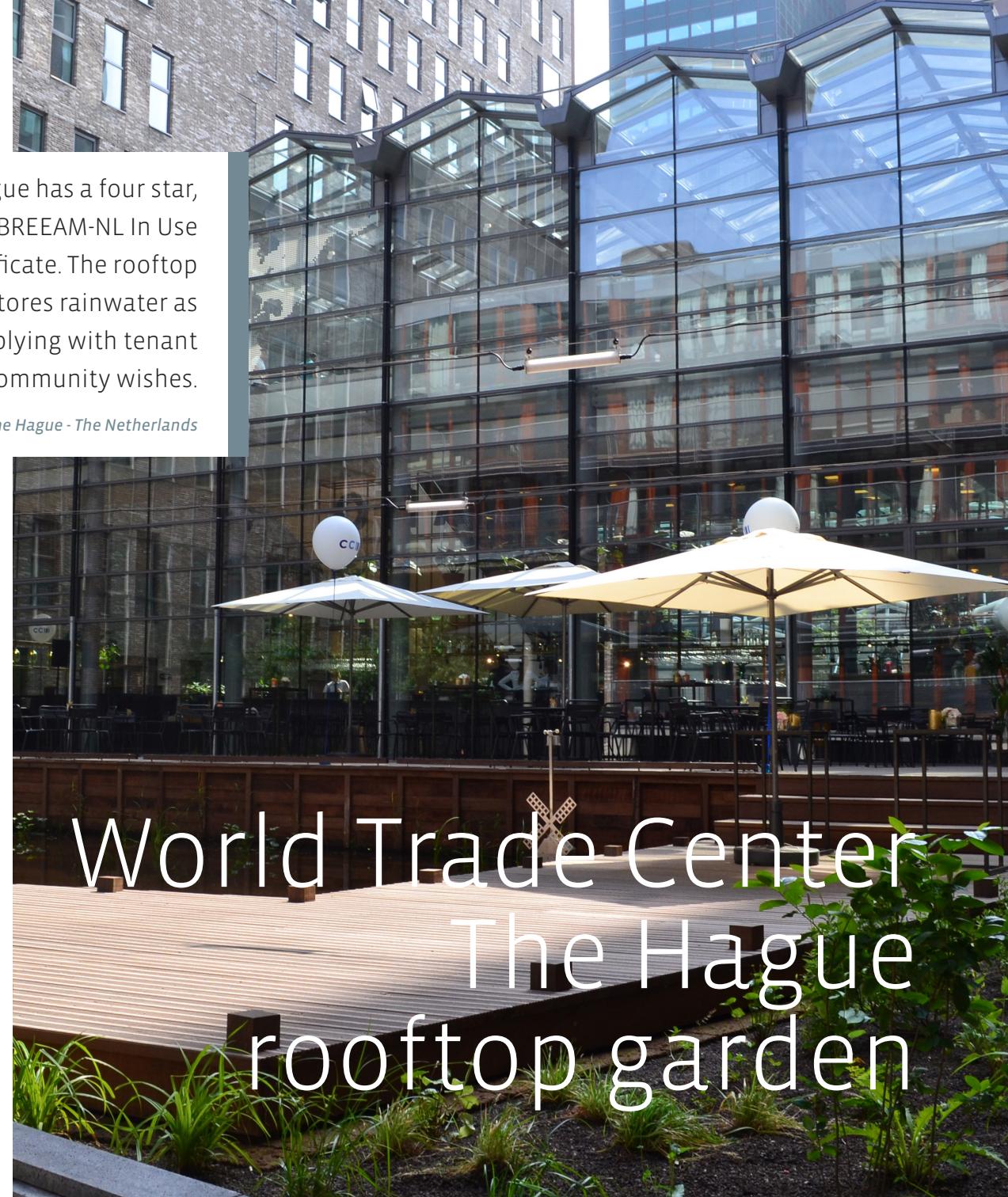
Changing weather patterns emerging through climate change pose a challenge in urban areas. An increased severity of extreme weather events (e.g. cyclones, droughts, floods, and fires) and associated physical impact. It can also influence our health, our quality of life, and home and office comfort and this, in turn, can cause economic damage. By making sure our buildings are adapted to these developments, we are reducing our vulnerability to the current and future impact of climate change and create a climate resilient portfolio. For our Dutch portfolio we have requirements regarding water saving efficiency measures in our maintenance and quality requirements.

