AMVEST

‘Our mission is to enrich the quality of life for those who need care by offering a place that each resident will want to call their home.’

Amvest Living & Care Fund

CONTENTS

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 PfZW.
- Dutch non-listed (residential related) healthcare real estate investment fund.
- Benchmarked by GRESB on sustainability.
- INREV and AIFMD compliant.
- SFDR article 8 fund.
- 97% EU Taxonomy aligned.
- 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

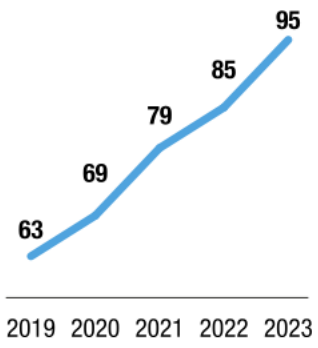
FUTURA WONEN ZORGEN LEVEN!

Zorggroep De Laren

HET GAST EN HUIS

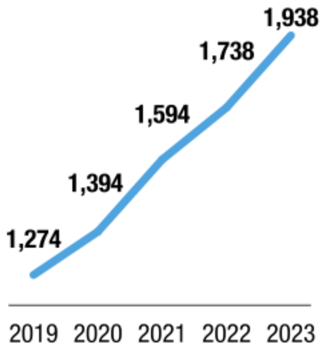
95

number of locations



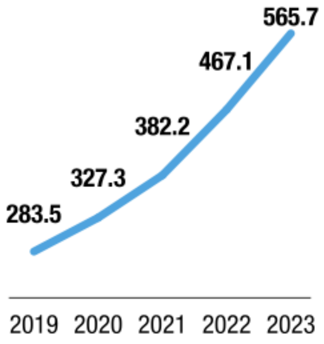
1,938

number of units

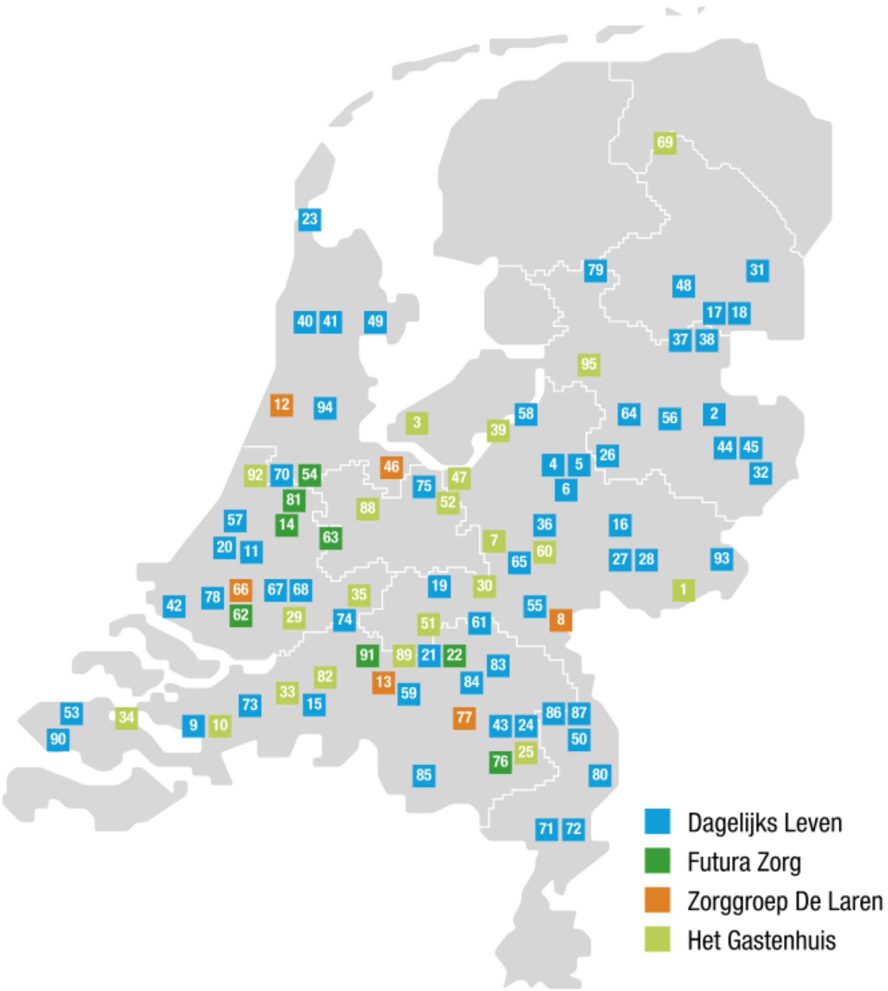


565.7

total assets (in EUR million)



