

A large, modern brick building with multiple windows and a paved courtyard area with outdoor seating.

AMVEST LIVING & CARE FUND

Sustainability Report 2021

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PROFILE

We have a strong focus on creating and investing in energy-efficient care homes that are rented out to our care partners or people who live independently and have a low demand for care. We aim to provide comfortable, caring, and sustainable environments for everyone who needs assistance in their daily life, regardless of their budget.



KEY CHARACTERISTICS

- Established in 2013 by AEGON and PGGM.
- Dutch non-listed (residential related) healthcare real estate investment fund.
- Benchmarked by GRESB on sustainability.
- INREV and AIFMD compliant.
- Fiscally transparent Fund for joint account.
- Regionally diversified portfolio.
- Managed by a dedicated team.
- Strategic partnerships with care providers and real estate developers.
- Diversified focus on target groups (care and budget) through care providers.

Dagelijksleven
Gewoon, als thuis

FUTURA
WONEN ZORGEN LEVEN!

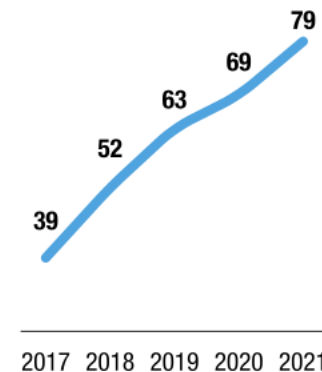

Zorggroep De Laren

HET
CAST
EN
HUIS



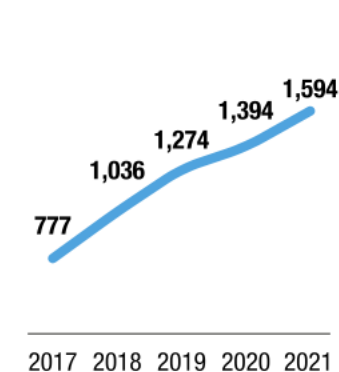
79

number of locations



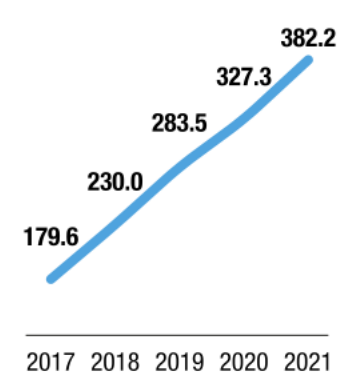
1,594

number of units

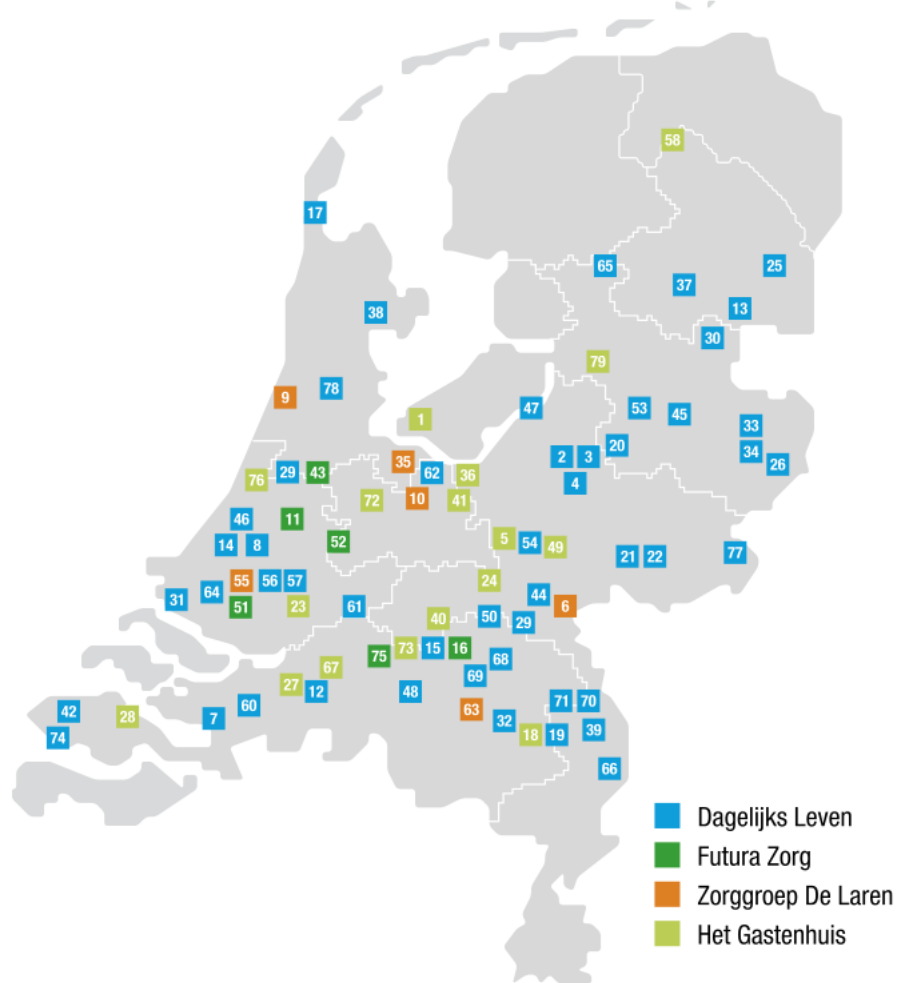


382

total assets
(in EUR million)



PORTFOLIO



- | | | |
|------------------|-------------------|---------------------|
| 1 Almere | 30 Hardenberg | 59 Roelofarendsveen |
| 2 Apeldoorn I | 31 Hellevoetsluis | 60 Roosendaal |
| 3 Apeldoorn II | 32 Helmond | 61 Sleeuwijk |
| 4 Apeldoorn III | 33 Hengelo I | 62 Soest |
| 5 Bennekom | 34 Hengelo II | 63 Son en Breugel |
| 6 Berg en Dal | 35 Hilversum | 64 Spijkenisse |
| 7 Bergen op Zoom | 36 Hoevelaken | 65 Steenwijk |
| 8 Berkel | 37 Hoogeveen | 66 Tegelen |
| 9 Bloemendaal | 38 Hoorn | 67 Teteringen |
| 10 Bosch en Duin | 39 Horst | 68 Uden |
| 11 Boskoop | 40 Kerkrade | 69 Veghel |
| 12 Breda | 41 Leusden | 70 Venray I |
| 13 Coevorden | 42 Middelburg | 71 Venray II |
| 14 Delft | 43 Nieuwveen | 72 Vleuten |
| 15 Den Bosch I | 44 Nijmegen | 73 Vlijmen |
| 16 Den Bosch II | 45 Nijverdal | 74 Vlissingen |
| 17 Den Helder | 46 Nootdorp | 75 Waalwijk |
| 18 Deurne I | 47 Nunspeet | 76 Warmond |
| 19 Deurne II | 48 Oisterwijk | 77 Winterswijk |
| 20 Deventer | 49 Oosterbeek | 78 Zaandam |
| 21 Doetinchem | 50 Oss | 79 Zwolle |
| 22 Doetinchem II | 51 Oud-Beijerland | |
| 23 Dordrecht | 52 Oudewater | |
| 24 Druten | 53 Raalte | |
| 25 Emmen | 54 Renkum | |
| 26 Enschede | 55 Rhon | |
| 27 Etten-Leur | 56 Ridderkerk I | |
| 28 Goes | 57 Ridderkerk II | |
| 29 Grave | 58 Roden | |



KEY HIGHLIGHTS 2021



9.3¹⁾

Resident satisfaction for accommodation
(Zorgkaart Nederland)



5 star GRESB rating¹⁾
(91 out of 100 points)



The Fund received the **GRESB award** for
Overall Global Sector Leader,
Overall Regional Sector Leader,
Global Sector Leader, and Regional Sector Leader among
healthcare real estate investment funds.