Our approach to sustainable real estate

- Environmental and energy monitoring systems
- Energy efficiency audits
- Net zero carbon programme
- Energy, water and waste reduction programme
- Green clause in lease contracts
- Solar power expansion programme
- BREEAM, LEED and GPR certification programme

WTC The Hague has a four star, 'Excellent' BREEAM-NL In Use certificate. The rooftop garden stores rainwater as well as complying with tenant and community wishes.

Office Fund - The Hague - The Netherlands



World Trade Center The Hague rooftop garden

Enhancing stakeholder value



Bouwinvest is a trustworthy partner with a long-term approach, who spreads risks, has good insight, thinks together with stakeholders and takes carefully-considered investment decisions. We believe that you cannot make long-term investments successfully without taking the needs of stakeholders into account.

We believe that integrity, honesty and corporate responsibility are essential to ensuring we do our job properly and will, in turn, enable us to optimise returns for our clients. We are committed to upholding the highest ethical standards and compliance stewardship in all our business dealings and we avoid conflicting interests. To ensure accountability and transparency, we set targets, based on international standards, which allow us to monitor our progress.

Clients

Our governance structure includes built-in checks and balances. Our support for UN PRI and GRESB shows our commitment to environmental, social and governance integration and transparency. We maintain close contact with both our clients and our potential clients through the dedicated investor website, satisfaction surveys, property tours, one-on-one meetings, quarterly calls and seminars.

Every two years we conduct a client survey. We ask our clients about our services, portfolio management and the way we report back to them. The results of these surveys allow us to set new targets to further improve our services.

Tenants

Our tenants are critical to future-proofing our operations. We respect our tenants' rights, employ a nondiscrimination policy and ensure that all rental agreements are fair and equitable. We also actively encourage our tenants to 'green' their own operations by reducing waste and energy consumption and include these agreements in green leases.

We talk to our tenants about our service, and quality of the properties and the living environment, through surveys and panels. We use the survey results to draw up improvement plans and keep tenants abreast of developments.

Local community

Community engagement is part of Bouwinvest's responsible investment strategy, and builds strong social capital and goodwill by boosting liveability in the communities we work in. We support various local activities in the fields of environmental sustainability, health and safety and social integration, and sponsor various local initiatives aimed at sustainable area improvement and promotion.

We engage our partners on health, safety and working conditions when it comes to construction sites. In the Netherlands we apply the 'bewuste bouwers' criteria to the projects we invest in. Internationally we use benchmarks such as GRESB, UN PRI and reporting on responsible investment to assess the performance on ESG topics and actively engage accordingly.

OUR OBJECTIVES

Maintain our client satisfaction score above

7.5 out of 10

Improve the average tenant satisfaction scores for the Dutch sector funds to above

7 out of 10

At least

75%

of Dutch construction sites are registered under the Dutch Considerate Construction scheme

Supply chain

Co-investors, local asset managers, developers, (local) governments, contractors, property managers and suppliers – we believe everyone involved needs to work together to make the real estate chain more sustainable.

We are aware of how we influence the behaviour of our real estate investment supply chain partners with regard to innovative solutions and social, ethical and environmental issues. We take that responsibility seriously and we challenge ourselves and our partners to do more, both in the Netherlands and worldwide, as part of our active approach to sustainability stewardship.

With the aim to further improve the industry, we are an active member of boards and committees of both branch, industry and cross-disciplinary networks like Neprom, IVBN, Holland Metropole, DGBC, INREV, ANREV and ULI.

