

Periodic Disclosure 2023

APG Strategic Real Estate Pool



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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: APG Strategic Real Estate Pool

Legal entity identifier: 5493000OH2JWBTM3J026

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics	
Did this financial product have a sustainable investment objective?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: _____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: _____%	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have a sustainable investment as its objective, it had a proportion of 0.9% of sustainable investments <ul style="list-style-type: none"> <input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This product promotes the following environmental and/or social characteristics¹:

Corporate Exclusion Policy

The Corporate Exclusion Policy was applied to this product. The product did not invest in companies involved in the production, sale or distribution of:

- cluster munitions;
- anti-personnel mines;
- nuclear, chemical or biological weapons.

Furthermore, the product did not invest in companies involved in the production of:

- tobacco

In the reporting year, there were no breaches of the Corporate Exclusion Policy in this product.

Corporate Inclusion Policy

The Corporate Inclusion Policy applies to this product. By design, all companies in this pool meet the inclusion policy criteria for real estate investments.

The inclusion policy for real estate investments is based on:

Absolute normative requirements (failing on one of these items would lead to an Laggard status):

1. No involvement in significant controversies
2. No revenue above 30% and 20% from coal mining and tar sands (unlikely to be an issue for RE as tenants are excluded)
3. If involved in high-risk geographies, evidence of an adequate human rights policy

Beyond these absolute requirements we check regularly whether a company has either;

- a) Bribery & Corruption Policy, OR
- b) Whistleblower Program

If there is no evidence of either of these items then, in order to be a Leader, the company has to outperform its peers on the class-relative u-score assessment of the following 9 KPIs:

- Bribery & Corruption Policy
- Whistleblower Programs
- Environmental Management System
- Supplier Environmental Programs
- Green Buildings Investments
- ESG Reporting Standards
- ESG Governance
- Diversity Programs
- Scope of Social Supplier Standards

¹ For more information about the Corporate Exclusion Policy, Corporate Inclusion Policy and the Sustainable Development Investments approach, please see: <https://apg.nl/en/about-apg/asset-management/responsible-investment/>.

Beyond the regular inclusion policy, as described above, APG RE has decided to implement a more strict inclusion methodology for real estate, also named as the “inclusion plus” approach, which is based on absolute minimum requirements, including:

	Minimum requirements
Green Building Certification	>0% (by floor area) is certified with a recognized green building certification scheme
Climate Change Transition Risk	Measured GHG emissions data must be available
Climate Change Physical Risk	Geo-coordinates must be disclosed
Anti-bribery and anti-corruption	Anti-Bribery & Anti-Corruption Policy <u>must</u> be in place and made publicly available
Whistleblower Program	A Whistleblower Program <u>must</u> be in place and made publicly available
Human Rights Policy	A human rights policy <u>must</u> be in place and made publicly available
Controversies and severe incidents	No involvement in significant controversies (based on RepRisk; severe incident reporting).
GGP - Good Governance Practices Test	Under SFDR each investee company must meet GGP pre and post investment.

CRREM²

Energy and carbon intensity from the investments in the product (where data is available) are compared with the CRREM pathways applicable to the country/sector segment of the investment. When both the energy and carbon intensity lies below the current pathways, the investment is considered ‘CRREM’ aligned.

Controversy screening

Investments in this product are structurally monitored on (severe) controversies. RepRisk Rating has been considered for this product as well as a watchlist that alerts the portfolio management team when a severe incident is detected by the RepRisk software.

GRESB³

The Global Real Estate Sustainability Benchmark (GRESB) score of investments in this product was measured.

Green building certification

The green building certifications of the investments in this product. Based on GRESB data, the exposure to green building certificates has been monitored and updated. Green building certification was promoted when having a dialogue with the companies.

Sustainable Development Investments⁴

An ambition applies to this product to actively seek investments on a best efforts basis that contribute to the Sustainable Development Goals. Following the SDI definition of GRESB 4/5 stars, 54.6% of the pool is considered a SDI.