200 care apartments
added (10 buildings)



Pipeline of 710 apartments
(14 buildings)

Average Energy Use Intensity:
2021: 131.4 kWh/m²/year¹⁾ (2020: 120.1 kWh/m²/year)

Average carbon emission:
2021: 21.0 kg/m²/year¹⁾ (2020: 19.4 kg/m²/year)



421,421 kWh

On site renewable energy produced
(saving 220 tons CO₂)

1) Please refer to the KPI tables in the Annexes. KPI's include limited assurance by external auditor.

PROPERTIES ADDED IN 2021





REPORT OF THE FUND MANAGER

MANAGEMENT TEAM FOREWORD

We are pleased to present the Amvest Living & Care Fund (ALC Fund) 2020-2021 Sustainability Report. Our Fund touches every aspect of sustainability. By investing in Dutch residential healthcare real estate, we help meet the growing need for high-quality living environments for people who need care and assistance. By building our residential care homes with the environment in mind, we contribute to a healthier planet. And by making future-proof decisions, we continue to deliver value to our residents as well as our investors. With this report, we are proud to inform you about our objectives and the progress we have made.

The ALC Fund continues to raise the bar in pursuit of a more sustainable and transparent healthcare real estate sector. In 2020 and 2021, the ALC Fund maintained its five-star GRESB rating, scoring 91 out of 100 points. This achievement earned the Fund the titles of Overall Global Sector Leader, Overall Regional Sector Leader, Global Sector Leader, and Regional Sector Leader among healthcare real estate investment funds. We are proud of this accomplishment and our leadership role.

Our overall GRESB score of 91 points encompasses our scores for environmental, social, and governance indicators of sustainability. Especially noteworthy was our score of 18 out of 18 for the social indicators, which includes a Tenants & Community category. This result demonstrates that we are succeeding in our mission to provide high-quality, affordable homes and a strong sense of community to a population that is vulnerable to isolation and loneliness.

While the ALC Fund portfolio consists of predominantly new and energy-efficient real estate, we continue to make progress towards lowering our environmental footprint. To this end, we implemented the CRREM (Carbon Risk Real Estate Monitor) framework. The CRREM framework allows us to calculate the impact of various sustainability improvements on our carbon emissions and to estimate their costs. Moving forward, we aim to use the CRREM framework to ensure our portfolio meets the Paris climate goals and simultaneously provides our investors with excellent returns.

We endorse the United Nations Principles for Responsible Investment and use the GRI Standards for the development of our report. We do not yet report in accordance with the Standards. The GRESB requirements were taken into account in the creation of this report. In the coming years, we aim to transition towards an integrated reporting model. This will provide our investors with even more insight into how we're creating value, now and in the future, and contribute to our strategic decision-making.

On behalf of the Board of Management,

Wim Wensing, Fund Director

Niclas von der Thüsen, Director Finance and Risk

Susan van de Koppel-Nagelmaeker, Portfolio Manager

ESG/SUSTAINABILITY STRATEGY

The Amvest Living & Care Fund is dedicated to providing high-quality living environments for those who need care and assistance. And for those who are looking for a future-proof home that can adapt to their future healthcare needs. By investing in Dutch residential healthcare real estate, we respond to demographic changes, help meet the growing demand for care homes and assisted living facilities, and provide attractive, stable returns for our investors.

The AL&C Fund strategy is based on three pillars:

1. **Providing care homes for a large target group**
2. **Building a sustainable real estate portfolio**
3. **Investment focus on stable returns with a long-term horizon**

1. PROVIDING CARE HOMES FOR A LARGE TARGET GROUP

The AL&C Fund primarily invests in two types of healthcare real estate: Assisted Living and small-scale nursing care homes. In addition, we may invest in limited opportunities in short-stay, disabled care, and primary care facilities to enhance our service offering and the value of the portfolio.

ASSISTED LIVING

- Target group: elderly people and people with mild to moderate care needs who can still live independently.
- Opportunity: the government is increasingly incentivising the use of outpatient care due to the limited capacity in nursing homes and hospitals, increasing the demand for assisted living.
- Social impact: bridge the gap between regular residential living and the care home, address increase in loneliness.
- Rental segment: lower-priced and mid-priced.

Assisted Living combines residential living with integrated services, from healthcare to community activities. These housing solutions enable residents to live independently for a longer period of time, participate in their community, and live comfortably. There are various types of assisted living solutions. They are each characterised by life cycle-proof features, common areas, shared and communal outdoor spaces, and proximity to daily amenities. These homes are rented out directly to the residents. We select preferred partners to provide healthcare and community-related services. The Assisted Living concept may be offered alongside disability care and nursing home care in the same location.

NURSING HOME CARE

- Target group: elderly people with a long-term care indication due to somatic and / or psycho-geriatric limitations and who can no longer live independently.
- Opportunity: meet the growing demand for nursing care homes as a result of double ageing.
- Social impact: offer high-quality, individualised care regardless of income level, and contribute to solving the shortage of nursing homes.
- Rental segment: lower-priced, mid-priced, higher-priced.

Amvest invests in small-scale nursing homes that provide high-quality, individualised care to residents. We partner with four different care providers, each of whom focuses on a different target group. This way, we can provide high-quality care to people of any income level. We select tenants who have the potential to scale up our concepts to a minimum of five locations. The standardised nature of our projects allows for scale, while delivering affordable, high-quality care to a large target group. Amvest rents these properties to the care operator.

ADDITIONAL INVESTMENT OPPORTUNITIES

In addition to Assisted Living and nursing home real estate, the AL&C fund has identified various other opportunities for investment. Short-stay, disabled care, and primary care facilities, embedded in mixed-use buildings or as part of area development projects, may enhance our service offering and the AL&C Fund portfolio.

2. BUILDING A SUSTAINABLE REAL ESTATE PORTFOLIO

Sustainability is an integral part of the AL&C fund strategy. We are committed to building a future-proof portfolio by reducing our carbon emissions. Specifically, we aim to meet the Paris climate target of reducing carbon emissions by 50% by 2030 and limiting the global temperature rise to 1.5°C. This is an ambitious goal, but a necessary one to avert the most damaging impacts of climate change.

The AL&C fund requires new buildings to feature gas-free heating systems, solar panels, and smart meters to monitor energy consumption. For the acquisition of existing buildings, the Fund imposes specific requirements regarding the energy efficiency of the building. We strive to get full insight into the energy consumption of properties in our portfolio. We will be applying the CRREM framework to evaluate various scenarios for improving the sustainability performance of our properties and to achieve a future-proof portfolio.

