

ESG Engagement Statement

Bouwinvest Real Estate Investors B.V.

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Introduction

Bouwinvest Real Estate Investors B.V. (hereafter: Bouwinvest) invests directly (The Netherlands) and indirectly (international) in real estate. Bouwinvest manages five Dutch sector funds and three international mandates, namely:

- Bouwinvest Dutch Institutional Residential Fund N.V.
- Bouwinvest Dutch Institutional Retail Fund N.V.
- Bouwinvest Dutch Institutional Office Fund N.V.
- Bouwinvest Dutch Institutional Healthcare Fund N.V.
- Bouwinvest Dutch Institutional Hotel Fund N.V.
- North-America Mandate
- Europe Mandate
- Asia-Pacific Mandate

We invest capital of institutional investors in real estate products worldwide in a responsible manner with the aim of creating "Real Value for Life". Important pillars to meet our purpose are social responsibility and responsible investing. Bouwinvest is a trustworthy partner with a long-term approach, which spreads risks, has good insight, and takes carefully-considered investment decisions. We believe that you cannot make long-term investments successfully without taking the needs of our stakeholders into account.

We are convinced that companies, and therefore Bouwinvest itself, can make a positive contribution to the progress in both the economic field and in the field of environment, society and good governance (hereinafter as ESG). For this reason, Bouwinvest has chosen to endorse international standards in relation to corporate responsibility and investment, such as the UN PRI, OECD guidelines for multinational companies and the UN Guiding Principles on Business and Human Rights (UNGPs).

Investing for institutional investors we feel it is our responsibility to society to:

- Create shared value for our stakeholders while improving social and environmental conditions in the regions we operate;
- Communicate appropriately with our key stakeholders and ensure that they have access to the information they need;
- Build and maintain relationships by engaging with our stakeholders at an asset and at a corporate level;
- Identify the main priorities and set the agenda for our business by consulting our stakeholders;
- Benchmark and identify areas for improving our stakeholder engagement performance.

Principles

We believe that being an active investor will help our real estate investments make a positive impact by promoting the environmental and social characteristics and that investments' long-term financial returns are connected to their strategic, environmental, social and governance performance.

Therefore, maintaining Environmental, Social and Governance (ESG) standards is an integral part of managing our funds and mandates and also within our entire investment management organisation.

For our investments we apply and report about the following investment principles that are laid down in our Responsible Investment Policy:

- A long term approach to real estate investments, driven by structural trends and developments, supporting stable returns.
- Use of best in class local operators for our international mandates and the best Dutch developers.

- Added value for society and a sustainable planet through good governance with a focus on making a positive impact in relation to ecological and social characteristics, and social responsible investments.
- Focus on countries that maintain high transparency standards.
- Scale in size and investments in order to benefit with respect to cost, diversification and gain access to certain deal types resulting in stronger influence on ESG.

Stewardship

We are a global real estate investor, and have excellent knowledge of both the listed and unlisted real estate investment and direct investments. We maintain strong and long-term relationships with all the stakeholders. Over the years we have established a robust network of Dutch and international partners to provide us with the best investment opportunities, and to give us the latest trends and insights to move forward with our responsible investment beliefs. We promote the use of ESG metrics in reporting, thereby increasing transparency and contributing towards a more sustainable global financial system.

Influence

An important difference between the Dutch and international activities is the way in which influence can be exercised. In our Dutch sector Funds we directly invest in and manage real estate assets ourselves and are therefore directly in control and in contact with our stakeholders such as developers, tenants, (sub-), contractors. For these investments we have quality standards in place.

The international investments are managed by local partners, who are carefully selected based on an integrated assessment methodology that includes aspects such as risks, efficiency, costs and ESG integration. Furthermore, we actively engage with managers to improve their green asset labelling or invest in a socially responsible, impactful manner.

In executing the international listed portfolio, we join forces with top tier partners in each region. ESG-criteria play a vital role in the selection process and underwriting of new listed real estate investments, as well as in monitoring our current investments. Such external partners represent a significant pool of institutional capital, through which we can exercise more influence on ESG related matters.

