



## ESG Report 2024



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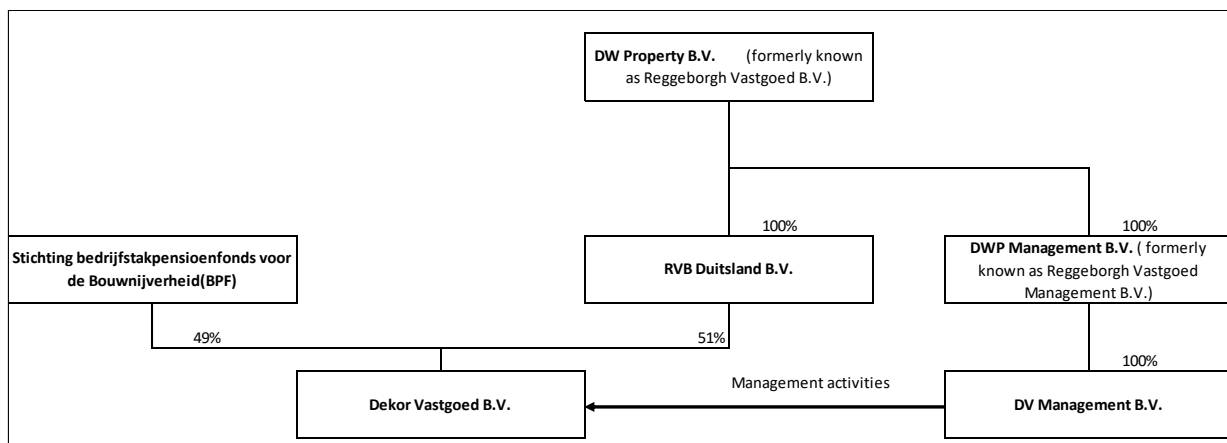
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# 1 Introduction

ESG is a strategic priority for Dekor Vastgoed (“DV”) business and activities, playing an essential part in its (investment) decisions. DV believes that it has a responsibility not only towards its shareholders across the Netherlands and Germany, but at the same time also towards tenants, society, and the environment. Furthermore, as sustainability requirements have become increasingly central to property development activities, we made a consistent effort, by our Program of Requirements, to go beyond these standards.

## 1.1 Corporate structure

Dekor Vastgoed B.V. is a fund embedded in a joint venture of RVB Duitsland B.V. and Stichting Bedrijfstak Pensioenfonds voor de Bouwnijverheid (BPF). Dekor Vastgoed B.V. is a fund within almost exclusively residential real estate. Dekor Vastgoed B.V. and the underlying entities are managed by DV management B.V. as its sole member of the management board. The fund has established a service agreement with DWP Management B.V. for performance of services. DWP Management B.V. provides its service through its staff with knowledge and expertise. . All personnel-related matters are managed by and within DWP Management B.V. DWP management B.V., DV management B.V. and to a certain extend Dekor Vastgoed B.V. – through its Shareholder RVB Duitsland B.V., share DW Property B.V. as the mother company. This is the top holding within the group structure. As the fund, the management entity and the service providing entity are close affiliates, parts of the goals, efforts and performance of DWP management B.V. are also included in this report.



## 1.2 Scope

The report is intended for all our colleagues, stakeholders and external relationships. This report applies to Dekor Vastgoed B.V., DV Management B.V. and DWP Management’s Staff, full- or parttime, executive directors and members of the Management Board. This report is published on our portfolios websites.

### 1.3 Objective

This report shows Dekor Vastgoed B.V.'s ESG performance over the past year. It shows the various developments in the field of ESG and how we as an organisation deal with them. We check whether our long-term ESG goals are still relevant or whether they need to be adjusted because of new insights such as changed regulations. We evaluate the tools we use, check whether they are still up-to-date, and consider purchasing new ones. We check our processes to further optimise them. We report on the ESG targets set over the past year and show to what extent we are on track for our long-term ESG goals.

## 2 ESG strategy

As a real estate investor with a long-term focus, DV strives to take a balanced approach between its financial results on the one hand and social responsibility and ecological objectives on the other. ESG is a strategic priority for DV and plays an essential role in its (investment) decisions. DV has a responsibility not only to its shareholders but also to tenants, society, and the environment.

Our mission reflects our ambition “to provide residents with well-designed sustainable housing in a pleasant living, work and recreational surrounding”.

In the development and execution of The DV Strategy regarding ESG, we support and will, to the extent feasible, incorporate the principles and guidelines of the following programs and commitments.

### 2.1 UN Sustainable development Goals

The Sustainable Development Goals (“SDG”), as published by the UN in 2015, serve as the framework for action for sustainable development on a global level. DVs sustainability strategy is geared towards international standards and frameworks such as the SDGs, and DV aims to contribute to achieving these goals with its business. DWP is a member of SDG Netherlands. The following three SDGs are our focus points:

#### 2.1.1 Sustainable cities and communities



We attach significant importance to sustainability and a liveable, high-quality environment. We are committed to making cities inclusive, safe, resilient, and sustainable. For DV, sustainable cities also mean taking the local community’s wishes into account.

#### 2.1.2 Responsible consumption and production



Sustainability starts with the Staff of DWP Management and DV as well as with its organization. We aim to minimize our use of exhaustible sources of energy and limit chemical emissions and other pollution in the air, water, and soil wherever possible and focus on renewable energy sources.

#### 2.1.3 Climate action



We take action to prevent climate change and we want to strengthen our resilience and become increasingly adaptive to climate-related hazards and natural disasters by integrating climate change measures into our policies, strategies, and planning. We need deep, rapid and sustained GHG emission reductions by 43% by 2030 and to net zero by 2050.

## 2.2 Paris Agreement

The Paris Agreement, a legally binding international treaty on climate change was adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. It entered into force on 4 November 2016.

Its overarching goal is to hold “the increase in the global average temperature to well below 2°C above pre-industrial levels” and pursue efforts “to limit the temperature increase to 1.5°C above pre-industrial levels.”

In recent years, world leaders have stressed the need to limit global warming to 1.5°C by the end of this century as the UN’s Intergovernmental Panel on Climate Change indicates that crossing the 1.5°C threshold risks unleashing far more severe climate change impacts, including more frequent and severe droughts, heatwaves, and rainfall.

To limit global warming to 1.5°C, greenhouse gas emissions must peak before 2025 at the latest and decline 43% by 2030.

## 2.3 EU | Climate action

The EU Climate action – 2050 long term Strategy, aims to be climate-neutral by 2050 – an economy with net-zero greenhouse gas emissions. This objective is at the heart of the European Green Deal and in line with the EU’s commitment to global climate action under the Paris Agreement.

## 2.4 EU – The European green deal

Climate change and environmental degradation are an existential threat to Europe and the world. To overcome these challenges, the European Green Deal will transform the EU into a modern, resource-efficient, and competitive economy, ensuring:

- No net emissions of greenhouse gases by 2050.
- Economic growth decoupled from resource use.
- No person and no place left behind.

The European Commission has adopted a set of proposals to make the EU's climate, energy, transport, and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels.

6 Feb 2024: European Commission recommends 90% reduction in net greenhouse gas emissions from 1990 levels by 2040.

## 3 Roles & Responsibility

The engagement of Staff of DWP Management and its dedicated ESG Staff is the main contributor in achieving our ESG goals. DWP Management believes that ensuring the engagement of Staff will require continuously and active listening to what drives Staff in their activities, job role and development. To ensure ESG is executed as a priority and at the same time balanced against the organisations long term goals regarding financial results, DWP Management ensures engagement is present throughout the organisation, ensuring leadership engagement by involving the Investment Committee, senior management and dedicated DWP Management ESG staff.

### 3.1 ESG Taskforce

To ensure ESG is embedded in all the functional areas of the organisation DWP has appointed specific members of Staff dedicated to ESG ensuring all DV business activities are represented and involved. The functional areas currently consist of:

- Senior management
- Asset Managers
- ESG portfolio managers
- Investment analysts
- Dedicated staff on ESG issues

Members of Staff from these departments are trained and engaged to contribute to our ESG goals and are supported by external service providers with ESG related expertise.

### 3.2 Engagement & Targets

The engagement of Staff is the main contributor in achieving our ESG goals. DWP believes that ensuring the engagement of Staff will require continuously and active listening to what drives Staff in their activities, job role and development.

In addition to supporting the intrinsic engagement of Staff, DWP aim to set SMART targets (Specific, Measurable, Attainable, Relevant, Timebound) on a yearly basis reflecting an ambitious but realistic roadmap per quarter, year, and long term. ESG targets are set for the different portfolios and investment pipelines and are agreed upfront and in writing. The ESG targets are applicable throughout the organisation to all Staff and dedicated ESG Staff, irrespective of their department or management level.

All targets reflected in the OSGM (Objectives, Goals, Strategies and Measures) and are monitored on a regular basis during the company's management meetings. The ESG targets are also part of the Strategic plan related to the different investment portfolios and are therefore also reviewed and monitored within the investment meetings.



*The OGSM matrix below shows the agreed targets for the year 2024*

GOALS (KPIs) 2024	STRATEGIES (How)	MEASURES (Dashboard)	ACTIONS (What)
<b>Tenant Satisfaction</b> <ul style="list-style-type: none"> <li>Score DE &gt; score 2023</li> </ul> <b>Associates</b> GPTW <ul style="list-style-type: none"> <li>DE ≥ 75%</li> </ul> <b>ESG</b> <ul style="list-style-type: none"> <li>ESG reporting on time</li> <li>2023 GRESB rating &gt; 2022</li> </ul>	<b>Sustainable homes</b> We provide comfortable, healthy and energy efficient housing by incorporating ambitious ESG standards.	<b>ESG</b> <ol style="list-style-type: none"> <li>Reporting has been prepared for the EU Taxonomy and CSRD Q4.</li> <li>Carbon footprint '23 scope 1, 2 &amp; 3 completed Q4</li> <li>2024 GRESB Dekor Vastgoed ≥ 88 (5 stars) Q3</li> </ol>	<b>General</b> Update Asset Rotation Matrix with increased importance for ESG topics  <b>ESG</b> <ol style="list-style-type: none"> <li>Implementation of ESG policy.</li> <li>Double materiality assessment completed.</li> <li>100% GRESB data verification by Cooltree.</li> <li>ESG data collection improvement plan complete.</li> <li>Scaler platform data input 80% complete.</li> <li>Creating roadmaps for 80% of the portfolios.</li> <li>Climate risk analysis for 80% of the portfolios</li> </ol>

ESG targets are for the main part set as team targets to emphasise the joint effort and support DWP Management's culture in achieving important things together. Progress on the ESG targets as well as end of year achievement are part of DWP Management's employee review meetings that are held on a regular basis.