3. INVESTMENT FOCUS ON STABLE RETURNS WITH A LONG-TERM HORIZON

The AL&C fund aims to consistently invest in healthcare real estate to help solve the shortage of care homes and homes for the ageing population. To ensure that our investments match the risk profile of our institutional investors, we maintain a long-term horizon. We focus on delivering attractive and stable direct returns. We prioritize ongoing investments in the sector and continuous value creation for our investors over the opportunities presented by short-term fluctuations in the market.

Our long-term focus goes beyond realising stable returns for our investors. At AL&C fund, we care about making a positive contribution to society and to the environment. We invest in high-quality living environments and carefully select healthcare partners to provide the best possible healthcare services. Our facilities consistently receive high marks on Zorgkaart Nederland, which ranks healthcare facilities based on scores provided by residents and their families. As the AL&C fund grows, more people get access to the right living situation and level of care for their individual circumstances.

To contribute to a healthy planet, the AL&C fund applies strict environmental standards to new construction projects and actively explores opportunities to improve the energy efficiency of its facilities. By taking responsibility for our contributions to society and to our environment, we aim to realise a healthy future for generations to come.

ESG RESULTS

The AL&C Fund closely monitors market developments and demographic trends to determine its investment strategy. This investment strategy is based on three pillars:

- A. Providing care homes for a broad target group
- B. Building a sustainable real estate portfolio
- C. Investment focus on stable returns with a long-term horizon

Each year, we translate our strategy into KPIs. We determine these KPIs based on the material topics for the Fund. The Annex contains additional information on the materiality assessment and its translation into the Fund strategy.

1. PROVIDING CARE HOMES FOR A BROAD TARGET GROUP

ESTABLISH PARTNERSHIPS WITH SCALABLE, DISTINCTIVE, AND INNOVATIVE CARE PROVIDERS

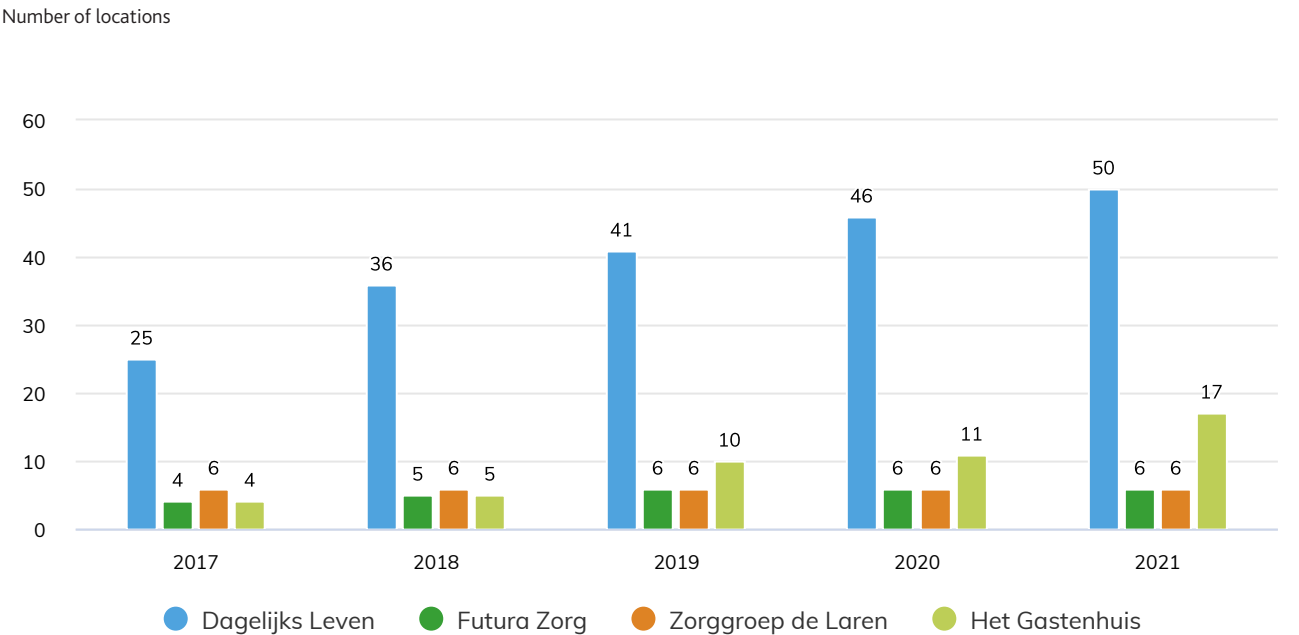
The AL&C Fund partners with four care providers to implement its nursing home care concepts. We partner with Dagelijks Leven to serve people with low incomes, including AOW pensions. Futura Zorg and Het Gastenhuis deliver affordable care to a large target group of people with moderate pensions, serving as a price-competitive alternative to government-regulated nursing homes. Zorggroep De Laren provides care and (hotel) services to people with high incomes.

We continued our partnerships with all four providers in 2021. Each provider showed resilience during the pandemic, maintaining adequate staffing to deliver high-quality, individualised care to residents. In addition, economic relief for healthcare providers contributed to the ongoing financial stability of our healthcare partners.

In 2021, we updated our rental agreements with De Laren and Futura Zorg to be more competitive. The conditions of the new rental agreements are consistent with our focus on stable returns with a long-term horizon and contribute to a long-term relationship with our care providers.

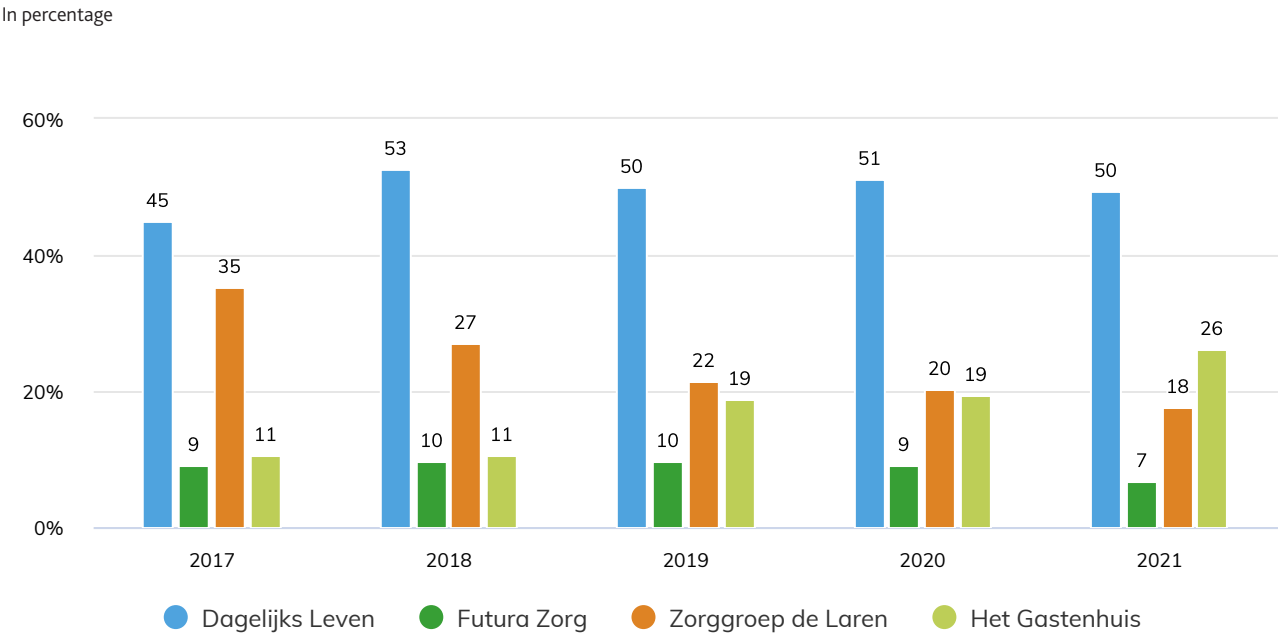
The Fund is in advanced conversations with developer and assisted living operator Domi Vivere to engage in a collaboration. The Assisted Living concept serves a large target group of elderly people, as well as people with mild to moderate care needs who can still live independently. Domi Vivere has the ambition to realise 50 locations in the next eight years. The potential partnership with Domi Vivere offers attractive opportunities for scaling the Assisted Living concept.