² [CRREM - Make decarbonisation measurable & Manage Carbon Risk](#) and [Home - CRREM Global](#)

³ [GRESB | Global ESG Benchmark for Real Assets](#)

⁴ Please note that Sustainable Development Investments do not constitute investments as defined by SFDR.

Climate risk

Risk factors are measured via exposure to individual physical climate risk hazards for investments within this product.

Anti-bribery & anti-corruption and whistle-blower program

Presence of anti-bribery & anti-corruption policy and whistle-blower program.

● How did the sustainability indicators perform?

Sustainability Indicator	Observations over reporting period	Observations over prior reporting period
The absence of excluded products/companies in this financial product;	There were no excluded products in the pool, no incidents or breaches.	There were no excluded products in the pool, no incidents or breaches.
The share of leaders in the product, based on the Corporate Inclusion Policy methodology;	The corporate inclusion policy applies to the listed investments held by the pool. All of these investments are considered leaders based upon the corporate inclusion methodology, hence 100% of NAV.	78% by NAV.
The GRESB score of investments in this product is being compared to the GRESB benchmark at both investment as well as product level;	Average GRESB score for the investments in this product is 90.3 which compares to an average score of 73 for all GRESB participants.	Average GRESB score for the investments in this product is 84.5 which compares to an average score of 74 for all GRESB participants.
Asset / vehicle level performance against CRREM pathways (www.crrem.eu and www.crrem.org) is being monitored and measured at both investment as well as product level;	At the pool level, non-compliant exposure, i.e. exposure to investments that exceed their CRREM pathway amounts to 51.3%. CRREM Compliance = investment is on average compliant with both GHG and energy pathways.	At the product level, non-compliant exposure, i.e. exposure to investments that exceed their CRREM pathway amounts to 21.8% for GHG data and 32.1% for Energy data.
The share of green building certification of assets in operation is being monitored and measured;	14.9% of operational buildings are certified by area.	16% of area of the investments have been certified.
The sustainability indicator to measure SDIs is the % of investments classified as SDIs versus the overall NAV of this product;	54.6% of NAV is considered a SDI according to the previous methodology (SDI = GRESB 4/5 star). As of January 1st 2024, a new methodology came into effect where SDI = CRREM aligned. Following that approach 48.7% of the NAV is considered SDI (CRREM aligned).	56% of operational buildings is certified by area.
Structured monitoring and quarterly reporting on (severe)	We make use of RepRisk, where we have set up a	We make use of RepRisk, where we have set up a

<p>controversies for investments within this product;</p>	<p>watchlist for this product. Controversies, ESG incidents, and other news items with high headline risk are flagged and subsequently followed up on. Controversies that have been identified during the reporting periods follow our standard engagement framework. During the reporting period, 2 incidents were identified.</p>	<p>watchlist which covers the active investments in this product. Controversies, ESG incidents and other news items with high headline risk is flagged and subsequently followed up on. Controversies that have been identified during the reporting periods follow our standard engagement framework. During the reporting period, no severe controversies have been identified.</p>
<p>Structured monitoring and measurement of exposure to individual physical climate risk hazards for investments within this product;</p>	<p>A Real Estate specific framework is in place to measure and monitor physical climate risk via an internal dashboard. The framework takes into account various physical risk factors and aggregates into a final score for each investment, providing visibility on such risks at various levels (regional, country, sector etc).</p>	<p>A Real Estate specific framework is in place to measure and monitor physical climate risk via an internal dashboard. The framework takes into account various physical risk factors and aggregates into a final score for each investment, providing visibility on such risks at various levels (regional, country, sector etc).</p>
<p>Structured monitoring and measurement of investments with an anti-bribery & anti-corruption policy as well as a whistle blower program in place.</p>	<p>We make use of RepRisk, where we have set up a watchlist for this product. Controversies, ESG incidents and other news items with high headline risk is flagged and subsequently followed up on. Controversies that have been identified during the reporting periods follow our standard engagement framework. During the reporting period, no incidents were reported.</p>	<p>Investments in this product are required to have such programs in place to be eligible for inclusion in the portfolio. The RepRisk controversy screen also captures controversies related to bribing and corruption.</p>