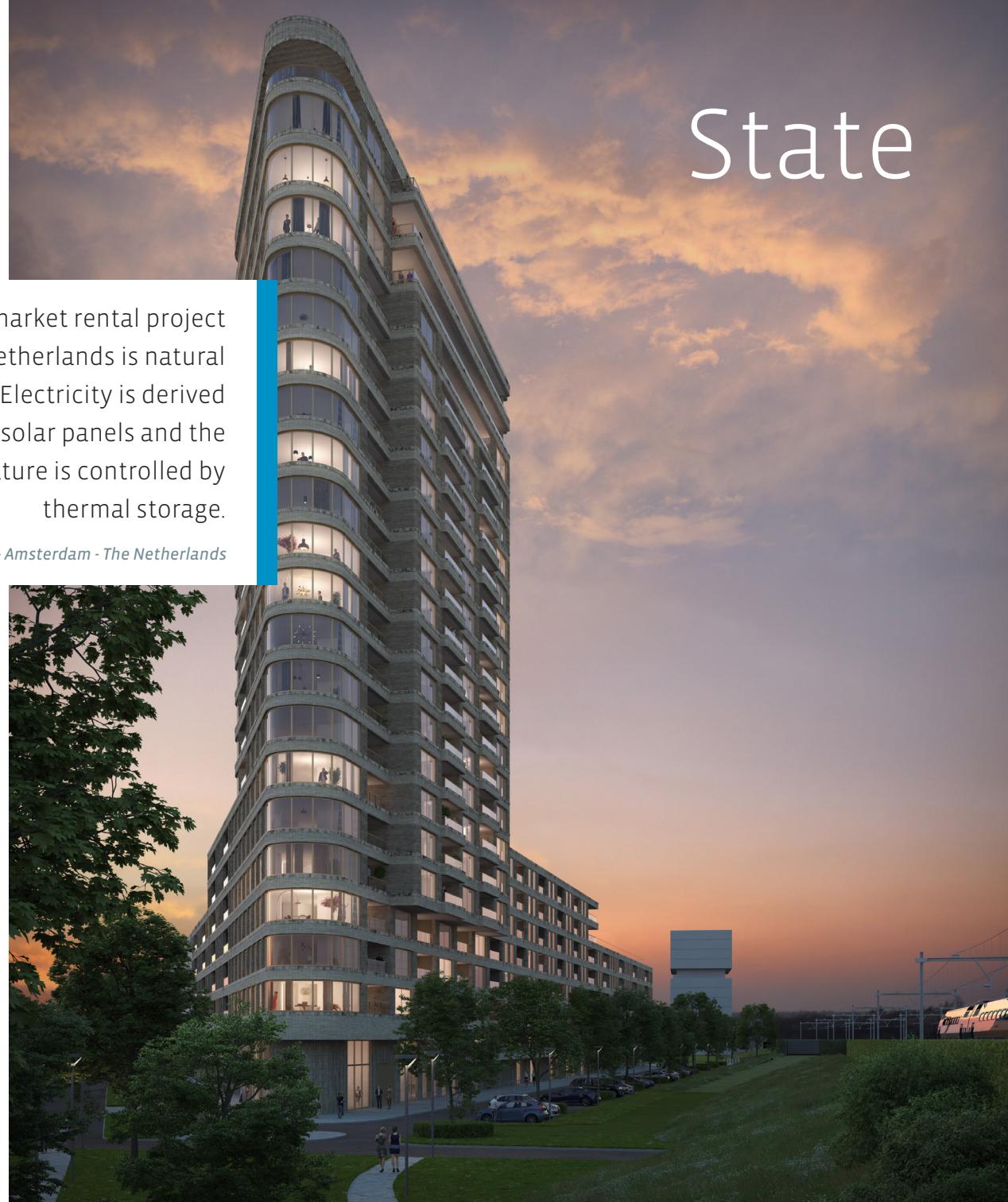
Our approach to stakeholder engagement

- Dedicated client management team
- Client portal
- Property tours and seminars for clients
- Client meetings and quarterly reports
- Client and tenant satisfaction surveys
- Materiality analysis
- Tenant panels
- Community involvement
- Committed sponsorship of a variety of organisations
- Active board and committee memberships

State

This mid-market rental project in the Netherlands is natural gas free. Electricity is derived from solar panels and the temperature is controlled by thermal storage.

Residential Fund - Amsterdam - The Netherlands



Being a responsible organisation



We conduct our activities based on integrity, honesty and transparency and we respect the interests of those with whom we maintain relationships. We have embedded these principles throughout our organisation and included them in our code of conduct.