PORTFOLIO



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

KEY HIGHLIGHTS 2023

9.4*

Resident satisfaction for accomodation (Zorgkaart Nederland)

GRESB ★★★★★ 2023

5 star

GRESB rating*

3.7% **Dividend yield distributed to the Investors***

97% **EU Taxonomy aligned**

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)

Committed pipeline: 1,036 units (27 buildings)
Investment proposal: 40 units (2 buildings)

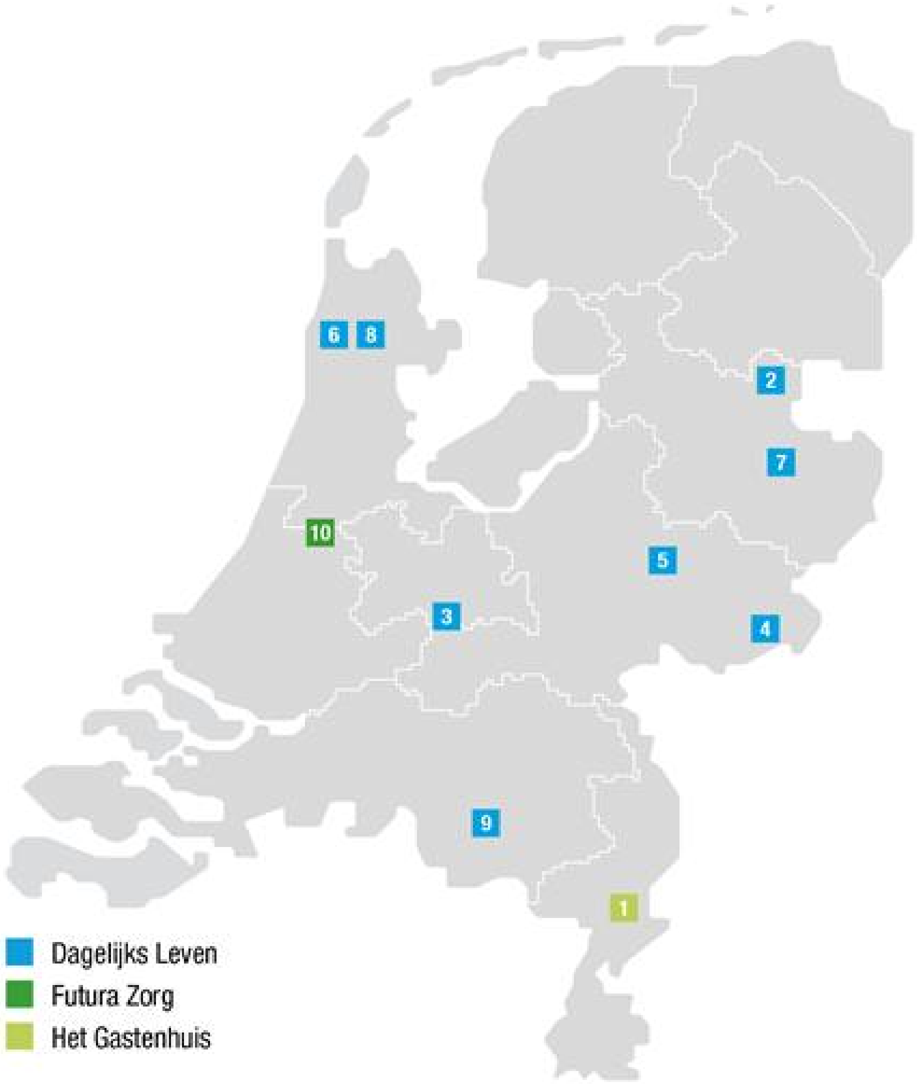
Average Energy Use Intensity:
2023: 111.4 kWh/m²/year*
(2022: **131.0** kWh/m²/year)
Average carbon emission:
2023: 17.1 kg/m²/year*
(2022: **21.0** kg/m²/year)

775,414 kWh

On site renewable energy produced (saving 266 tons CO_2)

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

PROPERTIES ADDED IN 2023



REPORT OF THE FUND MANAGER

MANAGEMENT TEAM FOREWORD

We measure success by our financial results, our operational performance and most importantly by our ability to improve access to high-quality housing and care. In a challenging economic environment and stagnant investment market, we may temper our expectations when it comes to our acquisition rate, but we never reel in our ambition to reach more people with our concepts. In 2023, we were able to honour our commitment to our investors, meet the urgent need for more nursing care homes and enrich the lives of those who need care. The acquisition of the Luxor2+ portfolio played a large role in our success.