● **... and compared to previous periods?**

Refer to the above table for a comparison with the previous period. The CRREM alignment has notably decreased (i.e. exposure to energy **in-efficient** real estate has therefore increased) from previous year. This can be explained by the CRREM pathways becoming more conservative as we move forward in time, since the benchmark level for energy and carbon emission intensity decreases each year. Further, changes made to counteract this will take time to carry out and see benefits.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

While this product is not committed to make sustainable investments, we are obliged to report on the Taxonomy-aligned investments in this product as the product promotes environmental characteristics. Taxonomy-aligned investments, also qualify as sustainable investments under the SFDR and contribute to one of the environmental objectives specified in the Taxonomy Regulation. The Taxonomy aligned investments in the product contributed to climate change mitigation objective.

At this moment, a methodology to measure sustainable investments is under development.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

For Taxonomy-aligned investments the “do no significant harm test” is vested in the Technical Screening Criteria of the Taxonomy Regulation. All Taxonomy-aligned investments meet these criteria.

How were the indicators for adverse impacts on sustainability factors taken into account?

In addition to the Technical Screening Criteria, the Minimum Safeguards of the Taxonomy Regulation have been applied to ensure that all relevant principal adverse impact indicators are taken into account to assess the do no significant harm test. For more information about the extent to which the sustainable investments with an environmental objective were Taxonomy-aligned see: “To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?” By applying the exclusion policy for this product, it is ensured that the product is not exposed to manufacture or selling of controversial weapons.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

By applying the Minimum Safeguards of the Taxonomy Regulation to the Taxonomy-aligned investments in this product we ensure that these investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through compliance with the requirement around the Minimum Safeguards for Taxonomy-aligned investments. This means that the Taxonomy-aligned investments in this product have implemented appropriate due diligence and remedy procedures to ensure the alignment with the standards for responsible business conduct mentioned in the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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How did this financial product consider principal adverse impacts on sustainability factors?

Sustainability Indicators				
Indicator	Metric		Explanation	Observations/data over the reporting period
PAI # 1	GHG emissions	Scope 1 GHG emissions	Scope 1, 2 and 3 GHG emissions of the investments in this product are measured and monitored. Scope 3 emissions include primarily emissions related to energy used by tenants.	Scope 1: 57,989 tCO ₂ e Scope 2: 231,955 tCO ₂ e Scope 3: 752,526 tCO ₂ e
		Scope 2 GHG emissions		
		Scope 3 GHG emissions		
		Total GHG emissions		
PAI # 2	Carbon footprint	Carbon footprint	Carbon footprint of the investments in this product are measured and monitored and quantified how much is attributable to this product, where measured data is available. If measured data is not available, APG will engage.	Total carbon footprint equals to 25 tCO ₂ /per million EUR
PAI # 3	GHG intensity of investee companies	GHG intensity of investee companies	GHG intensity of the investments in this product is measured against applicable CRREM pathways. Consequently, the GHG intensity is measured in terms of kgCO ₂ /m ² , which is industry practice and not measured in terms of GHG by enterprise value.	34.7 (Kg/m ²)
PAI # 4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	This product is not allowed to invest in companies active in the fossil fuel sector.	0%
PAI # 5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total	Share of non-renewable energy consumption is generally available to the extent that entities report to GRESB.	79.8%

		energy sources		
PAI # 6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Energy consumption intensity for real estate assets is measured on a m ² basis and compared to the CRREM pathways.	109.5 (KWh/m ²)
PAI # 7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	Not measured and monitored. However, through promoting green building certification ⁵ APG aims to limit potential negative impacts.	Green building certifications by m ² are 14.9% for this product.
PAI # 8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	Proxy	RepRisk's Research Scope covers 28 ESG Issues including: - Wastewater management - Water management - Water scarcity DNSH threshold: no severe incidents related to these issues
PAI # 9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	Proxy	RepRisk's Research Scope covers 28 ESG Issues including: - Waste issues (i.e. including nuclear waste and asbestos) DNSH threshold: no severe incidents related to these issues