FIGURE 5: NUMBER OF LOCATIONS PER PROVIDER



In 2021, the AL&C Fund delivered 10 locations for a total of 200 residents. In addition, we did not acquire or dispose any properties. The portfolio size grew to a total of 79 locations, divided into 1,594 care homes. Dagelijks Leven added a 50th care location to our portfolio. Het Gastenhuis added its 17th care location and became the largest healthcare provider in our portfolio in terms of investment volume. Dagelijks Leven has ambitious growth objectives and aims to add more locations in the coming years.

FIGURE 6: RELATIVE INVESTMENT VOLUME PER PROVIDER



The share of buildings operated by Dagelijks Leven and Het Gastenhuis continues to increase, while the share of buildings operated by De Laren and Futura Zorg declined in 2021. 63% of locations were in the low segment (Dagelijks Leven), 29% in the middle segment (Futura Zorg and Het Gastenhuis), and nearly 8% in the higher segment (De Laren).

COMMITMENTS

At year-end 2021, the committed and soft pipeline consisted of 14 care home sites for a total of 710 residential units. In 2021, two investment proposals for assisted living projects were submitted for approval.

RESIDENT SATISFACTION

The goal of the AL&C Fund is to deliver high-quality living environments for those who need care and assistance. We closely monitor resident satisfaction to assess the Fund's performance in meeting the expectations of residents and the quality of care provided by our care partners.

In 2021, our care homes received an average score of 9.1* in the Zorgkaart Nederland survey of residents and their families. In the accommodation category – which is most material to the AL&C Fund – our facilities received an average score of 9.3*, exceeding our 2021 goal to achieve a minimum score of 8. Nearly all properties scored higher than the care home benchmark score of 9.1*.

The average accommodation score on a 4-year basis (2018-2021) per provider is:

- Dagelijks Leven 8.7 (based on 180 surveys)
- Het Gastenhuis 9.1 (based on 92 surveys)
- Zorggroep De Laren 9.2 (based on 17 surveys)
- Futura Zorg 9.2 (based on 14 surveys)

The AL&C Fund actively encourages all care providers to join the Zorgkaart Nederland platform in order to monitor resident satisfaction on a regular basis.

QUALITY OF CARE

We set high quality standards for each of our care partners and consistently monitor their performance. We track inspection reports by the The Health and Youth Care Inspectorate (IGJ), which conducts random inspections. None of the care homes of the AL&C Fund are currently under supervision by the IGJ*.

Care provider Het Gastenhuis and Dagelijks Leven made the top ten list of best-rated care home companies in the country. This is the second year in a row that our care concepts were recognised by Zorgkaart Nederland.

FIRE SAFETY

The AL&C Fund pays close attention to the fire safety of its properties to protect our residents, particularly given the vulnerability of our target group. All our facilities meet the requirements for group care homes, even if not formally required by fire safety regulations. In 2021, all care homes were equipped with a fire safety alarm system*.

*Please refer to the KPI tables in the Annexes. KPIs include limited assurance by external auditor.

2. BUILDING A SUSTAINABLE REAL ESTATE PORTFOLIO

Investing in the sustainability of our portfolio is a crucial part of our long-term investment strategy. Real estate funds play an important role in reducing carbon emissions and meeting the Paris climate targets. We take responsibility for our role by setting strict energy efficiency standards for all new build projects and investing in sustainability improvements of existing buildings. Except for the historic building Het Gastenhuis Dordrecht, which listed status limits opportunities for sustainability improvements, all buildings managed by the AL&C Fund have energy label A.

ENERGY CONSUMPTION

By monitoring the energy and water consumption of our properties, the AL&C Fund is able to set goals for optimization. We use smart meters, in combination with the Cooltree dashboard, to track and report on the sustainability performance of our buildings. Energy Use Intensity (EUI) provides a consistent unit of measurement to report on the energy efficiency of our properties by converting heat energy into GJ and gas use into m³ to kWh/m²/year.

In 2021, the average EUI of our properties was 131.4 kWh/m³*, ranging from 34.2 kWh to 273.2 kWh. New builds perform better than renovated buildings, due to limited opportunities for improving the insulation of existing buildings. In addition, gas heating systems consume more energy than gas-free heating systems (e.g. hybrid or ground-source heat pumps and district heating systems).

Our goal for 2021 was to compare the EUI of several newly built and near-identical buildings, operated by Dagelijks Leven, Het Gastenhuis, and Futura Zorg, to determine whether energy consumption varies by healthcare provider. The research is still ongoing, in the future the results allow us to, in collaboration with the healthcare provider, assess the underlying reasons for the increased energy consumption and plan sustainability improvements of underperforming locations. These may include the installation of solar panels or adding internal or external insulation.

CARBON EMISSIONS

The AL&C Fund aims to reduce its carbon footprint to 0kgCO₂ by 2050. In 2021, our total carbon emissions were 1,919,389 kg CO₂*, with a building average of 21.0 kg CO₂/m².

To determine our carbon footprint, we measure renewable energy generated on-site by solar panels and renewable energy generated off-site based on the energy contract. By year-end 2021, 49 out of 79 (62.0%) of the Fund's buildings were equipped with solar panels, generating 421,421 kWh in 2021 for consumption by the care providers. Each generated kWh of solar energy reduces carbon emissions by 0.523 kg, resulting in total savings of 220 tons kgCO₂ in 2021.

The usage of renewable energy sources and gas contribute to the reduction of carbon emissions. Dagelijks Leven and Futura Zorg use a combination of renewable energy sources as well as gas. Het Gastenhuis relies entirely on renewable energy sources. Zorggroep De Laren uses (partially) green energy and gas.

WATER USE

The AL&C Fund also measures the water use of all buildings since 2021. In 2021 the total water usage was 79,670 M³. The water use intensity in 2021 was 0.87 m³*, which is equal to 870 liters water per m².