A UNIQUE OPPORTUNITY IN A CHALLENGING ENVIRONMENT

Rising interest rates, high construction costs and a growing shortage of healthcare workers all left their mark on the healthcare real estate market in 2023. Our projections – which included moderately negative revaluations and limited opportunities for new acquistions – all materialised. The opportunity that did come our way, however, was a perfect match for our Fund. Over the years, we have built a strong relationship with care provider Dagelijks Leven. Their small-scale residential care facilities provide a comfortable and affordable home for people with dementia. Specifically, they serve people with a low income or state pension ("AOW-uitkering"), an important target group of the AL&C Fund. In the summer of 2023, we were pleased to finalise an agreement to acquire 22 properties to be operated by Dagelijks Leven. The agreement enables Dagelijks Leven to realise its ambitious growth objectives. It also aligns seemlessly with our Fund's investment focus. The ability to acquire the Luxor 2+ portfolio at favourable conditions in a tight investment market was a highlight of 2023.

ASSISTED LIVING

The high demand for Assisted Living facilities that enable people who need care to live independently for longer is in stark contrast to the insufficient availability of suitable real estate. While the construction of the three Assisted Living properties acquired in 2022 – Trappenberg, the Sphinx and Soesterberg – was progressing on schedule, we did not acquire any new Assisted Living properties in 2023. The economy and the state of healthcare in the Netherlands contributed to the challenging investment environment. Traditional care providers are struggling to retain and attract the personnel needed to operate at full capacity, let alone expand their capacity. The supply of new healthcare is suffering as a result.

That persistent shortage of qualified healthcare workers only underscores the importance of investing in alternatives to nursing homes. We therefore spent significant time preparing for the delivery of our first three Assisted Living properties, and the many we expect to follow once the market recovers. For one, we developed the Assisted Living marketing concept Seasons. It captures the impact that we want to create: beyond providing high-quality housing and facilitating access to care, we want people to enjoy this season of their lives. That requires community, social interaction and individualised care. Our new Seasons concept invites like-minded people to join and help shape those communities. Our social impact lies in our ability to facilitate informal care, which is key to helping people stay healthier for longer, reducing the demand for formal WMO care and lowering the cost of care. Next to developing the Seasons concept, we continued to explore partnerships with home care organisations to deliver the personalised care that we envision, with a focus on local organisations that are rooted in their communities. These organisations will work in close partnership with our Amvest community management provider Fuzer and all other providers within the Seasons ecosystem.

FINANCIAL PERFORMANCE

Financially, the year was characterised by mixed results. Our income return exceeded our expectations as a result of new additions to our portfolio as well as annual rent increases. The capital return suffered due to four consecutive quarters of negative revaluations, which surpassed our initial expectations. Following a double-digit fund return a year earlier, we achieved a total return of -/-0.4% in 2023 (2022: 10.8%), and a dividend distribution of 3.7% (2022: 4.2%). Given the challenging economic circumstances, we are nevertheless satisfied with our overall performance.

SUSTAINABLE IMPACT

Another takeaway from the year is that our Fund consistently performs well in every area that we have control over. That is evident from our growth in rental income, but also from our sustainability performance and the Zorgkaart Nederland ratings of our properties. We maintained our five-star GRESB rating, remained the Overall Global Sector Leader Western Europe Healthcare Senior Homes Core and increased our score from 92 to 95 points. The delivery of new sustainable properties and obtainment of building certifications contributed to our point increase. Notably, we added our first energy-neutral ("energieneutraal gebouw" or "ENG") property to our portfolio. The choice for energy neutral versus almost energy neutral ("bijna energieneutraal gebouw" or "BENG") was made in partnership with our care provider Futura Zorg. The additional investments were offset by an increase in rental income. Our first venture into energy-neutral building and our partner's commitment to our cause serve as an interesting case study. It confirms that we can realise healthy returns while maximising our sustainable impact. We will continue to challenge ourselves and our care providers to make properties as sustainable as possible. We have also voluntarily completed our EU taxonomy alignment assessment and are able to categorise 97% of assets as taxonomy aligned. The percentage is only based on real-estate-related assets, therefore excluding cash and other receivables.