Achievement of the ESG targets is recognised by rewarding the team as well as the individual. Rewards may take shape as financial rewarding as well as non-financial rewarding. The ESG targets are linked to the remuneration system, which means that the targets are evaluated and assessed every at the beginning of each year, depending on the results achieved, the amount of the bonus is then determined.

The OGSM matrix below shows the agreed targets for the year 2025

GOALS (KPIs) 2025	STRATEGIES (How)	MEASURES (Dashboard)	ACTIONS (What)
<b>Tenant Satisfaction</b> <ul style="list-style-type: none"> <li>Score NL &gt; benchmark</li> <li>Score DE &gt; score 2024</li> </ul> <b>Associates</b> GPTW <ul style="list-style-type: none"> <li>NL ≥ 2024</li> <li>DE ≥ 2024</li> </ul> <b>ESG</b> <ul style="list-style-type: none"> <li>ESG reporting on time</li> <li>2024 GRESB rating &gt; 2023</li> </ul>	<b>Sustainable homes</b> We provide comfortable, healthy and energy efficient housing by incorporating ambitious ESG standards.	<b>ESG</b> <ol style="list-style-type: none"> <li>1. First draft CSRD report ready;</li> <li>2. 2025 GRESB Dekor Vastgoed ≥ 90 (5 stars).</li> </ol>	<b>Acquisition</b> Update Program of Requirements (Q3)  <b>Asset management</b> Carry out recommended improvements and hold tenant satisfaction survey  <b>ESG</b> <ol style="list-style-type: none"> <li>a. Double materiality assessment completed;</li> <li>b. 100% GRESB data verification by Cooltree;</li> <li>c. Conduct EU Taxonomy assessment;</li> <li>d. Usage data &amp; compliance NMG;</li> <li>e. Update energy labels / energy index.</li> </ol>

### 3.3 Realistic ESG targets

To contribute to achieving the SDGs goals, we set realistic ESG targets to improve the sustainability of our organisation, the acquisition of new assets, for the management and maintenance of existing assets and our tenants.

The focus is on reducing our greenhouse gas emissions. We intend to do this by reducing unnecessary energy consumption by, among other things, investing more in insulating building envelopes and in installation systems that only use renewable energy. We will ensure that water can be used more efficiently, and we will also ensure that the amount of waste is reduced.

To achieve these goals, we also depend on third parties. Concrete and measurable targets will be set in areas in our direct influence. Where we have indirect influence, the target achievement will be weighed against the influence and reach we have with our stakeholders and related parties. As a real estate investment company with a long-term focus we constantly aim to strike a balance between the financial outcome of our commercial activities on one hand and social responsibility and ecological objectives on the other. In particular, we have made the following five ESG pledges:

1. We will set realistic targets, based on the UN's Sustainable Development Goals (SDGs).
2. We will make continued progress regarding ESG ratings.
3. We will maintain a strict Program of Requirements for new acquisitions.
4. We will make a strong positive social impact on the Communities in which we invest.
5. We will adhere to well-defined Governance policies.

### 3.3.1 Portfolio improvement targets in GRESB

Portfolio Improvement Targets (Summary)	Type	Long-term target	Baseline year	End year	Externally communicated
Energy consumption	Absolute	100%	2017	2030	Yes
Renewable energy use	Absolute	50%	2017	2030	Yes
GHG emissions	Absolute	100%	2017	2030	Yes
Building certifications	Absolute	100%	2021	2024	Yes
Data coverage	Absolute	100%	2017	2030	Yes
Energy Label Minimum C	Absolute	90%	2017	2027	Yes

## 3.4 Net Zero commitments

The goal is to be "Net Zero" by 2050. DV is committed to reducing its emissions. This applies to both our management company and rental properties.

By monitoring our carbon footprint year on year, we can monitor our targets and take any measures if we are not on track.

Measures taken include concluding green energy contracts for the offices leased by our management company and also reducing the number of leased fossil-fuel cars.

For our property portfolios, we use an ESG data platform that generates for our the CRREM Pathways per property. We can then see for each object what the year of stranding is and when we need to take action to meet these targets.

Actions we are now taking are to improve the quality of the data and make it as complete as possible. Here we face major challenges as gathering consumption data from private residential tenants poses the necessary obstacles. We ask specialised consultants to retrieve the data anonymously from the various energy suppliers. In doing so, we do depend on the cooperation of these parties. We do the same for the water companies and we collect waste data as accurately as possible. Based on increasingly better data, we can make better analyses when it comes to the sustainability of our property portfolio.

For the existing property portfolio, we look at which investments offer the most optimal result. We will have to continue investing in our existing portfolios to make them more sustainable. We will also have to divest to make new acquisitions possible. For new property acquisitions, we apply strict sustainability requirements. We have a Program of Requirements that describes very specifically what new property acquisitions must meet.

Based on our current data and the resulting CRREM charts, we see that our German Dekor Vastgoed portfolio is in reasonably good shape. Because we have been investing very consciously for years in making our properties more sustainable, we are on track to achieve our 2050 targets.

However, we still need to take additional measures at our existing properties. Such as replacing old gas boilers with a more sustainable alternative such as hybrid boilers or heat pumps. We are also investigating the possibilities of adding more solar panels to our existing properties.

### 3.4.1 Net Zero Targets in GRESB

Target Scope	Does the target include embodied carbon?	Baseline year	Interim Year	Interim Target [%]	End Year	Percentage of the portfolio covered [%]	Is the target aligned with a Net Zero target setting framework?	Is the target science-based?	Is the target third-party validated?	Is the target publicly communicated?
Scope 1+2 (location based)	Yes	2000	2030	43	2050	90	CRREM 1,5	Yes	No	No

We use Scaler's ESG data platform to collect all available data for GHG, energy, water and waste for each asset. We have this data validated, and we aim to improve a data coverage as well as our data quality in the coming years. Based on the entered data, CRREM pathways are generated. These show which assets are stranded. The assets stranded before 2050 are analysed and a plan is made for each asset. It is possible to enter scenarios in the ESG data platform where you can see the impact of renovations or acquisitions and divestments within the portfolios. This should ensure that our entire portfolio will meet our 2030 and 2050 targets.

## 3.5 Program of Requirements

Our Program of Requirements includes requirements to fulfil these targets. To ensure that our investment pipeline continues to meet its ESG commitments and achieve the environmental KPIs outlined above, DV has created a schedule of design requirements that is shared with all third-party developers with which DV works in connection with the development and construction of its properties.

We reduce energy losses by insulating our buildings very well and making them airtight. We also use triple glazing and place sun blinds on the sun-exposed facades. To heat our buildings, we use only renewable energy sources wherever possible, such as air source heat pumps, thermal storage and other sustainable alternatives.

Where possible, we install solar panels to generate renewable electricity. Only LED lighting is used in the common areas. If we have to purchase power, it is sustainable power from wind or solar energy.

Furthermore, contractors must be certified in the areas of environmental management, corporate social responsibility, sustainability and safety on and around the construction site.

The schedule of requirements includes, among others, the following criteria:

- **Design:** The design of the Dutch residential properties must adhere to and exceed the requirements of the Dutch Building Decree (Bouwbesluit 2012);
- **Materials:** Buildings must be able to be repurposed to lengthen their life cycle. Materials with a low CO2 footprint are chosen by the use of life cycle analyses and solely certified timber is used for construction. All wood must have an FSC or PEFC hallmark;
- **Health:** We stimulate the sharing economy by offering shared facilities. Furthermore, ventilation systems with air filter guided by the CO2 concentration in the nearby environment are installed in most properties. The ventilation systems which are installed in new buildings are also suitable for particulate filters. Ventilation is demand-driven (CO2 and/or moisture) which keeps the air quality high. It also includes minimizing noise nuisance both internally and externally, taking account of good facilities for standard and electric bicycles and making sure the property has optimum natural lighting;
- **Thermal comfort:** Our base assumption is to install thermal storage with floor cooling in development properties where geothermal heating is possible. In addition, there should be a focus on maintaining comfortable temperature levels and structural features implemented to prevent temperatures from exceeding certain thresholds. Temperature exceedance calculations and solar studies are performed to determine where sun screens will be placed in new properties; and
- **Other:** We set out expectations for the sustainability of our properties, such as a focus on biodiversity and community, goals on safety measures that exceed Dutch building regulations, stimulation of tenant awareness regarding energy consumption and strict requirements for contractors.

## ENVIRONMENT

### 4 Green House Gas (GHG)

To determine our carbon footprint, we use 'The Greenhouse Gas Protocol' as a starting point. This standard method of reporting on Green House Gas emissions contains three “scopes” that have been defined for GHG accounting and reporting purposes. Scope 1 and 2 are carefully defined in this standard and ensure that two or more companies will not account for emissions in the same scope. This makes the scopes amenable for use in GHG programs where double counting matters.

#### **Scope 1 - Direct GHG emissions**

Direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc., emissions from chemical production in owned or controlled process equipment. Direct CO<sub>2</sub> emissions from the combustion of biomass shall not be included in scope 1 but reported separately. GHG emissions not covered by the Kyoto Protocol, e.g., CFCs, NO<sub>x</sub>, etc. shall not be included in scope 1 but may be reported separately.

#### **Scope 2 - Electricity indirect GHG emissions**

Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated.

#### **Scope 3 - Other indirect GHG emissions**

Scope 3 is an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of scope 3 activities are extraction and production of purchased materials; transportation of purchased fuels; and use of sold products and services.