GRESB PERFORMANCE

In 2021, the AL&C Fund maintained the maximum five-star GRESB rating, scoring 91* out of 100 points. For the second year in a row, the Fund received the GRESB award for Overall Global Sector Leader, Overall Regional Sector Leader, Global Sector Leader, and Regional Sector Leader among healthcare real estate investment funds. GRESB allows for an objective assessment of the sustainability of our portfolio. It takes a holistic view of sustainability, scoring real estate funds on environmental, social, and governance indicators of sustainability. The Global Sector Leader award recognises our Fund's commitment to incorporating sustainability into our operations and communicating our sustainability performance to our investors and stakeholders.

RENOVATION ROADMAP

In 2021 we made a renovation road map based on the actual energy usage of the buildings. In the upcoming year we will use the roadmap to start making the buildings more sustainable*.

3. INVESTMENT FOCUS ON STABLE RETURNS WITH A LONG-TERM HORIZON

The AL&C Fund has a long-term horizon. The Fund targets a stable dividend yield of 4.5%, which reflects the risk profile of the Fund. The dividend yield for 2021 was 4.4%*. This is a strong result in challenging conditions. The combination of high investor demand and limited availability of product put pressure on gross initial yields, which also impacted the AL&C Fund. The current market conditions also have a strong positive effect on valuations. The value of the properties in our portfolio continues to grow, increasing to EUR 379.2 million by year-end 2021.

The income return of the Fund was 4.4% in 2021. The operating costs remained low because of the relatively young age of our portfolio and because tenants are responsible for the daily operating costs. In 2021 the net/gross ratio was 93.8%.

No debt finance is used to fund the AL&C Fund. The AL&C Fund has two participants, AEGON and PFZW. Of the total commitment of EUR 500 million, EUR 185.7 million remained available at the close of 2021. EUR 42 million of equity was called in 2021. In the future, after securing new commitments, the fund plans to use leverage at modest levels to fund its pipeline.

Based on the total pipeline (signed agreements and approved investment proposals), the AL&C Fund's investments are expected to exceed the current commitment of EUR 500 million in 2022. We are in the final stages of securing an additional commitment of EUR 250 million from PFZW and there is the intention to use additional leverage of 250 million. The agreement with AEGON and PFZW to expand the commitment to EUR 750 million is indicative of the trust of our investors in our Fund's strategy and belief in our societal impact.

*Please refer to the KPI tables in the Annexes. KPIs include limited assurance by external auditor.

STRUCTURE AND GOVERNANCE

FUND MANAGEMENT AND GOVERNANCE

The authorities and responsibilities of the AL&C Fund are set out in the AL&C Fund's fund documents, including the Terms and Conditions, the Fund Services Agreement, and the Portfolio Plan. These documents describe the parameters within which Amvest is authorised to act as a Fund Manager. These parameters include the annual investment volume, required returns for new investments, and annual budgets.

The Fund's governance structure guarantees reliable, efficient, and professional advice and supervision by property experts and investors. The Fund Manager is responsible for both the overall portfolio and risk management of the AL&C Fund.

The Advisory Board, consisting of representatives of both Launching Investors, plays a key role. Its duties include supervising the handling of conflicts of interest and approving the Portfolio Plan.

The Advisory Board met seven times in 2021 while two Investors' Meetings were held in 2021.

COMPLIANCE

COMPLIANCE PROGRAM

The corporate Compliance Program forms the basis for all relevant compliance-related themes. It consists of a Compliance Charter, an annual Compliance Plan, and a Compliance Manual containing all policies and procedures.

The Compliance Program provides insight into the activities that Amvest carries out to comply with legislation and regulations and serves an informative function for employees, shareholders, investors, regulators, auditors, and other stakeholders.

The RCO, as the internal supervisor of compliance with compliance regulations, is responsible for the execution of the Compliance Program.

INTEGRITY, CUSTOMER DUE DILIGENCE

Integrity and customer due diligence are key elements of Amvest's Compliance Program. In 2021, the Customer Due Diligence Policy and Anti Money Laundering Policy were updated following the relevant adjustments in the Anti-Money Laundering and Counter-Terrorist Financing Act (Wwft).

Amvest maintains an internal complaints procedure as well as a confidant and an incident reporting system that is reviewed by the external auditor. Integrity is a recurring agenda item at the Management Board and Supervisory Board meetings of Amvest Management B.V..

At the AL&C Fund level, the RCO regularly attends the management team meetings with a minimum of one meeting per quarter.

The Fund Manager maintains a transaction register, which is compliant with both the IVBN and NEPROM guidelines. The register is used to document the AL&C Fund's property transactions in a transparent manner. All business-to-business property transactions are monitored and documented so that they can be checked for correctness, legality, and integrity.

CODE OF CONDUCT

In 2021, as in previous years, all employees of Amvest were asked to sign the internal Amvest Code of Conduct. The Code of Conduct is an inseparable part of the employment contract. Revisiting the Code of Conduct on an annual basis creates awareness around integrity and provides the opportunity to adjust the code when necessary.

The Code of Conduct is available on the Amvest website. Active compliance with the Code of Conduct is required by all Amvest employees and the Management Board.

The RCO acts as the central point of contact for all integrity-related issues. All required information shall be made available to the RCO. If deemed necessary, the RCO will make use of the expertise of professional external advisors.

In 2021, there were no noteworthy incidents in relation to integrity. Amvest believes that the measures implemented as part of its corporate integrity policy have been effective.

In addition to the Amvest Code of Conduct, Amvest, as a member of IVBN and the NEPROM, complies with the codes of conduct applicable to members of these associations.

'WWFT/SW'

In 2021, as in previous years, identified AL&C Fund staff and all other employees involved with transactions, Investors, and other relevant business relations, attended the annual training sessions on the provisions of the Anti-Money Laundering and Counter-Terrorist Financing Act ('Wwft') and the Dutch Sanctions Act ('Sw'). It is important for client-related employees to be aware of related risks and the latest adjustments.

AIFMD AND DEPOSITARY

The AL&C Fund (the AIF) and its Fund Manager (Amvest REIM B.V., the AIFM) are fully within the scope of the AIFM Directive. The Fund Manager obtained its AIFM licence on 26 November 2014. Besides the AL&C Fund, the Fund Manager also manages the Amvest Residential Core Fund and De Utrechtse Fondsen Vastgoed C.V.

The Fund Manager has appointed Intertrust Depositary Services B.V. to act as depositary for the AL&C Fund and has entered into a depositary services agreement with the depositary for the benefit of the AL&C Fund and its Investors in accordance with article 4:37f AFS. The depositary is responsible for the supervision of certain aspects of the Fund's business in accordance with applicable law and the depositary services agreement.

On 23 December 2016, Amvest REIM B.V. as AIFM filed a request to register the AL&C Fund as an AIF under the licence of Amvest REIM B.V. This was approved by the Dutch Financial Markets Authority (AFM) on 23 January 2017.

DUTCH LAW

The AIFMD requires investment funds to prepare an annual report including fund manager's report according to Dutch law. Certain requirements included in the law should be disclosed in the fund manager's report. The AL&C Fund complies with these requirements. Requirements that are not applicable due to the nature and structure of the AL&C Fund are:

- Disclosure on research and development (art 391.2 BW2) is not applicable due to nature of the Fund;
- Disclosure on personnel developments (art 391.2 BW2) is not applicable as the Fund has no employees;
- Disclosure on funding (art 391.2 BW2) is not applicable as the Fund does not bear external funding.

