



Results GREEN Engagement Program
Global Real Estate Engagement Network

2023 Pensioenfonds Achmea

Almazara Real Assets Advisory

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Foreword

The Global Real Estate Engagement Network (hereinafter: GREEN) is a network of institutional investors (pension funds, insurance companies, asset managers). On recognition of real estate's contribution to climate risk and the consequences faced by the sector, the network was founded to utilize the power of collaboration.

GREEN members perform engagement on financially material topics in real estate related to climate risks. The collaboration focuses on both listed real estate (currently the FTSE EPRA NAREIT Developed index constituents) and non-listed funds. The network also cooperates, wherever possible, with asset managers and engagement providers that are not (yet) a member.

GREEN has committed asset owners and asset managers with over EUR 3 trillion of total assets under management. GREEN had 25 members at the end of 2023, as Sarasin & Partners, Bouwinvest, BPF Bouw and Schroders joined the collaborative network. Membership of GREEN increases both the efficiency and effectiveness of engagement, as collaborating in GREEN provides economies of scale, and collectively more influence can be exerted on the climate risk management policies of real estate companies and funds.

The Global Real Estate Engagement network has three groups of members:

1. Asset owners and managers with a sustainability/engagement team that will lead some of the engagements of the GREEN network (engaging-members)

2. Asset owners and managers without or with a limited engagement team that use the capabilities of engagement service providers (outsourced engagement members)
3. Service providers who engage on behalf of their clients (service provider members)

In this report Finance Ideas and Almazara, two of the engagement service providers, report on their efforts and results in engaging both listed and non-listed real estate funds/companies based on the GREEN investor statement. We also report on the progress of the GREEN initiative as a whole, as Finance Ideas and Almazara – together with you as a client - have been instrumental in setting up GREEN.

This report describes the beneficial results of collaboration and effective engagements over the last 12 months: t. The engagement process monitors milestones and reports on improvements using a dashboard. This measures whether companies fulfill the requests made by shareholders in the investor statement. We are encouraged by the initial results but there is still more progress needed to reach the 2050 Paris Agreement Goals. The results demonstrate the vital importance of GREEN.

GREEN has become an established, unique coordinating platform for stimulating climate risk management in real estate. GREEN has been active in several industry working groups, presenting at several international conferences, and communicating via (social) media.

GREEN's newsletter, containing all relevant industry news, and our research articles in collaboration with the University of Maastricht are well read. GREEN now has over 1200 followers on LinkedIn.

We would like to thank all our clients / outsourced engagement members of GREEN for their support and congratulate you on the impact you have made by being a launching member. We would also like to thank GREEN funders Laudes Foundation and Climate Works for their financial support, and the engaging-members of GREEN for collaborating with us in GREEN and making GREEN a truly Global Real Estate Engagement Network.

Finance Ideas & Almazara





Engagement results Pensioenfonds Achmea



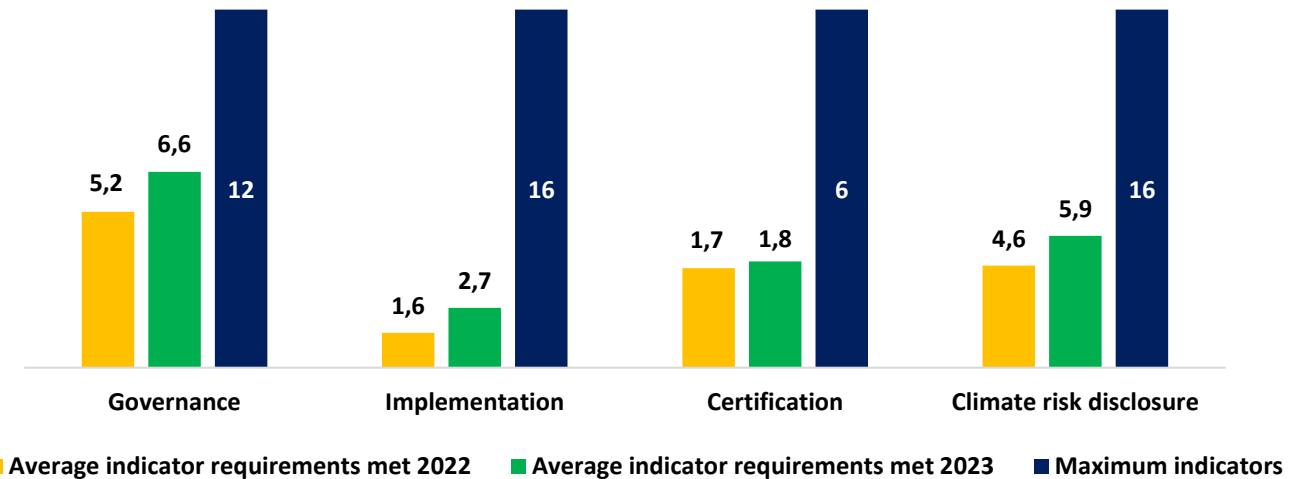
Like-for-like changes in GREEN's dashboard assessment results – Pf Achmea

Like for like changes

The graph on the right displays the average number of awarded indicators for 9 funds* in the GREEN dashboard that Stichting Pensioenfonds Achmea is invested in, for both 2022 and 2023. Below we give an overview of the most notable results when comparing the year-over-year results:

1. First, we notice an increase in the average number of indicators for which requirements have been met. The average stands at 17.0, compared to 13.1 for 2022.
2. Similar to last year, the US based and APAC based funds do not have a scope 3 net-zero commitment. Their commitment only includes scope 1 and 2. The European based funds do have a scope 1, 2 and 3 net zero commitment.
3. Compared to last year, there is one more fund with a scope 3 target and embodied carbon target.
4. Compared to last year, one more fund now also has a high-level implementation plan.
5. In 2022, no fund had asset level plans. In 2023, one fund has. That fund is, similar to last year, the only fund with a timeline of asset level plans and sustainability CAPEX.