#### **Portfolio**

The results from the GRESB Standing Investments Benchmark Reports were used for this analysis. Scope 1, 2 and 3 are displayed in the table below, as well as the total.

Carbon footprint 2023	Total	Scope 1	Scope 2	Scope 3
Dekor Vastgoed	5.137	-	677	4.460

## 5 Energy

### 5.1 Energy transition

An important development in the energy transition is the electrification of building installations, transport equipment, cars, construction cranes, tools, etc. This is necessary for transition to renewable energy sources. Not all electricity is generated from renewable sources such as wind turbines, solar panels etc. To match future supply and demand, it also remains important to reduce energy consumption.

### 5.2 Renewable energy

When new assets are purchased by DV, preferably only installations using renewable energy sources are used.

#### *Heat from renewable energy sources*

Heat from renewable energy sources	2024	2023	2022
Dekor Vastgoed	21%	19%	18%

The following table lists various power generation systems used in the portfolio to provide heating and hot water to the homes.

Power generation system	Renewable / Fossil	Fuel / source	Share of Renewable
Warm Air Heating – heat pump	Renewable	Tbd	100%
District heating	Renewable / Fossil	Varies	34%
CHP system (Combined Heat and Power)	Fossil / Renewable	Gas	11%
Central heating system – combi boiler	Fossil / Renewable	Gas	7%
Floor heating system – combi boiler	Fossil	Gas	0%
Share of Renewable			21%

#### *Green electricity*

It is DV's policy that all electricity we consume ourselves, in our offices and also in the common areas of our buildings, will be contracted on the basis of 100% green energy.

Green electricity (common areas)	2024	2023	2022
Dekor Vastgoed	73%	71%	69%

### 5.3 Renovating buildings

Individual roadmaps can be created for each property based on the CRREM pathways. After analysing the data, we will determine for each property what future measures will be taken to ensure that we remain in line with our targets.

### 5.4 Energy consumption of our assets

To define energy consumption in our own real estate, we distinguish three diverse types of energy consumption. Identifying these types of energy consumption, will allow us to determine the total energy consumption of our buildings/homes and tenants, and the actions we can take as a property owner to reduce total energy consumption.

#### ***Building-related energy consumption***

The energy consumption for space heating, space cooling, hot water, electricity for installations required for this purpose and including general building lighting. In our Program of Requirements, we define conditions and specifications to manage a favourable energy consumption for buildings. The goals are to make buildings as energy efficient as possible and to keep the building's carbon footprint as low as possible. In project development, we intend to engage with this approach early on before planning permission is granted to maximise our influence. At that time design requirements that reduce the building's carbon footprint may still be feasible.

When turnkey projects are purchased and a building permit is granted our influence on the design is minimal, but we will remain to be diligent regarding the building-related energy consumption. This may mean we steer and require measures to be implemented on building installations or on the building itself.

#### ***User-related energy consumption***

Our Program of Requirements states that all applied household appliances that are built-in, in the kitchen for example, must have at least an energy label A. All general lighting is LED lighting as standard. Charging stations are also included for tenants who drive electric cars. If possible, an electric car sharing service will be included in the plan area.

#### ***Material-related energy consumption***

The energy consumption for construction including production and transport of building materials, the maintenance and demolition of the home or building. In our Program of Requirements, we define the requirements related to the building materials. This allows us to reduce the building contribution of embodied carbon. Also, regarding this topic, we aim to be involved early on, preferably before building permits are granted to ensure we maximise our influence to reduce the embodied carbon share. A similar approach is taken regarding the maintenance of buildings, where we strive to use environmentally friendly materials.



Determining the proportion of embodied carbon requires good definitions and methods of determination. These are currently not defined by law. However, when we have to report on this in the future, this will be a necessary precondition. Although there are now various methods to determine the proportion of embedded carbon, there is no unambiguous standard yet. For now, we use the MPG calculations in the GPR Gebouw calculations.

## **6 Water**

The goal is to reduce water consumption. As a property owner, we try to maximise the various measures that support saving water consumption. Although we may have limited direct influence on the tenant's own water consumption, we strive to educate tenants and communities on the use of water by providing insights and practical tips to save water.

We take measures to prevent water being wasted as much as possible. We do this by imposing stricter criteria on ourselves than a standard building code. Our equipment and systems are very economical with water. Sanitary fittings and taps are fitted with water-saving measures. Rainwater is disconnected from the sewer system and can be combined with infiltration measures if necessary. The buildings use rainwater infiltration systems. Buffering rainwater to absorb heavy downpours.

## **7 Waste**

### **7.1 New developments**

Our Program of Requirements sets out conditions to be met when acquiring new buildings. The program contains design requirements, requirements regarding the sustainability of the building, and requirements regarding the waste separation and waste reduction during the construction stage.

In addition, DV intends to uphold requirements aimed at reducing the use of materials. DV has a preference to use bio-based renewable materials that are circular. When feasible, used materials are applied. Although applying used materials in new buildings is not yet common, the further development of regularisation is expected to contribute to this in the future.

### **7.2 Standing assets**

Waste collection and disposal is primarily a subject of local municipalities. Facilitating waste separation (for tenants) is provided for by the local municipality by placing waste containers in neighbourhoods. In addition, cities may have an environmental centre where residents can separate and dispose of waste. If municipalities do not provide in waste collection areas in the vicinity of our assets, DV aims to create a designated area where waste containers are easily accessible, and tenants can easily separate their waste.

Although DV has limited influence on how much waste is produced by tenants, we are able to provide education on reducing waste and share practical tips on sustainable waste separation. In Germany, we handed out flyers to inform tenants how to better separate their waste.

## 8 Biodiversity

In our schedule of requirements, DV indicates the preconditions for biodiversity that our new real estate should meet. When acquiring new projects, these preconditions are checked with the aim to implement as many measures as possible. In consultation with an ecologist, the principles of 'Nature inclusive building' will be applied in the design and during execution. Green roofs, facades and/or walls will be applied in the project. When applying greenery, a mix of native plants will be used to promote biodiversity. Provisions will be made for animals, including insects, birds and bats.

## 9 Risk Management - Climate change

### 9.1 Climate resilience strategy

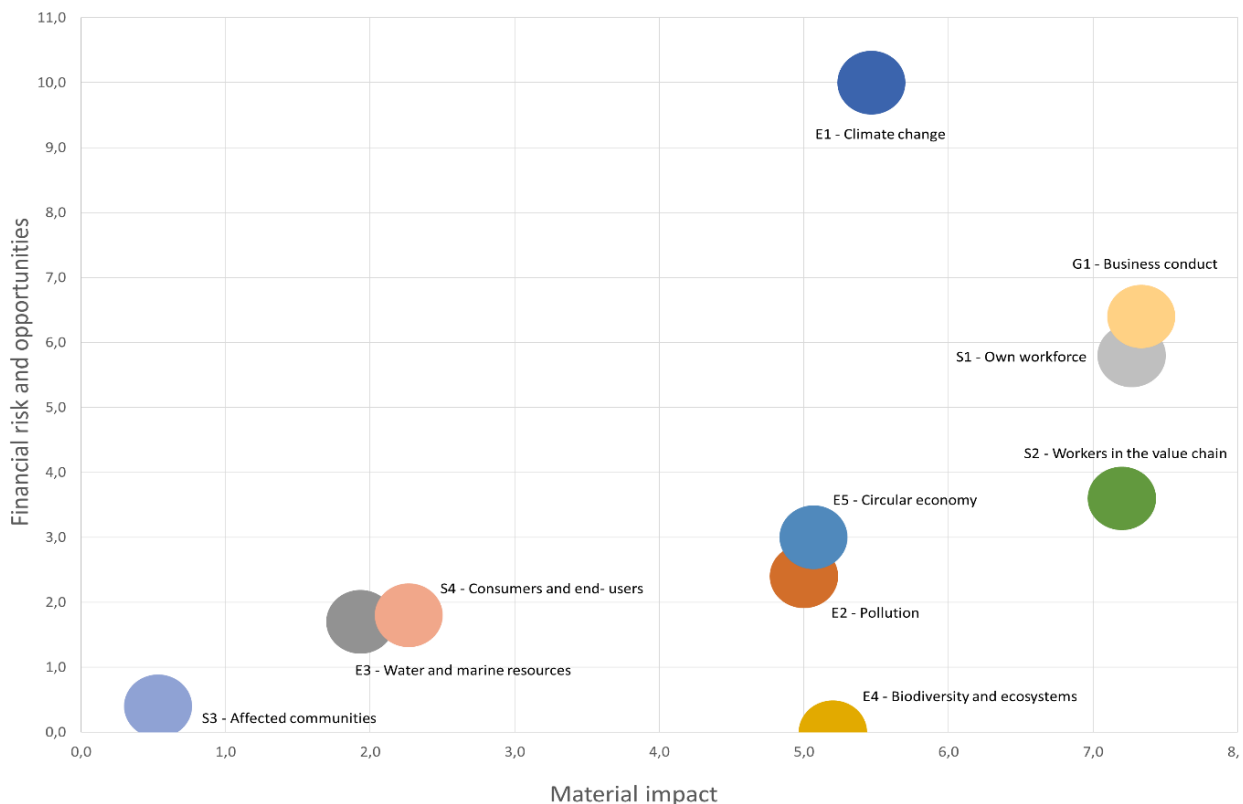
The organisation has created an Asset Rotation Matrix to determine which assets are most exposed to risks in general and climate risks in particular. In addition, we have purchased a licence for GPR Gebouw in which climate risks can be projected, so that we always know which assets are exposed to which risks.

Every year, we measure the Carbon Footprint for the entire organisation, including all fixed assets, to determine whether we are on track to achieve NET ZERO in the future.

DV is committed to reducing its emissions. This applies to both our management company and the properties we rent out. To achieve this goal, we map our carbon footprint, energy consumption, water consumption and waste production.