INREV

Since 2002, the European Association for Investors in Non-listed Real Estate Vehicles (INREV) has published various guidelines and recommendations that were incorporated into a set of standard INREV Guidelines (last significant revision in 2014 with subsequent updates of modules). The AL&C Fund follows these guidelines for all financial ratios, such as NAV, TER, and REER (reference is made to the key figures included in the annexes).

As for property valuations, the appraisal process of the AL&C Fund is fully compliant with the INREV Guidelines and undertaken by external appraisers.

SUSTAINABLE FINANCE DISCLOSURE REGULATION

The European Union has set in motion a legislative programme regarding environmental, social and governance (ESG) for the financial services industry. Part of this package is the Sustainable Finance Disclosure Regulation (or 'SFDR'). The SFDR consists of two levels. The first level concerns high level disclosures on sustainability and has come into effect as of 10 March 2021. The second level concerns regulatory technical standards ('RTS') which underpin the SFDR and demand more detail in disclosure. As it stands, the RTS will come into effect per January 2022.

One of the consequences of the SFDR coming into effect is that Amvest, as fund manager of alternative investment funds is required to disclose sustainability information to its (potential) investors and funds under its management should be classified ('grey'/'light green'/'dark green'). Although the RTS are still lacking clarity, based on our current knowledge, AL&C Fund has been classified as a 'light green' (article 8) fund. An article 8 fund promotes environmental or social characteristics and incorporates ESG themes in its strategy, acquisition and investment decision process and operations.

We are convinced that our investment policy and portfolio management with an integrated ESG approach will generate sustainable returns. These returns will be both financial and non-financial, with a positive impact not only for our investors, but also for our tenants and society as a whole.

Sustainability is playing an increasingly important role in business and finance. In 2018, the European Commission published the EU Action Plan for Sustainable Finance. With this plan, the European Commission wants to promote the transition to a circular economy and achieve greater transparency about sustainability. The plan consists of new laws and has implications for existing laws. The SFDR first came into effect, on 10 March 2021. This European information regulation is applicable to financial market parties including pension funds, banks and insurers but it also applies to Amvest as the manager of three supervised funds.

On the basis of the SFDR, Amvest, in its role as manager, is required to set out how it deals with sustainability in its investment decision policy and remuneration policy, and to detail the consequences of its approach. In addition, the regulation contains transparency requirements at fund level.

Integration of sustainability risks into investment decision-making

The SFDR requires the manager to indicate how it takes sustainability risks into account in its investment policy. Sustainability risk is defined as an event or circumstance in the environmental, societal or governance sphere that, if it occurred, would actually have or could potentially have an adverse effect on the value of the investment.

Amvest has implemented this requirement as follows:

- when purchasing a new-build complex, the schedule of requirements forms the (minimum) basis that must be met. This schedule includes a minimum of technical and sustainability requirements that are often more stringent than the current building code. This ensures that new investments meet the latest requirements;
- when acquiring an existing complex, an extensive and thorough inspection of the quality and sustainability of the complex forms part of the acquisition process. If the complex does not meet the defined objectives (e.g. the required energy label) and there is no cost-effective way to bring the building up to the desired level, then as a rule the purchase will not take place. Almost all of the existing portfolios of the funds under management have energy label A, which sets the bar high;
- in the case of existing investments, an annual property analysis and available data are used to determine which complexes are eligible for investment (e.g. solar panels or renovation) or disinvestment (sale of complex).

Making the portfolios more sustainable is the starting point, and investment decisions will be geared to achieving this aim. The measures described (schedule of requirements, inspection, property analysis) ensure that sustainability risks, particularly in terms of the environment, are taken into account in investment decisions with the aim of preventing risks as far as possible.

Taking into account negative impacts on sustainability factors

Investments in real estate can have a negative impact on sustainability factors (environmental, societal and governance factors). For example, investments in homes that are not energy efficient can have a negative impact on the climate. Amvest therefore does all that it can to take such negative effects into account when making investment decisions. When selecting, managing and selling complexes, we check whether our decision has a negative impact on sustainability factors.

When it comes to acquiring complexes, the acquisition policy sets out a number of criteria that acquisitions are required to meet. One of these criteria is that acquisitions have to be in line with Amvest's sustainability ambition as a manager and the objectives defined at fund level. The guiding principle is that acquisitions must increase the sustainability of the portfolios. Together with the schedule of requirements, this ensures that negative effects on sustainability factors are taken into account when making an investment decision.

An investment decision is based on an investment proposal. Amvest, in its role as manager, discusses an investment proposal extensively in a range of bodies before taking a decision. In this decision-making process, the intended acquisition is discussed at length in relation to the predetermined criteria laid down in the fund conditions and portfolio plans of the three funds. Predefined risks (including the 'climate risk') from the risk management framework are also checked. This comparison is explicitly recorded in the investment proposal and discussed in the various bodies. Each fund has its own framework and governance bodies.

If an existing investment may have an unfavourable effect on sustainability factors, the likelihood of this unfavourable effect occurring and the severity of the impact will be examined, among other things, based on a property analysis and the available data. Based on this analysis, Amvest, in its role as manager, can take the decision either to modernise this investment until it once again meets the criteria or to sell it.

Amvest currently views the energy use and consumption of its investments as the predominant theme in relation to sustainability factors.

Integrating sustainability into remuneration policy

On the basis of the SFDR, the remuneration policy must be consistently aligned with the sustainability objectives of the manager and the funds, and must incorporate the management of sustainability risks.

Amvest has implemented these requirements as follows:

- for all Amvest employees, part of the variable remuneration depends on the execution of the annual portfolio plans and the achievement of predefined targets. Portfolio plans contain non-financial sustainability targets as well as financial targets;
- benchmarking customer satisfaction and sustainability (GRESB) against formulated targets is part of the remuneration policy;
- the remuneration policy provides for a partially deferred payment of variable remuneration for key employees, including the fund director and portfolio manager;
- the remuneration policy provides for the possibility of reversing or reclaiming (in full or in part) the variable remuneration awarded and/or paid to key employees if and in so far as that variable remuneration was based on criteria which subsequently proved to be incorrect.

SFDR at fund level

On the basis of the SFDR, financial market participants are required to indicate how they handle sustainability risks and to detail the consequences of this approach (for more details, see Investment Management). In addition, the regulation contains transparency requirements at fund level.

The regulation distinguishes between:

- funds that are not promoted as sustainable (grey);
- funds that promote environmental or societal characteristics (light-green);
- funds with sustainable investments as their objective (dark-green).

The Amvest Living & Care Fund qualifies as a light-green fund which promotes the building of a sustainable portfolio and the provision of care housing for a broad target group as its characteristics.

These themes are integrated into the fund's strategy and the individual aspects for each theme are reflected in Key Performance Indicators (KPIs). These KPIs are defined and measured at fund level and at individual property level (if applicable). A target is set for each KPI that is measured and reported. The KPIs and targets are evaluated annually and adjusted if necessary.