Responsible business operations

We have policies in place to ensure good governance and we have a zero-tolerance approach to bribery and corruption. It goes without saying that we have a robust risk and compliance control framework, an AIFMD permit and an ISAE3402 type 2 certificate. Bouwinvest and its employees comply with all applicable laws and regulations as well as with the various laws and regulations applied to the funds and mandates we manage. New employees are thoroughly screened and all employees take part in an annual integrity workshop.

Bouwinvest's CEO oversees our responsible investment policy. Sustainability is a strategic pillar in our business strategy and is embedded fully in our business model, governance structure and operations. We have a dedicated team who drive the responsible investment strategy and have set up cross-departmental 'green' teams. We monitor and report our progress via quarterly reports and review our policy and tools every year to make sure they are aligned to regulatory and market requirements.

Affordable Housing

Affordable housing is high on the political agenda because the housing market, in cities in particular, is under pressure. There is also a lack of suitable healthcare-related real estate to deal with the needs of the elderly population. We work closely together with national and local government, housing associations and project developers to solve problems and speed up mid-market rental developments and the expansion of multi-use healthcare real estate. Both sectors provide an optimal return on investment and are contributing to societal needs at the same time.

Innovation is crucial

Innovation is essential to keep our organisation future proof. We are increasing the use of technology to improve our business and are actively involved in various innovation networks to monitor potential benefits. Our focus within all new tech opportunities is on improving our business operations, making our investments more sustainable and therefore increasing stakeholder value.

OUR OBJECTIVES FOR 2021

Maintain our staff satisfaction score at above

7.5 out of 10

Incidents and sanctions as a result of non-compliance

0

Share of invested capital in healthcare real estate

3%

Share of affordable housing in residential investments

60%

Score on Strategy & Governance' and 'Property' module in UN PRI Benchmark

A_{or} higher

De Gijsbrecht & Zonnehof Theresia

Professional development

Bouwinvest attaches a great deal of importance to being a good employer. We care about our staff and aim to provide them with an inspiring environment and challenging work, while encouraging them to develop a healthy work-life balance. We have a fair and controlled remuneration policy, in line with the guidelines of the Dutch financial markets authority AFM and the Dutch Central Bank.

We allocate 3% of the total of wages bill to personal development and education to both maintain levels of expertise and to optimise the employability of our people so they can create a sustainable career within the company or elsewhere. Our workforce is growing steadily, allowing us to increase diversity and bring in the skilled people we need.

Our employees spend one working day a year participating in volunteer and sponsorship activities. In addition, Bouwinvest sponsors initiatives that encourage community involvement like Homeplan, a small and private foundation that builds houses with local partners for the poorest people in developing countries.

Tenants at this residential complex are at least 75 years old and live in a life cycle-resistant home. They also enjoy care services, some of which are provided by the care facility next door.

*Healthcare Fund - Ouderkerk aan de Amstel
The Netherlands*

Integrity and compliance

- Code of conduct
- Conflict of interest policy
- Bouwinvest partners review policy
- Ancillary positions policy
- Insider trading policy
- Integrity policy
- Reputation management
- Sustainable procurement policy
- Sustainable tax policy
- Annual employee integrity training

Employee engagement

- Education policy
- Diversity policy
- Fair remuneration policy
- Learning and development programme
- Employee network groups: Young Bouwinvest
- Vitality programme
- Employee volunteering programme
- Works council
- Sustainable mobility policy and Carbon offset program for business travel





These mid-market rental homes in Amsterdam are nearly energy neutral, have a GPR score of 7.5 and are equipped with solar panels and thermal storage heating systems.

Residential Fund - Amsterdam - The Netherlands

Sluishuis

For more information



Bernardo Korenberg
Head of Sustainability
& Innovation
b.korenberg@bouwinvest.nl
+31 (0)6 20 53 79 18



Micha Reusen
Head of Sustainability
& Innovation
m.reusen@bouwinvest.nl
+31 (0)6 10 89 43 61



Dick van Hal
Chief Executive
Officer
+31 (0)20 677 1611

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