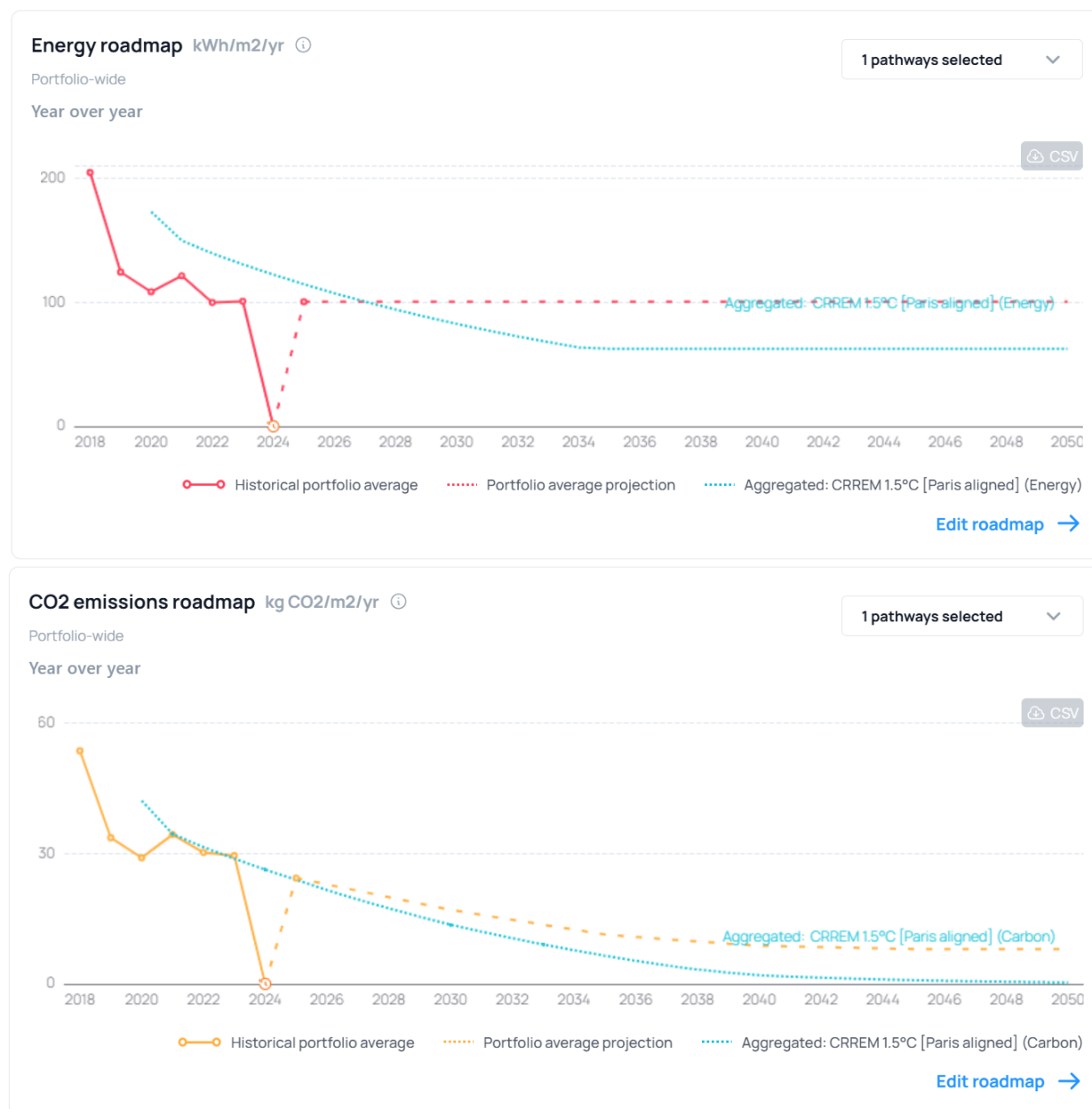
#### **Double Materiality Assessment**

DV has conducted a Double Materiality Assessment to define the impacts, risks, and opportunities. DV believes it is important to assess the entity's impact on the environment, as well as what effect the changing climate will have on the entity. Stakeholders were engaged through interviews and written surveys on their dual materiality impact assessment and perception of risk.



### CRREM pathways – Dekor Vastgoed

We use the ESG data platform Scaler, where we have accurately mapped the CRREM Pathways for each asset. For each asset, the year of stranding is clear, and we will make specific plans for each asset in the near future to ensure that all assets meet our set targets, and stay on track with the CRREM pathways. For each asset, the year of stranding is clear, and we will make specific plans for each asset in the near future to ensure that all assets meet our set targets, and stay on track with the CRREM pathways.



## 9.2 Physical and transition risks

### 9.2.1 Physical risks

Physical risks are acute hazards or chronic stressors. Acute hazards are physical events, such as extreme weather conditions, which can damage a real asset. These include cyclones, hurricanes, forest fires and floods. Non-climatic acute hazards are tsunamis, earthquakes, and volcanic activity. Chronic stressors are longer-term physical shifts, such as sea level rise or changes in precipitation patterns, which can affect the operations and associated costs of an entity and its assets. While such stressors may not have as noticeable an impact as acute hazards within a given year, such longer-term shifts in climate patterns (e.g., persistently higher temperatures) may affect the cost of operations, resource availability, accessibility of assets, availability of upstream or downstream suppliers.

On a regular basis the asset manager and the external property manager inspect all assets (physically present at all locations, checking all properties). During this inspection, an environmental and social risk assessment is made regarding to building safety and materials, contamination, energy efficiency and management, health and well-being, socioeconomics, water supply/ efficiency, waste management, indoor environmental quality, and resilience. This procedure is used to identify and analyse the risks related to our portfolio. The result of this analysis (inspection report) forms the basis for the investment/maintenance budget for the following year. When environmental or social risks are identified, a risk prevention/mitigation budget is established. If a substantial risk is identified, the problem and proposed solution are discussed directly with the board of directors where following its decision action is taken. Maintenance contracts are discussed, optimized, and adjusted regularly in consultation with the property manager to ensure we implement a balanced approach regarding ancillary costs and ensuring the safety of the building, our tenants and community. In addition, and support of this procedure an external evaluator will conduct on a regular basis a technical assessment of all properties. The status of the property is reported in the valuation report.

#### ***Physical risk identification***

In GPR Vastgoed, climate risks are projected in the map, so that one always knows which assets face which risks. Different colors indicate which projects face the highest risks. The climate risks currently included are:

- Drought stress
- Heat island effect
- Heat wind chill
- Last groundwater level summer
- Wildfire risk
- Precipitation per year
- Water depth precipitation
- Shortage of surface water

The organisation has drawn up an Asset Rotation Matrix to determine which assets, among others, are most exposed to physical risks. This includes the following risks:

- Probability of flooding
- Likelihood of earthquakes
- Natural disasters

#### ***Physical risk impact assessment***

In the Asset Rotation Matrix, assessment criteria (1 highest / 5 lowest) and also by assigning a weighting coefficient per criterion make it clear which projects are most and least at risk. When there are actual physical risks, these are often already recognised during development. We have a fairly young portfolio hence we do not have acute physical risks to manage. However, we do anticipate in time when a physical risk is identified.

- To protect against flooding, the "OPAL" property in Köln is equipped with flood barriers. These can be closed in the event of a flood to prevent damage to the building. In addition, the underground car park is equipped with bulkheads and an overflow system. In extreme conditions, the underground car park can be evacuated and flooded without damaging the structure and reducing the water pressure.

### **9.2.2 Transition risks**

Transition risks relate to the transition to a lower-carbon global economy. These risks usually relate to policy and regulatory developments, technological changes, market reactions and reputational issues. These risks are particularly relevant for actors with high greenhouse gas emissions within their value chain and are thus sensitive to policy and regulatory actions aimed at emission reduction, energy efficiency.

#### ***Transition risk identification***

Our organisation has created an Asset Rotation Matrix. This Asset Rotation Matrix also identifies transition risks. The Asset Rotation Matrix is discussed regularly in the asset managers' meetings and updated when necessary. The transition risks identified are:

- **Subject to regulation:**  
Due to the tight housing market in Berlin, a rent brake (Mietpreisbremse) was introduced and the legal possibilities of rent increases are regulated by the capping limits.
- **Energy efficiency:** Renewable energy is defined as the heating source used in the premises. If a property uses thermal energy storage or a heatpump it scores a 1; district heating is a 3; gas is a 5.
- **Attractiveness housing market:** It falls into two sub-criteria, namely market potential and supply and demand of housing. The market potential is based on a semi-subjective analysis of the market within the location. This analysis is done by the asset manager by looking for offers and completed deals within the market.

- **Mutation rate:** The rate of change is defined as a percentage of the housing units in an object that have undergone a tenant change (per year). This means that if an object with 100 housing units has a mutation rate of 10%, 10 homes have had a tenant change. The mutation rate is determined by calculating the average mutation rate per year over the past 3 years.
- **Tenant satisfaction:** The score is determined by means of the tenant satisfaction survey, where tenants have given their satisfaction with their current home a score between 1 and 10.

### ***Transition risk impact assessment***

Our organisation has established an Asset Rotation Matrix to identify transition risks. The matrix is regularly discussed at asset manager meetings, where risks are assessed for their impact and what appropriate measures can be taken to mitigate them. The Asset Rotation Matrix not only identifies climate-related risks, but also forms part of the overall risk management process. Measures taken are:

- **Write-offs, asset impairment and early retirement of existing assets due to policy changes.** Sustainability is factored into the assessed value of the property. We are required to have our property valued every year where sustainability is increasingly important for a good valuation. It can lead to a lower appraisal value and therefore depreciation. To avoid this, we set high requirements for the sustainability of a building in our Program of Requirements.
- **Costs to adopt/deploy new practices and processes.** In new acquisitions, the focus is on renewable energy use, we prefer to use Heat Cold Storage, which allows for cooling in addition to heating, and we also try to use solar panels as much as possible. We also consider the application of solar shading important for the well-being of our tenants. These are not mandatory measures but do cost more money.
- **Re-pricing of assets.** The potential value growth criterion is determined by collecting the market value per object (from the valuation reports) for the years 2020, 2021, 2022 and 2023. After this, the average market value growth (in %) per year is calculated over the past 4 years.