For SFDR purposes, the fund promotes the building of a sustainable portfolio and the provision of care housing for a broad target group.

KPIs defined and measured for these themes are:

- determining customer satisfaction;
- determining the GRESB score and comparing it with our peers (benchmarking);
- measuring energy consumption per complex;
- measuring CO2 emissions per complex;
- measuring fire safety per complex.

Results 2021

Based on SFDR regulation we are not yet required to report on defined KPI's. However, defined KPI's are included throughout our annual reporting and are limited assured by KPMG. Please refer to annex for complete set of assured KPI's and to page 64 for the limited assurance report by KPMG.

Outlook 2022

In order to comply with the expectations of our investors, AFM and other regulators in relation to sustainability we will report on ESG aspects promoted by the fund and on aspects that may cause negative impact on sustainability. Required information and the format of our reporting will be developed throughout 2022 in order to comply to formal reporting as is required by SFDR.

Amsterdam, the Netherlands, 22 April 2022

Wim Wensing, Fund Director and Portfolio Manager

Niclas von der Thüsen, Director Finance and Risk

Susan van de Koppel-Nagelmaeker, Portfolio Manager

ANNEXES

KPIS FOR THE PURPOSE OF NON-FINANCIAL DATA

RESIDENT SATISFACTION

Objective	Determine resident satisfaction
KPI owner	Patiëntenfederatie Nederland
Definition	The resident satisfaction score is the average score on the aspect 'accommodation' of all the rated locations of the AL&C Fund that are in operation. The score per location is the average score of the residents by filling out the questionnaire on the Patiëntenfederatie Nederland website on a scale from 0 to 10.
Scale / unity	Absolute score on a scale from 0 (minimum) to 10 (maximum)
Calculation	The average score is calculated by means of the average per location of all individual scores on the aspect 'accommodation' who participated in the questionnaire on the Patiëntenfederatie Nederland website per location divided by the number of locations in operation by the AL&C Fund
Target	To achieve a score of 8.0 on average on the topic 'accommodation'
Scope	All residents from the AL&C Fund who participated the questionnaire relating to resident satisfaction on the website www.zorgkaartnederland.nl which is owned by Patiëntenfederatie Nederland
Frequency	Once a year
Reporting process	<ul style="list-style-type: none">• The resident fills out a score on a total of five components on the website www.zorgkaartnederland.nl and if relevant clarification• The Patiëntenfederatie Nederland checks a number of responses• The Patientenfederatie Nederland delivers a report with the average score per location including the number of responses to the AL&C Fund about the scores on the aspect 'accommodation' per location
Systems and sources	Website www.zorgkaartnederland.nl Tailor made report
Audit process	The resident satisfaction score is measured completely independently by Patiëntenfederatie Nederland. For the AL&C Fund there is no possibility to check this score.
Result 2021	Resident satisfaction: 9.1, aspect 'accomodation': 9.3

GRESB SCORE

Objective	Achieve a GRESB score
KPI owner	Global Real Estate Sustainability Benchmark
Definition	The GRESB score is an overall measure of ESG performance, represented as the number of stars
Scale / unity	Number of stars from 1 (minimum) to 5 (maximum)
Calculation	The GRESB score is calculated by the GRESB organization based on the answers provided by the participant in a survey. For each question a maximum number of points is possible to be achieved. The number of stars are awarded based on the relative score in comparison with the other participants.
Target	To achieve the maximum 5 stars
Scope	The complete AL&C Fund
Frequency	Once a year
Reporting process	<ul style="list-style-type: none">• The survey is filled in by the AL&C Fund with the burden of proof and argumentation for the answers given• The GRESB organization checks the answers, the burden of proof and the argumentation and determines the score per question• The GRESB organization reports to the AL&C Fund the score of the Fund, how it is structured and how it scores in relation to the peer group
Systems and sources	Survey tool
Audit process	The GRESB organization checks the answers, the burden of proof and the argumentation according to its (high) standards and can visit the Fund for a further check
Result 2021	Gresb score: 5 stars (91/100) and achieved the additional titles 'Healthcare Global Sector Leader' and 'Healthcare Global Non-listed Leader'

ENERGY USE INTENSITY (EUI)

Objective	Measure the energy consumption of the objects in the AL&C Fund portfolio
KPI owner	Amvest
Definition	The total energy consumption in kWh per m ² per year of all objects in the portfolio that have been in operation for the entire calendar year. The sum of the amount of electricity (in kWh), and gas (in m ³) which is converted to kWh.
Scale / unity	kWh / m ² / year
Calculation	<p>Electricity:</p> <ul style="list-style-type: none"> • Three connections are monitored for each building: supply from the grid operator, electricity generated by the solarpanels (if applicable) and electricity supplied to the grid (if applicable) • Net consumption = supply grid operator + (generated electricity PV panels - electricity supplied back to grid) <p>Gas:</p> <ul style="list-style-type: none"> • Gas consumption in m³ is converted into kWh (factor 9,769) • The total energy usage per building is divided by the total Gross Floor Area in m²
Target	To reduce the total energy usage for all the objects within the portfolio of AL&C Fund, which meets the Paris Proof 2030 terms of Energy Use Intensity (consumption in kWh / m ² / year)
Scope	All buildings in the AL&C Fund, from the date of completion (100% data coverage). The buildings that are not in use for a full calendar year fall outside the scope as this may distort the data due to seasonal effects.
Frequency	Once a year
Reporting process	<p>The energy consumption is measured based on the following data: The total energy consumption in kWh per m² per year of all objects in the portfolio that have been in operation for the entire calendar year. The sum of the amount of electricity (in kWh) and gas (in m³) which is converted to kWh.</p> <p>This information is collected by the asset manager. The information is obtained from smart meters, readings on locations and determined standard year usage of the energy/gas supplier.</p> <p>The asset manager delivers the data to Cooltree. Cooltree puts the data in the standard calculation sheet which will process the data.</p>
Systems and sources	ESG Data Template (managed by Cooltree, ARC Fund has access), Kenter (for large business connection, this is linked to Eview via an API), CWINING (managed by C&W, AL&C Fund has access) Excel for renewable energy. The data is retrieved from the solar panel inverter
Audit process	<ul style="list-style-type: none"> • It is checked on a monthly basis whether data from all complexes comes in • Data trends are analyzed annually (smallest and largest consumer based on gas / electricity consumption per m²) • Data report is created by CoolTree
Result 2021	<p>Average Energy Use intensity 2021: 131.4 kWh/m2/year</p> <p>The change percentage between 2020 and 2021 is +9.4% based on the new measurement method*.</p>

* In 2021 a new measurement method for the KPI is used. In this new method, the amount of consumed energy is divided by the actual square meters of a building covered by the consumption data, instead of by the square meters of the total building. Due to this change the Energy Use Intensity figure has increased compared to the figure reported in the 2020 annual report. For comparison reasons the annual figures used for calculating the change percentage between 2020 and 2021 are both based the new measurement method.