Bouwinvest tries to actively participate in the investment advisory committees of international funds in order to influence on making a positive impact in relation to ecological and social characteristics. We also take place in committee memberships and board seats at branch organisations in the Netherlands of in foreign countries in regions in which we invest.

Monitoring

We actively monitor the implementation of our Responsible Investment Policy in house with dedicated teams and through our local partners. Furthermore, we make use of internationally recognised assessments, benchmarks and standards to monitor performance.

Engagement

In Netherlands we invest direct in real estate here we engage with several stakeholders such as clients, tenants, contractors, developers, providers and suppliers.

Through our external partners we engage with the companies in our international portfolio on specific ESG-themes. We rely on the proven expertise of these partners regarding our shared ESG-principles, we challenge them on their approach and we ensure alignment with our own principles. The external partners' portfolio managers and analysts meet frequently with the management of the companies in our portfolio, and they express their view on a

continuous basis. In case of required changes and/or improvements they use the following engagement strategies: discussions with management prior to a vote, seek for adequate explanation, use voting rights or ultimately reducing exposure (holdings) or divestment. Lastly, we use an industry based approach to support our responsible investment strategy. As such, we play an active role in several national and international real estate industry organisations such as CFA-VBA, INREV, ANREV, NEPROM, IVBN, ULI, AFIRE, DGBC and EPRA (the European Public Real Estate Association).

We follow these objectives when engaging with our stakeholders:

- We take the needs of our stakeholders into consideration in all our activities.
- We are pro-active in anticipating future challenges and trends in the market
- We encourage partners to participate in benchmarks on ESG integration and ESG performance such as GRESB, UN PRI and BREEAM to increase ESG transparency.
- We engage with partners with substantial construction activities on health, safety and working conditions for construction work.
- We promote the increase of residential, affordable living and healthcare investments.
- We report on responsible investment to assess the performance and actively engage accordingly.

Implementation

To ensure that our real estate investments meet our ESG-targets, as well as securing stewardship for investments with an above average environmental, social and governance rating, we use several different channels:

1. GRESB & UN PRI

GRESB, the global real estate sustainability benchmark, helps us to make informed business decisions to mitigate environmental, social and governance risks and to enhance our long-term returns. For our Dutch investments we make use of GRESB to benchmark the sustainability performance of the Dutch sector Funds.

The UN PRI is used as an additional assessment to obtain insight in the policies and systems related to responsible investment which is filled out by Bouwinvest annually.

Internationally GRESB ratings play an important role in our due diligence process. Our regional mandates contain targets in terms of ESG-disclosure and sustainability performance, as measured by the annual GRESB assessment. Bouwinvest actively engages with local managers to participate in GRESB, annually improve their GRESB scores and to invest in a socially responsible, impactful manner. In addition to GRESB the UN PRI is also used as monitoring tool to assess the implementation of responsible investment policies and systems for our international investments. In case a local manager is not eligible to participate in GRESB the outcomes of the UN PRI assess their performance regarding responsible investment.

Also, our risk/return requirements in investment underwriting are dependent on whether an organisation meets our ESG-criteria.

2. Sustainability certificates and standards (BREEAM, GPR)

Certificates such as BREEAM, LEED and GPR-Building measure ESG-criteria that go beyond legislative requirements. In addition, setting high standards on broad green building certificates enables us to manage the ESG performance on a wide set of topics, including biodiversity, health & safety, GHG-emissions, environmental impact of materials, water-, waste- and energy efficiency.

Conflicts of interest

If, in our day-to-day business, we run into any conflict of interest, we have a policy in place that covers all activities of Bouwinvest. This policy enables us to effectively identify, monitor and manage conflicts of interest in order to prevent them from adversely affecting our stakeholders.

Reporting

We will report annually on the use of this engagement policy, in compliance with the Shareholders Rights Directive (EU) 2017/828 as implemented in the Netherlands.

Organisation

Responsible investing is the core of our business and therefore the responsibility of all employees. Furthermore, we have a separate Sustainability & Innovation Department. This department has specific ESG-related knowledge to support the business with guidance. This department is responsible for implementation, monitoring and reporting the progress.

The Bouwinvest Executive Board of Directors is responsible for the Responsible Investment Policy. This board has oversight, amongst others, through quarterly reports on responsible investing.