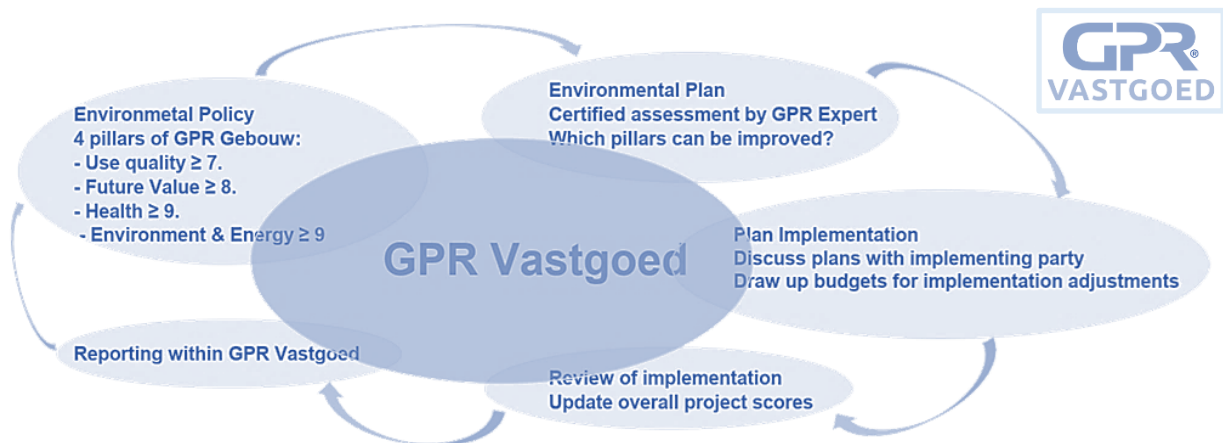
## **9.3 Environmental management system**

DV uses various processes and practices to reduce our organisation's environmental impact and increase our business efficiency. We closely monitor these processes and practices using advanced software tools. It provides integral insight into different sustainability themes of the various buildings in our portfolio. The tools are used for benchmarking and thus helps us make the right investment decisions.

The web-based application GPR Vastgoed visualises the sustainability performance of our real estate. It provides insight into sustainability according to the widely accepted and easy-to-understand language of GPR Gebouw. GPR Real Estate shows how high our real estate scores on sustainability. It provides integral insight into the sustainability of multiple buildings or even an area. We use it for our property management, benchmarking and investment decisions. It shows the performance of residential and non-residential buildings on 4 sustainability themes. It brings scenarios for sustainable property into focus, suitable for performance agreements.

### High level outline diagram GPR Vastgoed

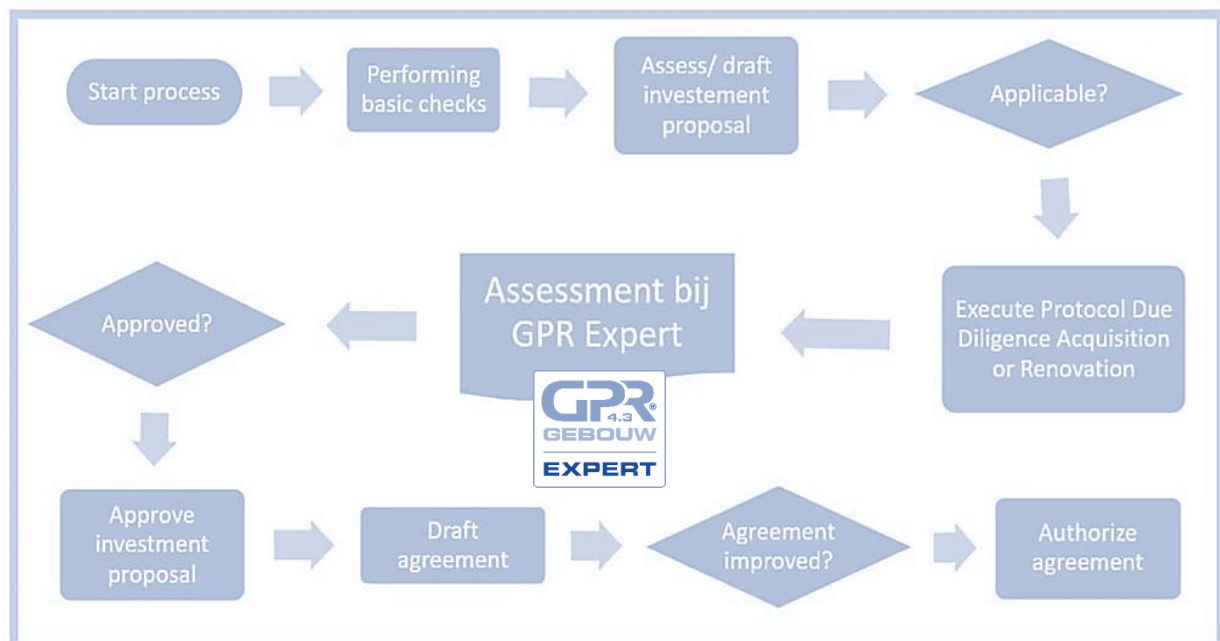
It shows the process for making existing real estate more sustainable or acquiring new real estate.



GPR Vastgoed uses the same themes as GPR Gebouw:

- Energy Performance & Environmental performance, circular use of materials, and water.
- Health; noise, air quality, thermal comfort and light & visual comfort.
- Quality of use; accessibility, functionality, technical quality and social safety.
- Future value; future-oriented facilities, flexibility and amenity value.

### Stages of the different elements in the process of GPR Vastgoed





You can view the data of your portfolio within the management system in different ways:

- Through a map; In this you can see the map showing where the property is located. Here you can show and compare any desired theme and score. You can also add extra map layers in which you can project climate risks, among other things.
- In tabular form where you can compare different assets. You can also create subsets.
- You can display graphs of the different themes.
- This management system gives you quick insight into which assets score best on certain components and you can easily access and display the data.

## 9.4 ESG due diligence

Our Program of Requirements provides in our due diligence for new acquisitions. This program includes the requirements to fulfil our ESG targets as well ensuring that our due diligence also captures these ESG goals. To ensure that our investment pipeline continues to meet its ESG targets, we have created a schedule of design requirements that is distributed and known by all external developers our organisation frequently interacts with and engages in the development and construction of our properties.

## 10 Monitoring & Review

DV has installed several reporting & monitoring structures. DV is strongly committed to maximise data collection and pursues data validation and (external) data verification where possible. Currently, DV reports and monitors its ESG performance through various reports, including:

- Annual report - Reviewed by external accountant.
- GRESB Real Estate Benchmark report | Data Asset Spreadsheets – Reviewed by external auditor.

### 10.1 Data collection

Collecting the right data is challenging and unfortunately sometimes not feasible. As a real estate organisation, we will continuously improve our data collection, aiming to increase quantity of data by focussing on data coverage and increasing data quality. Gathering data is strongly depending on cooperation of energy companies, water companies, waste management companies as well as the tenants. Due to privacy laws, obtaining the data is often depending on the consent of individual tenants. At times intermediaries are authorised to request data, anonymise it, and share it but more often DV will have to resort to enter into agreements with tenants, so-called green leases, to formalise the consent to and the transition of data.

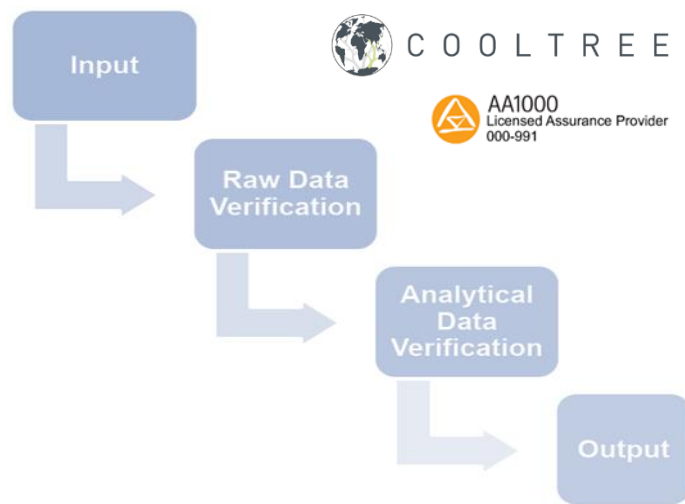
#### ***ESG data platform***

In 2023, we started looking for a data platform for our ESG data. We investigated several options and from these, Scaler emerged as the best. Scaler's data platform is user-friendly and clear. A tool that not only allows you to manage all ESG data, but also allows you to make analyses and also generate the necessary data for the various reports in an easy way. Scaler is very progressive and constantly developing to keep improving the data platform and adding new features.

### Data verification

In 2024, we started the verification of GRESB data by Cooltree. They are AA1000 certified and a Licensed Assurance Provider. The verification process is as follows:

- We deliver the completed GRESB asset spreadsheets of our three funds by the end of May.
- They perform a Raw Data Verification based on Building Characteristics and the Energy, GHG, Water and Waste data.
- They then perform an Analytical Data Verification. Portfolio comparison. They examine the data for outliers. They take a sample of 5-10 assets where a deeper investigation will be done.
- Then an overview with the potential outliers, a joint discussion of the results and a formal verification document.



## 11 Building certificates & Energy ratings

### 11.1 Green Building certificates

To gain more insight into the ESG performance of our assets, we have provided all our buildings with Green Building Certificates. For this purpose, we have engaged GPR Gebouw. Through this building certification, we also improve the GRESB score of our German property portfolio.

Green Building Certificates ( GPR Gebouw )	2024	2023	2022
Dekor Vastgoed	100%	100%	9%

In 2022 and 2023, we had all our Dutch and German assets certified by W/E adviseurs, who are the certifying body for GPR Gebouw. Some assets already held a DGNB certification, for this reason we did not include these with the GPR Gebouw certification. By having all buildings certified, we have a benchmark where we can compare the sustainability of these buildings.