CARBON EMISSIONS

Objective	Measure carbon emissions from the AL&C Fund
KPI owner	Amvest
Definition	The total CO ₂ emissions in kg or tonnes of the buildings of the AL&C Fund
Scale / unity	# kg CO ₂ / m ² / year
Calculation	<p>Electricity:</p> <ul style="list-style-type: none"> • The amount of electricity in kWh per building is made clear via ESG Data Template of Cool Tree (see KPI Energy Use Intensity) • The buildings for which 100% green electricity is purchased are taken from the total consumption in kWh • The total amount of kWh of 'gray' electricity is converted to kg of CO₂ in accordance with the emission factors of www.co2emissiefactoren.nl. 1 kWh = 0.5560 kg of CO₂ <p>Gas:</p> <ul style="list-style-type: none"> • The amount of gas in m³ per building is made clear via ESG Data Template of Cool Tree (see KPI Energy Use Intensity) • The buildings for which 100% green gas is purchased are taken from the total consumption in m³ • The total amount of m³ natural gas is converted to kg CO₂ in accordance with the emission factors of www.co2emissiefactoren.nl. 1 m³ natural gas = 1.88 kg CO₂
Target	In 2050 the buildings of the AL&C Fund must be completely carbon neutral
Scope	All buildings in the AL&C Fund, from the date of completion (100% data coverage)
Frequency	Once a year
Reporting process	<ul style="list-style-type: none"> • The energy consumption is compiled based on the data as described in the KPI Energy Use Intensity • Subsequently, the tenants are asked which energy contracts have been concluded for gas and electricity • The total CO₂ emissions are determined based on energy consumption and contract types
Systems and sources	The systems used for the energy usage form the source.
Audit process	<ul style="list-style-type: none"> • The data for the consumption is already checked by Cooltree and added in ESG Data Template of Cool Tree • The conversion factors are checked on the website of www.co2emissiefactoren.nl • The calculation in ESG Data Template is checked using the four-eyes principle (Asset Manager and Portfolio Manager AL&C Fund)
Result 2021	<p>Average carbon emission 2021: 21.0 kg of CO₂/m²/year</p> <p>This shows an increase of 8.0% in comparison to previous year, based on new measurement method*.</p>

* In 2021 a new measurement method for the KPI is used. In this new method, the amount of consumed energy is divided by the actual square meters of a building covered by the consumption data, instead of by the square meters of the total building. Due to this change the Carbon emissions figure has increased compared to the figure reported in the 2020 annual report. For comparison reasons the annual figures used for calculating the change percentage between 2020 and 2021 are both based the new measurement method.

FIRE SAFETY

Objective	Measure fire safety of the buildings
KPI owner	Amvest
Definition	Certified fire alarm systems
Scale / unity	Percentage of portfolio (0 - 100%)
Calculation	The number of buildings that have a valid fire alarm certificate of the total number of buildings in exploitation by AL&C Fund
Target	All AL&C Fund buildings have a certified fire alarm system
Scope	All buildings in the AL&C Fund, from the date of completion
Frequency	Once a year
Reporting process	The tenants of the AL&C Fund have to deliver a valid certificate of the fire alarm system. These certificates are uploaded in a management system of Amvest
Systems and sources	Tenants/ Humble
Audit process	The uploaded certificates are checked by the technical manager of AL&CF by visiting the building and verifying the existence of the original certificate.
Result 2021	100% (79 buildings) valid certificates.

QUALITY OF CARE

Objective	No location under increased supervision of the Healthcare Inspectorate (Inspectie voor de Gezondheidszorg en Jeugd, IGJ)
KPI owner	Amvest
Definition	The number of locations that are under increased supervision of the IGJ
Scale / unity	Number of locations in the de portfolio
Calculation	The number of buildings that are under increased supervision
Target	Zero locations under increased supervision
Scope	All buildings in the AL&C Fund, from the date of completion
Frequency	Constant
Reporting process	The website of the IGJ is checked on a regular bases and the care providers are asked. The IGJ publishes all reports about increased supervision.
Systems and sources	Inspectie Gezondheidszorg en Jeugd
Audit process	www.igj.nl
Result 2021	No locations under increased supervision

HIGH-QUALITY AND AFFORDABLE HEALTHCARE REAL ESTATE

Objective	Invest in affordable healthcare real estate for the broad target group
KPI owner	Amvest
Definition	Percentage of Portfolio that is invested in healthcare real estate which is affordable for the low and middle class
Scale / unity	Percentage of portfolio (0 - 100%)
Calculation	The market value of buildings that provide care to the low and middle class
Target	Maximum of 25% invested in buildings that provide care which is only affordable for people with a high income (higher than 3.500€)
Scope	All buildings in the AL&C Fund, from the date of completion
Frequency	Once a year
Reporting process	The market value of all buildings that provide care which is only affordable for people with a high income is divided by the market value of the full portfolio
Systems and sources	Amvest financial systems
Audit process	Determined based on the investments per property category.
Result 2021	18% of the portfolio is invested in buildings which are only affordable for people with a high income.

WATER USE INTENSITY (WUI)

Objective	Measure the water consumption of the objects in the AL&C Fund portfolio
KPI owner	Amvest
Definition	The total water consumption in m ³ per m ² per year of all objects in the portfolio that have been in operation for the entire calendar year
Scale / unity	m ³ /m ² / year
Calculation	The total water usage per building is divided by the total Gross Floor Area in m ²
Target	Monitor the water consumption per square meter with the aim of benchmarking this against other buildings, which could possibly lead to applying water-saving measures
Scope	All buildings in the AL&C Fund, from the date of completion (100% data coverage). The buildings that are not in use for a full calendar year fall outside the scope as this may distort the data due to seasonal effects.
Frequency	Once a year
Reporting process	<ul style="list-style-type: none"> • Before the completion of a new building, all connections are put in the system Eview (by picture or invoice) • In the first quarter after the relevant calendar year, an overview is drawn up of all buildings that have been in operation for the entire calendar year and the WUI
Systems and sources	Eview (managed by INNAX, AL&C Fund has access),
Audit process	<ul style="list-style-type: none"> • Data trends are analyzed annually (smallest and largest consumer based on water consumption per m²)
Result 2021	<p>Average water use intensity 2021: 0.87 m³/m² /year</p> <p>This shows an increase of 1.9% in comparison to previous year.</p>

RENOVATION ROADMAP

Objective	Draw up a renovation roadmap for all properties
KPI owner	Amvest
Definition	The renovation roadmap provides guidance for sustainable tranformation of the portfolio towards energy neutral
Scale / unity	# KWh netto energy consumption
Calculation	This Roadmap links up with the Carbon Risk Real Estate Monitor (CRREM). The CRREM decarbonisation pathways align with the Paris climate goals of limiting global temperature rise to 2°C, with the ambition towards 1.5°C.
Target	A roadmap in which all objects of the fund are incorporated and on the basis of which a sustainability trajectory can be calculated
Scope	All buildings in the AL&C Fund
Frequency	Once a year
Reporting process	• The roadmap is drawn up using information provided by Amvest
Systems and sources	dashboard roadmap tool
Audit process	KPMG checks whether the roadmap is drawn up.
Result 2021	The roadmap is drawn up this meets the target for the year.

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We always aim to further improve our sustainability activities and reporting. Therefore, we highly appreciate your feedback, questions and comments on our sustainability report. Please contact us.

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WWW.AMVEST.NL