ZORGKAART NEDERLAND

The feedback of residents and their family members is very important to us. Zorgkaart Nederland gives us valuable insight into residents' satisfaction with our accommodations and the quality of care. In 2023, the average accommodation score of our locations was a 9.4 out of 10, with an overall average score of 9.2 in 2023. We achieved higher scores than our peers in all categories: accommodation, interaction with employees, listening, keeping agreements, quality of care and quality of life.

OUTLOOK

By the end of 2023, we began to see signs of a stabilisation of the healthcare real estate market. Long-term interest rates are in a declining trend since the fourth quarter of 2023 and expected to stabilise on a lower level in 2024, which is good news given our ambitious growth objectives. Specifically, we expect favourable conditions for the acquisition of new Assisted Living properties, a key area of focus for the coming years.

We look forward to an eventful year that includes the scheduled completion of more than 20 projects for a total of 573 homes. The delivery of our first Assisted Living property in Soesterberg will be a major milestone for our Fund. We are actively marketing the property through our Seasons-branded website, as the Fund will rent Assisted Living homes directly to residents instead of a care provider.

The pipeline also includes a large number of Luxor 2+ properties operated by Dagelijks Leven. With the delivery of these properties, we significantly improve acccess to high-quality housing and care for people with modest or low incomes. This is exactly what drives us, and what drives our investors. By opening up our Fund to additional investors in 2024, we hope to raise the equity needed to amplify our positive impact in the years ahead.

MARKET DEVELOPMENTS

ECONOMIC SLOWDOWN AS A RESULT OF INCREASED INTEREST RATES

Since the end of the Covid-19 pandemic in late 2021 and the start of the war in Ukraine in early 2022, the inflation rate has increased significantly, exceeding 10.0% in the second half of 2022. In an attempt to slow the economy and therefore inflation, the ECB raised the deposit rate ten times in a row to 4.0% (ECB, 2023). The rate hiked proved effective; inflation reached its highest point in September 2022 (14.2%) and fell to 1.2% by December 2023 (CBS, 2024). Inflation was 3.8% for the entire year of 2023 (CBS, 2024), which is less than half of the 2022 rate.

Economic growth has slowed significantly due to the higher interest rates. Whereas the economy grew by 1.9% in Q1, the Netherlands entered a mild recession following moderately negative growth in Q2 and Q3 2023 (CBS, 2023). In Q4 economic growth was -0.5% on an annual basis and +0.3% on a quarterly basis. This means that economic growth in 2023 as a whole will be around +0.1% (CBS, 2024).

Despite limited economic growth, the labour market remains strong. The high demand for labour resulted in a low unemployment rate of 3.6% in December 2023. The number of job openings exceeded the number of job seekers (a ratio of about 120 to 100), indicating that the labour market is very tight. This is especially true for the health care market, where the increasing labour shortage is having a significant impacting on health care providers.

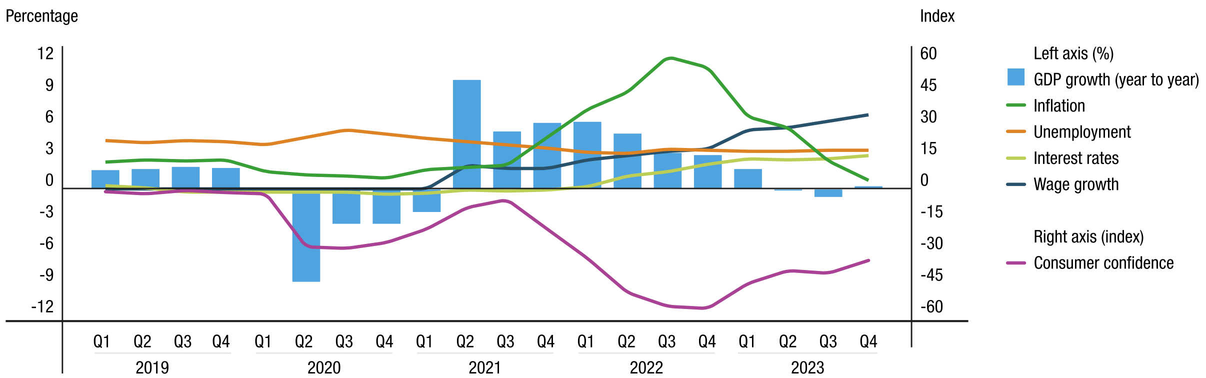
High inflation is also resulting in strong wage growth, which reached 6.9% in December 2023. The average wage growth in total for 2023 was 6.1% (CBS, 2024).