GRESB carried out an internet consultation in 2024 to determine the conditions that certifying bodies issuing Green Building Certificates must meet. It is up to these certifying bodies to remain compliant. For this reason, we involved W/E adviseurs in the internet consultation and asked them to assess whether they meet the conditions set by GRESB, this so that GPR Gebouw remains a valid certification that meets the conditions set by GRESB. W/E adviseurs has checked the set conditions and indicated that they meet them. It is not clear whether this internet consultation of GRESB is carried out every year.

### 11.2 Building certifications age and expiration

Most Dutch GPR certificates must be renewed in 2026, followed by most German GPR certificates in 2027. Agreements must be made with WE advisors regarding this.

This is also a requirement of GRESB: the older the certificates, the less they are valued:

Certification age (year)	Time factor <i>Design / Construction</i>	Time factor <i>Operational</i>	Time factor <i>Interior</i>
	100 %	100 %	100 %
1	100 %	100 %	100 %
2	100 %	100 %	100 %
3	100 %	100 %	67 %
4	90%	50 %	33 %

## 11.3 Themes GPR Gebouw certification

1. Energy
2. Environment
3. Health
4. Quality of use
5. Future value

### ***Energy***

Standards and methods such as NTA 8800 and - to still support the use of older energy calculations - EPG, ISSO 82 and 75 give insight into energy performance improvement opportunities. That is using the Trias Energetica to combat climate change and keep energy affordable.

### ***Environment***

Raw materials are becoming scarcer and more expensive. The built environment consumes over 30% of raw materials and causes harmful emissions. Renovating or demolishing existing buildings limits harmful emissions and resource depletion. GPR Gebouw calculates the MPG (environmental impact of buildings). This allows you to test performance and make design choices.

### ***Health***

People spend a large part of the day in a home, office or school. But the indoor environment is often unhealthy. The aim of this theme is to realise healthy buildings. Consider limiting noise pollution, sufficient fresh air, comfortable ventilation and sufficient daylight. The design of the selection lists in GPR Gebouw gives users ideas.

### ***Quality of use***

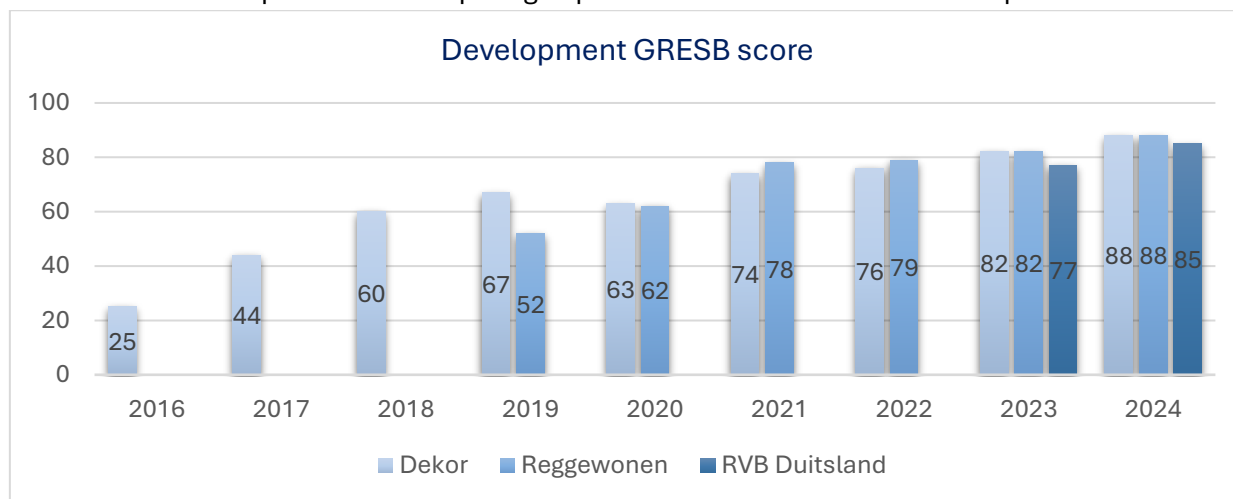
Society is ageing. But we want to live at home for longer. Care and living should therefore be combined. Young people, families or the disabled have different needs. And everyone wants a safe living environment. GPR Gebouw shows how a building or design meets the needs of changing target groups.

### ***Future value***

There are neighbourhoods that people don't want to live in and those that are popular. If the environment is dear to people, the value of property increases. Vacant office buildings are a social and financial problem. They were not sufficiently future-proofed at the time. With a good score on this theme, a building can be adapted to changing user requirements or laws and regulations without high costs or much material waste. That means taking into account function change and amenity value of the surroundings when building or renovating.

## 11.4 GRESB benchmark

DV participates in the GRESB benchmark that provides validated peer ESG performance data to improve our information and engagement with the sector and our decision-making. The GRESB benchmark provides insight into how our property portfolios perform against our peers. Building certificates contribute to the benchmarking process increasing our awareness and knowledge on how our assets and portfolio is comparing to portfolios of other real estate companies.



## 11.5 Energy Rating

Energy ratings are mandatory due to local legislation based on EU regulation, to which DV adheres. Within the EU there are significant differences in National EPC labels. When EU regulations are converted into local law, differences of interpretation or practical conversion generated deviations between the EU members. This is visible in the approach countries have taken regarding energy ratings of real estate properties and how these are determined.

### National EPC label differences

	DE	FR	NO	DK	FI	AU	IR	BE Brussels	BE Flanders	BE Wallonia	NL	IT	SW
Metric	Final energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Energy delivered kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary energy kWh/m <sup>2</sup> /y	Primary fossil energy use kWh/m <sup>2</sup>	Energy Performance kWh/m <sup>2</sup> /y vs reference building (A1)	Energy Performance kWh/m <sup>2</sup> /y vs building built today (C)
A+++												≤ 0	
A++												≤ 50	≤ 0.4
A+				≤ 20		≤ 60	≤ 25				≤ 0	≤ 75	≤ 0.6
A	≤ 30			≤ 30		≤ 70	≤ 50				≤ 45	≤ 105	≤ 0.8
B	≤ 50	≤ 50	≤ 85	≤ 52.5	≤ 75	≤ 80	≤ 75	≤ 45	≤ 100	≤ 85	≤ 160	≤ 1.00	≤ 0.5
C	≤ 75	≤ 90	≤ 95	≤ 70	≤ 100	≤ 120	≤ 150	≤ 95	≤ 200	≤ 170	≤ 190	≤ 1.20	≤ 0.75
D	≤ 100	≤ 150	≤ 110	≤ 110	≤ 130	≤ 160	≤ 225	≤ 150	≤ 300	≤ 255	≤ 250	≤ 1.50	≤ 1.00
E	≤ 130	≤ 230	≤ 135	≤ 150	≤ 160	≤ 280	≤ 300	≤ 210	≤ 400	≤ 340	≤ 290	≤ 2.00	≤ 1.35
F	≤ 160	≤ 330	≤ 160	≤ 190	≤ 190	≤ 340	≤ 380	≤ 275	≤ 500	≤ 425	≤ 335	≤ 2.60	≤ 1.80
G	≤ 200	≤ 450	≤ 200	≤ 240	≤ 240	≤ 400	≤ 450	≤ 345	> 500	≤ 510	≤ 380	≤ 3.50	≤ 2.35
H	≤ 250	> 450	> 200	> 240	> 240	> 400	> 450	> 345		> 510	> 380	> 3.50	> 2.35
	> 250												

Source: Various national and EU sources, ING

Discrepancy in the measurement standard of energy ratings exists between the different countries within the EU. DV therefore prefers to review fixed measurable units to ensure a trusted comparison can be made when assessing the sustainability of a property.

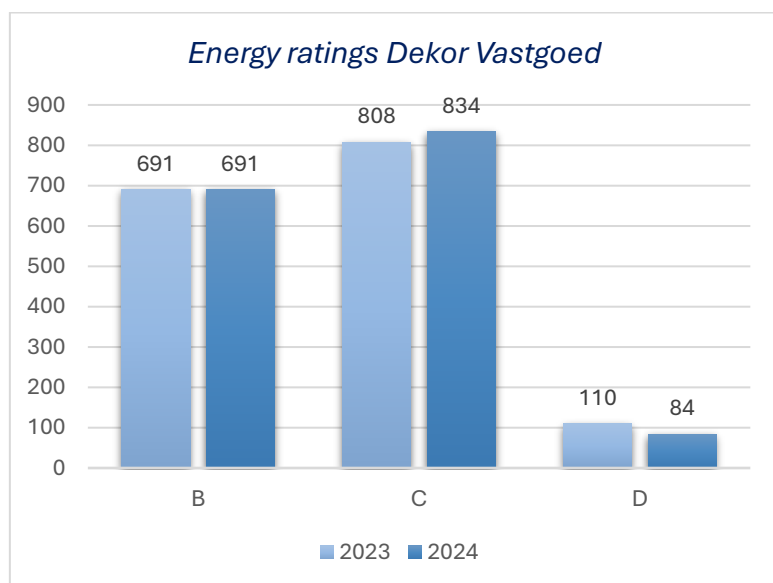
European differences in the determination of energy ratings may diminish due to future changes in EU legislation but for the time being we aim to look beyond energy ratings and to assess and value on measurable and comparable units.

The Netherlands will reclassify the label letters from G to A or from G to A0 by the end of 2029 at the latest. A0 will then refer to emission-free buildings.

### Energy ratings

Energy labels (< 100 kWh / m <sup>2</sup> )	2024	2023	2022
Dekor Vastgoed	83%	78%	85%

The German Dekor Vastgoed portfolio has energy labels of B, C and D which is comparable to the Dutch energy label A++, A+ and A respectively. See the table with the 'National EPC label differences' on page 34.



The table shows only residential property. The number of properties in the portfolio by energy rating. This does not include 'Alte Börse' in Munich and 'Zitrone' in Berlin.

- 'Alte Börse' is a listed building from 1898 with an energy label E.
- 'Zitrone' is an office building from 1995 with an energy label G.