Social Indicators				
Indicator	Metric		Explanation	Observations/data over the reporting period
PAI # 10	Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Monitored but not measured, as the definition is currently insufficiently clear. Breaches will be followed up by engagement and reporting on breaches and engagements will be shared with clients on a quarterly basis or on demand. In order to mitigate any breaches, anti-bribery & anti-corruption policies are required as well as a whistleblower program.	Monitored via RepRisk watchlist. No violations detected.
PAI # 11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Based on the Corporate Inclusion Policy, investments in this product are assessed on the presence of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the OECD Guidelines for Multinational Enterprises. This includes the requirement to have an anti-bribery & anti-corruption policy in place, as well as a whistleblower program.	Monitored via RepRisk watchlist. No violations detected.
PAI # 12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	GRESB provides information at entity level on whether a the gender pay gap is monitored. DNSH threshold: gender pay gap is monitored by the entity	72.0% for this product.
PAI # 13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	GRESB provides information at entity level of the gender ratio of governance bodies.	The ratio is 30.8% for this product.

PAI # 14	Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	Based on the Corporate Exclusion Policy, no investments in controversial weapons are allowed to be made.	0%
PAI # 17	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	Not measured and monitored.	While data is available (excl. tenants) APG AM's investments in RE are not directly exposed to the fossil fuel sector.
PAI # 18	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	Exposure to inefficient real estate assets is being monitored through CRREM compliance but not in accordance with the prescribed formula. The CRREM pathways are science-based and it is assumed that these pathways are more stringent than the formula provided by the SFDR. Further, the formula as prescribed by the SFDR can only be applied to investments in Europe, whilst the product includes investments globally. Finally, the definitions of e.g. NZEB rules are not available in all MS to date. Consequently, APG is at the position that the CRREM methodology is a more conservative approach.	The investments in this product that were not compliant with the CRREM Energy pathways, i.e. total exposure to energy-inefficient real estate assets is 45.4%.



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **2023**.

What were the top investments of this financial product?

#	Largest investments	Sector	Country	% Assets
1	Prologis Inc	Real Estate	United States	4.6%
2	Goodman Hong Kong Fund	Real Estate	Cayman Islands	3.1%
3	Scape Living Limited	Real Estate	United Kingdom	2.4%
4	citizenM Holding B.V.	Real Estate	Netherlands	2.3%
5	Digital Realty Trust Inc	Real Estate	United States	2.2%
6	TH European Outlet Mall Fund	Real Estate	Luxembourg	1.9%
7	Equinix Inc	Real Estate	United States	1.9%
8	Goodman Trust Australia	Real Estate	Australia	1.8%
9	Alexandria Real Estate Equities Inc	Real Estate	United States	1.8%
10	e-Shang (COMP)	Real Estate	Cayman Islands	1.7%
11	Greystar Growth & Income Fund	Real Estate	United States	1.7%
12	APG Australian IH Trust	Real Estate	Australia	1.7%
13	Chongbang Holdings (Int.) Ltd.	Real Estate	Cayman Islands	1.7%
14	Get Living PLC	Real Estate	United Kingdom	1.6%
15	Promote Partnership II REIT LLC	Real Estate	United States	1.6%

The top investments are calculated based on a quarterly average as a percentage of Net Asset Value. The country is the country of domicile.