Since late September 2023, the ECB has held the interest rates steady at 4.0%. In response to this pause and due to the expectation that the ECB will lower the interest rate in the near future, 10-year government bond rates started to decline, reaching 3.3% at the start of October and 2.3% at the end of December 2023 (Investing.com, 2024).

On 1 January 2023, the transfer tax for real estate increased from 8.0% to 10.4%.

FIGURE 1: MARCO-ECONOMIC SITUATION DUTCH ECONOMY

In percentage (left axis) / Index (right axis)



Source: CBS, 2024; Investing.com, 2024; ING, 2024

ECONOMIC OUTLOOK IS MORE POSITIVE

The economic outlook is quite favourable. Although economic growth remains low due to relatively high interest rates, there is no sign of a major recession. Oxford Economics, CPB, ING, DNB, Rabobank and ABN AMRO expect, on average, moderate economic growth of 0.9% in 2024 and 1.2% in 2025. Due to the slowing of economic growth, the unemployment rate is expected to increase slightly to 4.1% in 2024 and 4.3% in 2025.

The inflation rate is expected to continue its downward and reach 2.8% in 2024 and 2.2% in 2025 (Oxford Economics, 2023).

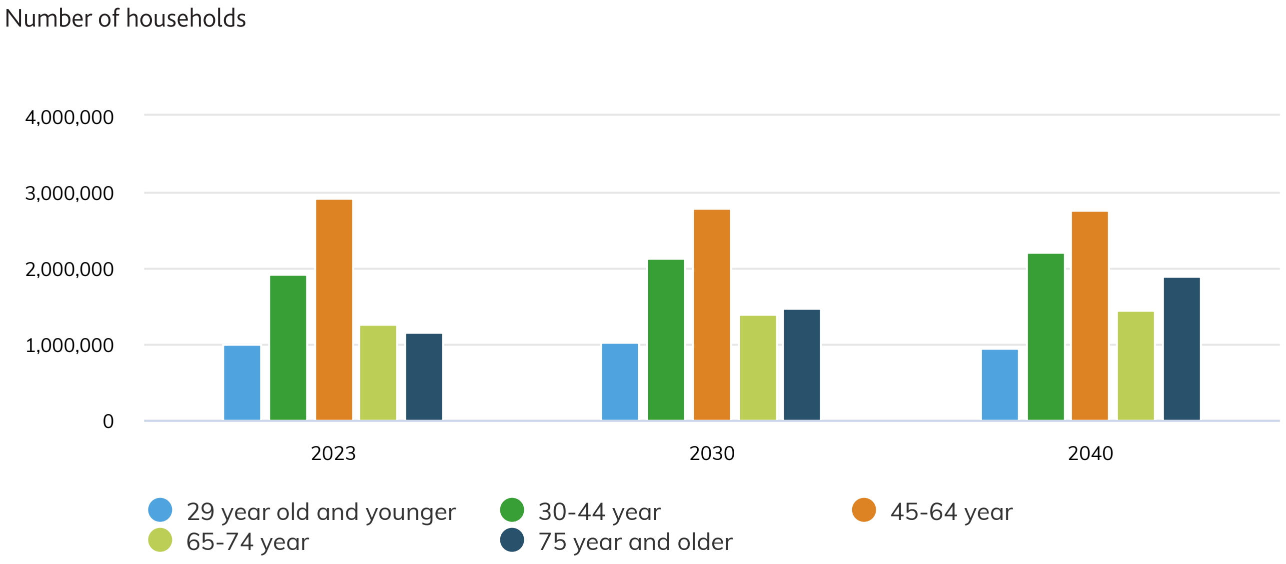
In the long term, the 10-year government bond rates are expected to remain relatively stable at 2.8% in 2024 and 2.7% in 2025, and to decline to 2.0% in 2027 (Oxford Economics, 2023)

DEMAND FOR ELDERLY HOUSING REMAINS STRONG

There is clear evidence of double aging in the Netherlands, meaning that the size of the 65+ population is increasing and that the average age of this population is going up. In 2023, there were 3,602,500 people aged 65 and older, which is approximately 20% of the total population. By 2040, this number is expected to increase by 34% to 4,830,500, roughly 25% of the total population (ABF, 2023). By 2040, people aged 75 and older will make up 13.5% of the population, compared to 9.2% in 2023 (ABF, 2023). Consequently, the number of senior households will show the same upward trend.