## SOCIAL

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### 12 Tenants & Community

#### 12.1 Engagement program

DV communicates with its tenants via the property manager. Extensive attention is paid to ESG specific issues. The following matters have been arranged: Every tenant receives an ESG Guide when entering the house, which describes how to use the heating, hot water, energy consumption and separation of waste as optimally as possible. In this way, it is communicated to the tenants how optimal use can be made of the sustainable concept of the houses. The guides are specifically geared to the type of home that the tenant rents. In addition to personal contact, the property manager uses various social media channels to share general information and news with tenants.

#### 12.2 Tenant Satisfaction Survey

DV regularly conducts a tenant satisfaction survey for its portfolio to ensure that tenants' voices and needs are heard and to provide a basis for development and improvements. In Nov 2023, BBT Gruppe conducted a tenant satisfaction survey Germany.

##### 12.2.1 Management Summary

- The response rate of 34.3% ensures a high level of representativeness. The prospect of winning a voucher and donating to a good cause have a positive effect.
- Overall satisfaction falls slightly compared to 2021 from 63.5% to 62.0% and remains in the "good" range. Due to the deterioration, there is a need to monitor the development.
- The rate of recommendation of the administration falls significantly to 44.9%.
- The Customer Commitment Index (CCI) falls from 55.1% to just 51.7%, so there is little need for action here. Due to the noticeable deterioration, possible measures need to be investigated.
- The Customer Satisfaction Index (CSI) remains stable at 67.5%. The value remains in the high good range, there is no direct need for action, individual service areas may need to be improved:
  - Small repairs are rated significantly better (76.8%) - very good range.
  - Customer service has improved, but remains in the high-medium range (59.5%).
  - Cleanliness deteriorates slightly to 63.7% and remains stable in the good range.
  - Caretaker is rated noticeably lower and only reaches 69.9%, changing from very good to stable good.
  - The house/residential complex is rated significantly better and reaches the good range with 67.2%.
  - The flat is rated slightly lower than in 2021 and still achieves an index value of 67.8%.



## 12.2.2 Conclusion and recommendations for action

### **Benchmark comparison – product**

Tenant Survey	Benchmark 2024				DWP 2024		
	valid responses	average	best	worst	valid responses	average	rank...of
Assessment of the rent or user fee	28.443	2,18	1,75	3,21	874	3,21	21/21
Overall satisfaction with the flat	29.497	1,84	1,63	2,26	887	2,26	21/21
Overall satisfaction with the home	29.377	1,90	1,59	2,28	857	2,28	21/21
The housing company keeps tenants well informed (satisfaction with information)	27.465	1,65	1,40	2,35	864	2,35	20/20
Overall satisfaction with the housing company/ landlord	29.098	1,68	1,39	2,44	884	2,44	21/21
Would you recommend good acquaintances or friends to move in with your landlord?	29.153	1,20	1,04	2,25	885	2,25	22/22

- The benchmark comparison includes up to 29,500 individual items of data from 22 surveys.
- The average of the individual items generally indicates a very high level of satisfaction with the respective conditions.
- The assessment of the flat, residential building and information, satisfaction with the landlord and recommendation of the landlord achieved values that were well below average for the 2024 tenant survey in comparison with other companies, but still remained in the "good" range.
- Only the rent is viewed critically "satisfactory".

### **Tenant survey 2024 - response rate**

- The very good response rate of 34.3% indicates tenants' increased interest in adjustments and improvements.
- Some of the shortcomings / criticisms were named in the open questions. These are to be taken into account in future management.

### **Flat**

- High satisfaction with the flat overall.
- The net rent and operating costs were rated poorly, indicating an urgent need for action (affordability of rent and willingness to pay rent); index values of 38% (rent) and 41% operating costs respectively.
- The state of maintenance (index value of 60.4%) and the structural and technical condition (index value of 63.8%) are rated below average, but with no immediate need for action.
- Declines are evident in the assessment of the general facilities (feel-good factor).

**House/ residential complex**

- High satisfaction with the house/ residential complex.
- Slight deterioration in the overall rating compared to 2021, at a high level ("good").
- E-charging stations for cars (index: 32.9%) and bicycles/ scooters (index: 31.3%) as well as the range of parcel stations (index: 45.1%) are rated weakly, indicating a need for action here. The rating is also due to the lack of these services.
- A classification as a "medium area" (observing the need for action) is shown for the design of green spaces (index: 54.7%), car parking situation (index: 55.5%), bicycle parking situation (index: 51%), safety in the house/residential environment (index: 53.7%).

**Service - caretaker**

- High overall satisfaction with the caretaker.
- Noticeable deterioration in overall rating compared to 2021, at a high level ("good").
- All performance areas, with the exception of presence/ attendance, competence and reliability, are in the "very good" range; the slightly weaker values remain at a very high level.
- Deterioration compared to 2021 for presence/ attendance, friendliness and reliability.

**Cleanliness**

- Slight deterioration in the overall rating for cleanliness compared to 2021; remain in the "good" range.
- Only the cleanliness of the rubbish bins is in the medium range (51.3%); there is a need for monitoring here.

**Support and service**

- Satisfaction with the information provided by the manager ("good" area), support and service is only assigned a "medium" area "medium" area (need for monitoring).
- Tenants rate the management as noticeably positive (79.3% satisfied/mostly satisfied).
- In the medium range are telephone availability (51.5%), response to e-mails/ written correspondence (53.8%), processing time (49.9% - direct need for action), expertise and quality of advice (59.3%), commitment (58.4%) and helpfulness/ solution-orientation (53.6%); there is a need for monitoring in each of these areas.

**Craftsmen**

- Satisfaction with tradespeople declines noticeably and remains just in the "good" range.
- All service areas are in the "very good" range.
- There is no need for action regarding the craftsmen.

**Sustainability**

- The relevance of ecological measures is important to tenants, the importance decreases significantly compared to 2021.

- Willingness to pay for ecological measures falls from 62% to 38.2%.
- The relevance of energy-related measures with an impact on ancillary costs is important to tenants, importance increases compared to 2021.
- Willingness to pay for energy-related measures falls from 61% to 38.8%.
- Almost ¾ of tenants want to provide consumption data.

### **Working from home**

- Home office is used by over 60% of tenants. The technical framework conditions are described as good.

### **Loyalty**

- The Customer Commitment Index (CCI) is down on 2021 for both overall satisfaction (low) and for recommending the landlord to others, with recommendations in particular falling significantly and indicating a decline in loyalty.
- The Customer Satisfaction Index (CSI) remains stable compared to 2021.

Options for action	Direct action (index value below 50%)	“Observe” action option (index value 50% and 60%)	Deterioration compared to 2021 (good/ very good level)
Flat	<ul style="list-style-type: none"> <li>• Net cold rent</li> <li>• Operating costs</li> </ul>		<ul style="list-style-type: none"> <li>• Flat satisfaction</li> <li>• State of maintenance</li> <li>• General facilities (feel-good factor)</li> </ul>
House/ residential complex	<ul style="list-style-type: none"> <li>• E-charging station car/ bicycle/ scooter</li> <li>• Parcel station offer</li> </ul>	<ul style="list-style-type: none"> <li>• Design of green spaces</li> <li>• Bicycle parking spaces</li> <li>• Safety in the house/ residential environment</li> </ul>	<ul style="list-style-type: none"> <li>• General satisfaction</li> <li>• State of maintenance</li> <li>• Interior/ exterior design</li> <li>• Car parking situation</li> </ul>
Caretaker			<ul style="list-style-type: none"> <li>• Satisfaction caretaker</li> <li>• Availability by telephone</li> <li>• Presence/ attendance</li> <li>• Competence</li> <li>• Friendliness</li> <li>• Reliability</li> </ul>
Cleanliness		<ul style="list-style-type: none"> <li>• Cleanliness of rubbish bins</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction Cleanliness</li> <li>• Outdoor facilities/ green areas</li> <li>• Winter cleaning service</li> </ul>
Support and service Administration	<ul style="list-style-type: none"> <li>• Processing time</li> </ul>	<ul style="list-style-type: none"> <li>• Property management in general</li> <li>• Availability by telephone</li> <li>• Expertise and quality of advice</li> <li>• Commitment/ reliability</li> <li>• Response to e-mails/ written correspondence</li> <li>• Helpfulness/ solution-orientation/ responsiveness to tenant situation</li> </ul>	
Tradesman			<ul style="list-style-type: none"> <li>• Craftsman satisfaction</li> </ul>
Satisfaction and loyalty	<ul style="list-style-type: none"> <li>• Landlord recommendation</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Commitment Index (CCI)</li> </ul>	<ul style="list-style-type: none"> <li>• Overall satisfaction</li> </ul>

***Landlord (Dekor)***

- High satisfaction with the landlord (loyalty).
- The Customer Commitment Index (CCI) has fallen noticeably compared to 2021 and only achieves a "medium" rating.
- Overall satisfaction has fallen slightly.
- The decline in loyalty towards the landlord is more pronounced, falling compared to 2021 and 2017.
- The Customer Satisfaction Index (CSI) has remained stable compared to 2021 ("Dekor" properties); at a "good" level in each case.
- Declines are evident in the rating of the flat, the caretaker and cleanliness ("Dekor" properties).

***Landlords***

- In new build concepts, attention should be paid to balcony solar systems, air conditioning systems are less desirable, as are car-sharing offers.
- In new builds, attention should be paid to charging stations for e-cars and connections for e-bikes, e-scooters and e-rollators.

***Recommendations for action***

- The burden of rent and operating costs on tenants leads to an extremely low valuation. It is advisable to examine the extent to which rent adjustments are still affordable for tenants in the future.
- Individual features such as the provision of parking spaces for bicycles, e-charging stations for cars and e-bikes/e-scooters and the expansion of the range of parcel stations are recommended for the future.
- The extent to which the car park situation, the design of green spaces and safety in the building/residential environment can be improved should be examined; implementation of safety precautions.
- Improving order and cleanliness: the focus here is on improving the rubbish bins in particular.
- Optimisation of customer service: Review and adjustment of the processes for information activities by the manager, including availability by telephone, feedback to tenant enquiries by email/written correspondence, processing time, but also the helpfulness and solution orientation and the commitment of employees.
- The tradespeople are generally rated very highly, but the poorer rating compared to 2021 means that the reasons for this need to be analysed. This concerns presence/attendance, friendliness and reliability.
- As loyalty towards the landlord has fallen noticeably, it should be examined to what extent measures can be implemented to help improve the relationship. The desire to present the results of the survey to the tenants was frequently mentioned in the open questions.