Assessment points (n=9)



6. Compared to last year, there is one more fund with more than 90% energy label coverage on standing investments. Similar to last year, there are two funds with >90% certification coverage on standing investments.
7. Similar to last year, there is only one fund without disclosure of energy intensity. All the other funds disclose at least 20% of their energy intensity. Only two funds disclose >80% of energy and/or GHG intensity.
8. No fund discloses a CRREM or similar transition scenario analysis on portfolio level, but three funds do disclose the stranding year of the portfolio.
9. No extra funds disclosed physical risk assessment results in 2023.
10. Still, only one fund discloses their adaptation measures for assets at physical climate risk.

* Note: For confidentiality reasons, fund names and their results are not disclosed.



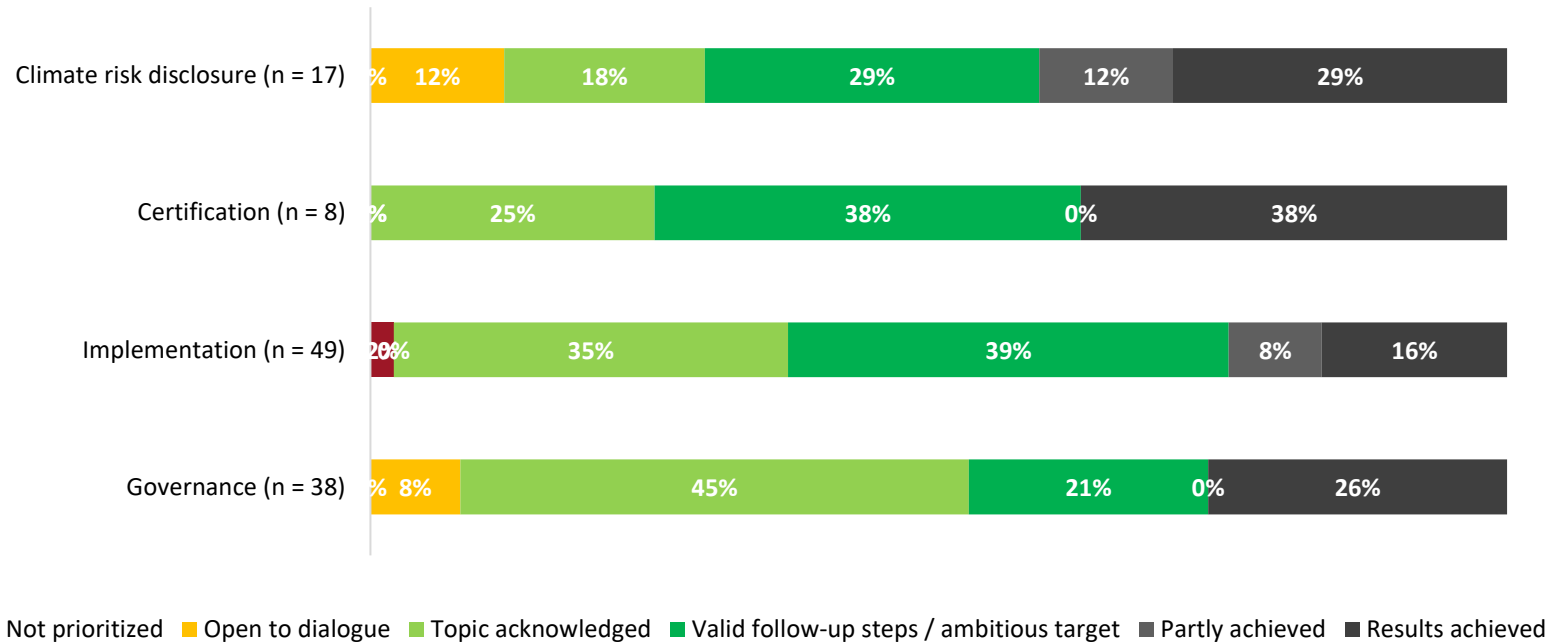
Milestones engagement PF Achmea 2022

The graph on the right displays the engagement topics discussed and milestones identified during conversations for the nine funds of Stichting Pensioenfonds Achmea.

Most discussed topics are intermediate and long term CO2 targets (specifically scope 3 targets and embodied carbon targets), implementation plans on portfolio and asset level, and physical risk disclosure.

In general, for Stichting Pensioenfonds Achmea, most funds are already actively working on the topics that we addressed during conversation. We see differences between regions. For US funds, discussions are mainly about scope 3 targets, the use of CRREM and performing net-zero audits. EU funds are farther in their pathway to net-zero, so discussions mainly focus on embodied carbon and translating net-zero audits into asset level plans.

Most funds seem to be open to our feedback. Most funds however seem somewhat reluctant to share data, especially on asset level.



GREEN Member base

Explanation of member base

As of February 2024, GREEN consists of a total of 25 members, with their logos displayed on the right.

Not all members have joined GREEN in a similar fashion. A distinction is to be made between the GREEN engagement members, for whom both Almazara and Finance Ideas (the engagement service providing members) carry out the engagements, and the GREEN engaging members, who carry out engagement projects themselves.

Not all GREEN engagement members are subscribed to both listed and non-listed engagements. For those that are subscribed to listed engagements, some of the engagements may be carried out by GREEN engaging members, with oversight of the GREEN secretariat (Finance Ideas).

GREEN members 29-2-2024