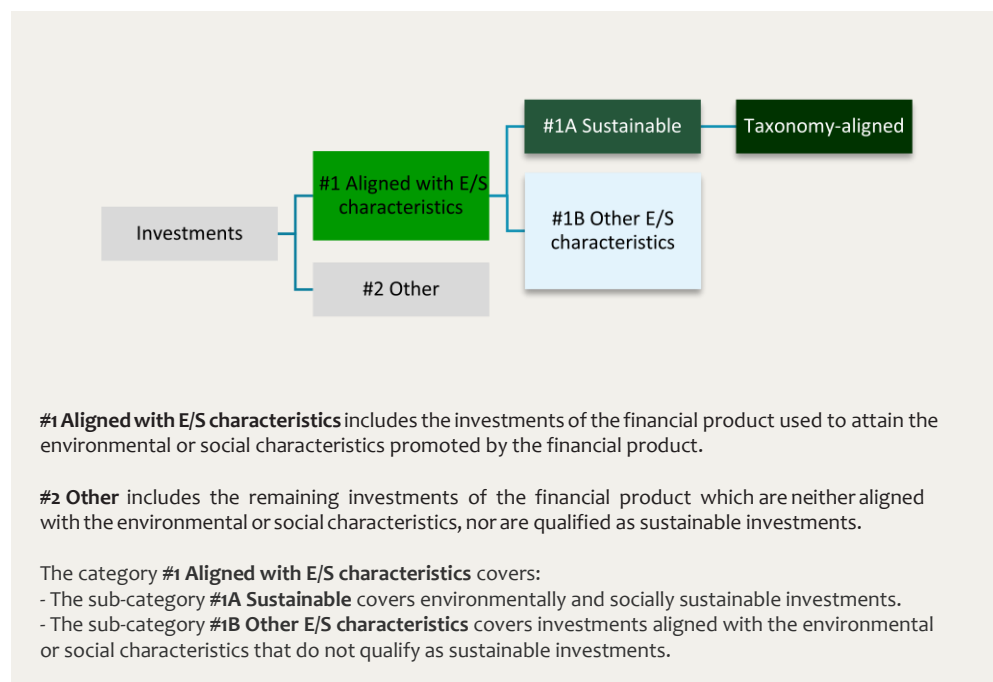


Asset allocation
describes the share
of investments in specific assets.

What was the proportion of sustainability-related investments?

● **What was the asset allocation?**

The asset allocation of this product is split between investments “aligned with E&S characteristics” (100%) and “other” (0%). The values are calculated based on a quarterly average as a percentage of Net Asset Value.



In which economic sectors were the investments made?

Sector	Subsector	% Assets
Residential	n/a	25.8%
Logistics	n/a	22.6%
Retail	n/a	20.1%
Other	n/a	16.0%
Office	n/a	9.1%
Hotels	n/a	6.4%

The sectors are calculated based on a quarterly average as a percentage of Net Asset Value. As required by the SFDR regulation, the subsectors related to fossil fuel are provided.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Through its investments, the product contributes to the following environmental objectives as set out in article 9 of the EU Taxonomy:

- climate change mitigation: 0.9%
- climate change adaptation: 0.0%

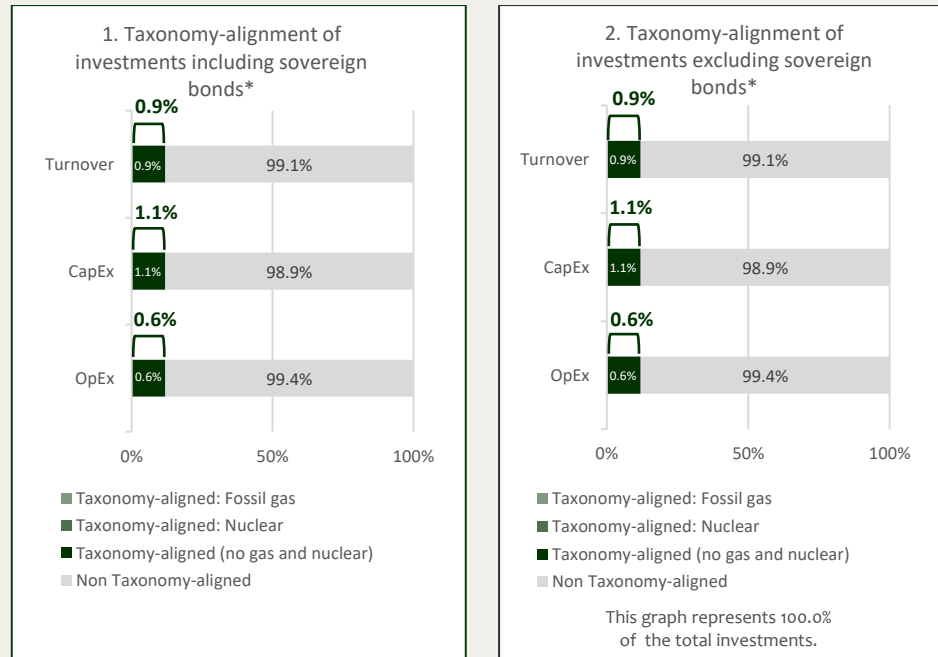
The figures provide the share of taxonomy aligned activities as a share of turnover. The taxonomy-alignment percentages are calculated based on a quarterly average. Taxonomy-alignment is currently only reported for listed investments held by the product. In limited cases in which the company did not publicly report on their taxonomy-alignment, equivalent information where obtained from a third party data provider. The requirements laid down in Article 3 of Regulation (EU) 2020/852 were neither subject to an assurance provided by an auditor nor reviewed by a third party.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy⁵?**