### 12.2.3 Fit-out program tenants

#### **Standards**

We have minimum standards for furnishing. Our basic standards for furnishing are described in our Program of Requirements. Our homes are specifically designed and furnished for our different tenant target groups. Depending on the specific target group, the homes may have fully outfitted kitchens, equipped with energy-efficient appliances. The base always includes an induction cooker, a microwave oven, a fridge with built-in freezer compartment, and a sink with luxury mixer tap. Socket outlets are fitted above the countertop and the countertop is illuminated with LED lights.

All our homes have fully finished lavatories and bathrooms equipped with water-saving measures. There is always a luxury washbasin, larger flats even have two luxury washbasins. This washbasin has a basic luxury bathroom cabinet with drawers and above the washbasin there is a mirror with built-in LED lighting and next to the washbasin there are the necessary sockets. A towel radiator is also standard in the bathrooms for extra comfort. The floors in the bathrooms have luxury floor tiles, and the walls have luxury wall tiles up to the ceiling. The shower is fitted with a glass shower screen, which is fitted with a glass shower door with chrome hinges depending on the situation.

The ceilings are also always finished. Depending on the target group, the walls are either finished without any final additions and may be wallpapered by the tenants themselves, or they are finished with wallpaper, plinths and have been painted. Our homes are always equipped with an outdoor area with energy-efficient lighting.

#### **Guides**

Each tenant receives a user manual that includes explanations on of the furnishing of the property. In it, there is a comprehensive chapter on the use of the facilities, equipment and construction items. And also a chapter on the use and maintenance of the home's furnishings. It explains what type of floor finish can be used in the living areas and what specific requirements the choice of material must meet.

#### **Assistance**

There is a property manager for all rental properties. For breakdowns and complaints, tenants can contact the property manager's technical department. It is always possible to contact them for questions regarding the management and maintenance of the fitting-out of the rental properties. Assistance is also provided when the rental flats are first occupied. For example, for newly built houses, explanations are given on how to get building moisture out of the house. And advice is also given to prevent tenants from getting infected with legionella.

When a tenant leaves the property and a new tenant moves in, the property is first surveyed to see if it is suitable to transfer to the new tenant. Necessary repairs are then conducted. When the new tenant (or a first tenant) moves in, comprehensive information about the accommodation is provided.

#### 12.2.4 ESG requirements in lease contracts (green leases)

##### ***Sustainability commitments***

Landlord and tenant agree in good faith to implement sustainability agreements with the aim of ensuring sustainable use of the building and individual property and being able to reduce energy consumption.

The sustainability agreements cover the following topics:

- Determining the sustainability of the building and the use of the property and the related environmental impact, with the aim of reducing this impact.
- Using energy as efficiently and economically as possible.
- Improving the general sustainability awareness of tenants.

Landlord and Tenant make every effort to fully comply with the mutual sustainability agreements. They are obliged to act at least in accordance with environmental guidelines, environmental regulations or other instructions issued by the government or other competent authorities in the field of environment and sustainability when implementing the sustainability agreements.

##### ***Sustainable use***

The tenant shall use the leased property, more specifically electricity, gas and water, as sustainably as possible.

##### ***Information sharing***

The Tenant consents to the Landlord requesting the gross consumption of the remotely readable (gas and electricity) meters ("Smart Meters") in the dwelling and processing this data in order to fulfil the sustainability agreements.

Landlord shall periodically inform Tenant about its personal energy consumption. This data relates to the individual dwelling. Both parties will treat said data confidentially and will only use it to fulfil the sustainability agreements. The Landlord shall ensure that all (third) parties who provide the consumption management on its instructions guarantee this confidentiality.

### **12.3 Diversity, Equity & Inclusion**

DV feels responsibility for a good and healthy living environment within our property portfolio. Our investment property is a home and a fundamental need human right. A combination of commercial spaces, social housing and private sector housing is realized when developing the communities to create a lively neighbourhood for residents and visitors from a variety of backgrounds. We believe that a high quality of life requires outdoor space which can be shared by the tenants and the community.

Legislation also contributes to equity. There is legislation to ensure that rental housing is affordable.

**Germany - Berlin | Rent cap "Mietpriesbremse"**

The rent cap applies throughout Berlin due to the tight housing market situation. Therefore, the rent at the beginning of the tenancy should not exceed the local comparative rent by more than 10%.

## **12.4 Community engagement**

### **12.4.1 Community health and well-being**

We intend for our projects to contribute to a social infrastructure that incorporates innovations and new technologies as an integral part of community development aimed at shaping urban, ecological and affordable housing in a socially responsible manner. When investing in our portfolio to provide a good and healthy living environment for our tenants, the positive impact often spreads to the community as well. With respect to the health of tenants and community members, we have made several investments designed to promote health.

### **12.4.2 Public spaces**

A combination of commercial spaces, social housing and private sector housing is realized when developing the communities to create a lively neighbourhood for residents and visitors from a variety of backgrounds. We believe that a high quality of life requires outdoor spaces which can be shared, and the majority of our properties and developments offer shared spaces such as gardens and playgrounds.

### **12.4.3 Health-related activities for surrounding community**

Hosting events focused on promoting and supporting the local community's physical, mental, and/or social well-being. Examples include but are not limited to community yoga, cultural celebrations, community clean-ups, fundraising social events, etc.

## **12.5 Health, Safety & wellbeing**

### **12.5.1 Connection between humans and nature**

We strive to support a high quality of life which in DV's view requires outdoor space which can be shared by all residents. Most of our properties and developments offer shared spaces such as gardens, playgrounds and/or rooftop terraces.

### 12.5.2 Promoting physical activity

Promotion of health-focused physical activity events and access to spaces designated for recreation, including but not limited to green spaces, picnic areas, sport facilities, or children's playgrounds.

### 12.5.3 Improve accessibility to buildings for residents

Placing high-quality stairs in strategic locations, improving building accessibility, providing sufficient capacity for bicycle parking. All properties are accessible for wheelchairs and partly disabled persons and have sufficient capacity to park bikes, including cargo bikes.

### 12.5.4 Inclusive design

Design that accommodates individuals of different religions, genders and gender identities, ages, ethnicities, and ability levels. This could include the provision of multi-faith space, lactation room, age-friendly design and/or accessible design.



## GOVERNANCE

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### 13 Governance model

Our governance structure is of essences to uphold the companies integrity. Corporate governance is necessary for effective, entrepreneurial and prudent management to deliver the long-term success of our organization. We aim to ensure business is done competently, with integrity and with due regard and care to the interests of all stakeholders. It embraces regulation, structure, good practice and board ability.

During 2024 we have reviewed and enhanced our compliance Framework to guide and support our staff and provided our code of Conduct accompanied by a Staff awareness training. To promote our core values and to provide a guideline how to convert these values into daily practice, some compliance topics have been explicitly and in depth been described in Policies and Procedures.

This compliance framework currently contains the Code of conduct and the following Policies:

- IT & Data Security Policy
- Data Protection Policy
- Anti Bribery & Corruption Policy
- Whistleblowing Policy
- ESG Policy
- Office Security- Health & Safety Policy

## 14 Risk Management

DV attaches great importance to a solid risk management policy. It helps the organization to achieve its objectives in an adequate and controlled manner. Doing business involves taking risks. We strive to be a successful and respected company and seek to take a balanced risk approach. Risk management is an essential element of our corporate governance and strategy development. We continuously strive to foster a high awareness of business risks and internal control to provide transparency in our processes and operations.

The relevant risks are assessed for probability and impact according to a fixed pattern and are weighted accordingly. The company's risk appetite is set by management in close contact with the Supervisory Board and the shareholders. All risks are determined on the basis of the probability and impact assessment and offset versus the risk appetite for DV. Reasons to qualify risks as unacceptable for DV are risks that have serious impact on:

- Continuity
- Reputation
- Revenue
- Profitability

## 15 Reporting & Monitoring

### 15.1 Reporting

DV has installed several reporting & monitoring structures. We are strongly committed to maximise data collection and pursues data validation and (external) data verification where possible. Currently, DV reports and monitors its ESG performance through various reports, including:

- Annual report
- GRESB Real Estate Benchmark Report.
- ESG Report

Collecting the right data is challenging and unfortunately sometimes not feasible. As a real estate organisation, we will continuously improve our data collection, aiming to increase quantity of data by focussing on data coverage and increasing data quality.

Gathering data is strongly depending on cooperation of external parties like energy companies, water companies, waste management companies as well as the tenants. Due to privacy laws, obtaining the data is often depending on the consent of individual tenants. At times intermediaries are authorised to request data and anonymise it to share with DV. But more often DV will have to resort the data gathering to enter into agreements with tenants, so-called green leases, to formalise the consent to and the transition of data.

### 15.2 Monitoring

On a monthly basis Asset meetings are held with Property Management and Asset Management as well as a meeting between Fund Management and Asset Management. During this meeting topics related to:

#### ***Tenants***

- Tenant satisfaction
- Complaint handling
- Community and environment
- Management and maintenance
- Budget and investments

**Sustainability**

- Improvement of energy labels
- Energy management and consumption
- Water management and consumption
- Waste management
- Sustainable building installations and materials

The discussions and topics in the meetings are captured in meeting-minutes and are provide to the Board of Directors, for assessment, monitoring, active engagement, and potential strategic adjustments. Any proposed investment by the Asset Management department will be reviewed by the controlling department and presented to the Board of Directors for validation. This is common practise during the development and exploitation phase of the assets.

**15.3 Assurance of data**

To ensure confidence in the integrity and reliability of the reported data for our investors and participants, we have our ESG data verified by third parties.

- Cooltree – GRESB performance data – AA1000 Licensed Assurance Provider
- Deloitte – ESG performance data