- Yes:
- In fossil gas In nuclear energy
- No

⁵ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds**.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.
 ** For the purpose of readability, the shaded areas in the graph are zoomed in. The size of these areas therefore no longer matches their relative proportion compared to the total.

The taxonomy-alignment percentages are calculated based on a quarterly average. In limited cases in which the companies did not publicly report on their taxonomy-alignment, equivalent information were obtained from a third party data provider. The requirements laid down in Article 3 of Regulation (EU) 2020/852 were neither subject to an assurance provided by an auditor nor reviewed by a third party.

What was the share of investments made in transitional and enabling activities?

The product invested 0.0% of its investments in enabling activities and 0.0% in transitional activities.

The figures provide the share of taxonomy aligned transitional and enabling activities as a share of turnover. The taxonomy-alignment percentages are calculated based on a quarterly average. In limited cases in which the companies did not publicly report on their taxonomy-alignment, equivalent information were obtained from a third party data provider. The requirements laid down in Article 3 of Regulation (EU) 2020/852 were neither subject to an assurance provided by an auditor nor reviewed by a third party.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

No investments in the category “other” were held during the reference period.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The exclusion list has been updated, this takes place twice a year. The list of companies producing tobacco, nuclear and controversial weapons is then updated and communicated with the benchmark provider and external managers.

CRREM alignment has been measured. This is done in January covering the prior reporting period. In order to obtain data to perform the CRREM analysis, GRESB participation has been promoted when having a dialogue with the companies.

The physical risk assessment has been updated using the latest asset level data retrieved from SNL.

Based on GRESB data, the exposure to green building certificates has been monitored and updated. Green building certification was promoted when having a dialogue with the companies.

The RepRisk watchlist has been updated 4 times during 2023.

Climate risk factors are measured via exposure to individual physical climate risk hazards for investments within this product. During the reporting period the exposure to physical climate hazards are presented in the below table as of December 2023:

Risk bucket	No data	Lowest risk	Low risk	Medium risk	High risk	Highest risk	Totals
Cold stress	1.8%	5.6%	7.2%	33.3%	51.6%	0.6%	100.0%
Drought	1.8%	15.1%	28.7%	40.0%	12.8%	1.6%	100.0%
Earthquakes	1.8%	61.7%	17.7%	7.4%	5.3%	6.1%	100.0%
Flooding	1.8%	47.7%	13.2%	7.9%	25.5%	3.9%	100.0%
Heat Stress	1.8%	48.4%	22.2%	23.3%	3.4%	0.8%	100.0%
Sea Level Rise	1.8%	61.9%	16.0%	17.3%	0.1%	2.8%	100.0%
Storm Hurricanes and Typhoons	1.8%	24.9%	20.2%	18.8%	23.1%	11.1%	100.0%
Water Stress	1.8%	6.7%	12.0%	33.6%	24.0%	21.9%	100.0%
Wildfires	1.8%	20.0%	40.3%	35.4%	2.5%	-	100.0%



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

- **How does the reference benchmark differ from a broad market index?**

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

Not applicable.

- **How did this financial product perform compared with the broad market index?**

Not applicable.