Because the population is aging, the number of people with dementia is growing as well. In 1950, only 50,000 people in the Netherlands had dementia. In 2022, this number rose to 295,000, an increase of 480%. According to Alzheimer Nederland (2023), this number is expected to more than double in the next few decades to 517,500 in 2040 and 623,000 in 2050.

FIGURE 2: DEVELOPMENT OF THE NUMBER OF HOUSEHOLDS BY AGE COHORT, 2023 TO 2040



Source: ABF Research, Primos, 2023

Many seniors live in homes that no longer suit them, for example because they lack a stair lift or elevator, or because they are too large for their household composition. While most seniors are willing to move, many choose to remain in their homes due to a lack of suitable alternatives. The Dutch government aims to bring the supply of suitable homes more in line with the demand. By 2030, the government aims to (re)build 170,000 zero-step homes, 80,000 clustered homes and 50,000 homes for seniors with more intensive care needs.

The government has the ambition to add 35,000 homes for the elderly population to the housing stock annually. However, only 1,700 homes were delivered in 2023, achieving just 5.0% of the target (Capital Value, 2024).

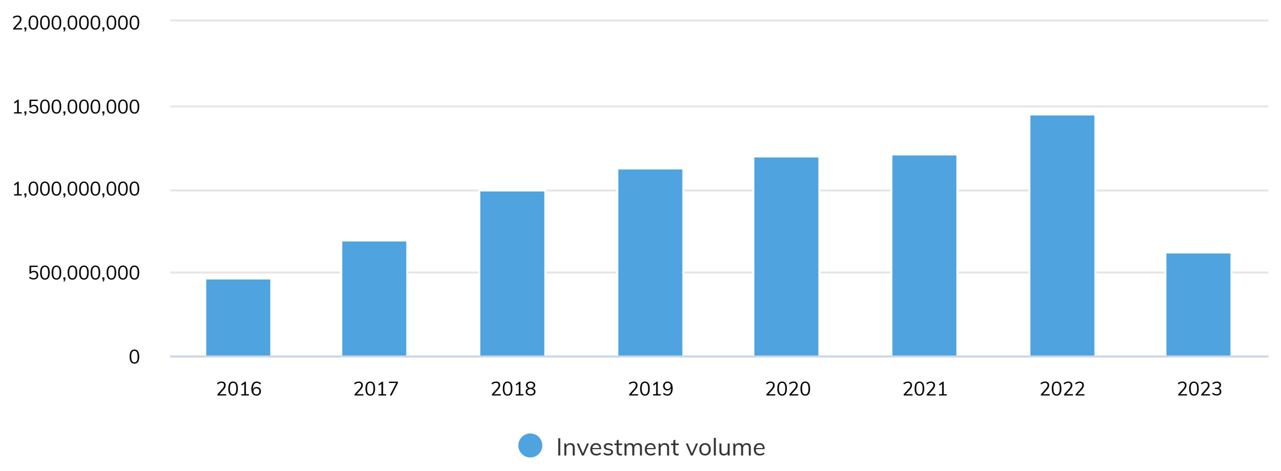
INVESTMENT VOLUME DOWN DUE TO RISING INTEREST RATES

The investment volume in Dutch healthcare real estate grew substantially in 2022 but began to decline following the interest rate hikes and changes in fiscal regime. Investment volumes declined by 57% in 2023 from over €1.4 billion in 2022 to just €625 million in 2023. The investment volume was relatively high in the second half of 2023, approximately €500 million.

The number of transactions decreased sharply as well. In 2022, there were 134 transactions for a total of €1.4 billion. In 2023, there were only 60 transactions for a total of €625 million. The Luxor 2+ portfolio acquired by the AL&C Fund is included in this amount. Similar to the last few years, intramural, extramural and care apartments remain the most dominant sectors, accounting for 87% of the total investment volume.

FIGURE 3: DUTCH CARE REAL ESTATE INVESTMENT VOLUME

In €



Source: Capital Value, 2023

In 2023, institutional investors accounted for €380 million or 61% of the total investment volume of €625 million. Other investors, such as private investors and (listed) funds, made relatively small investments. Furthermore, domestic investors were the most active in the market, accounting for 82% of the investment volume. Housing associations invested only €72 million, which is 37% lower than last year.

The investment volume in newly built properties experienced a relatively small decline and fell by just 20% from €475 million in 2022 to €380 million in 2023. Newly built properties accounted for 61% of the investment volume, up from 33% in 2022. The market for existing properties decreased to €190 million in 2023.

According to Capital Value, investors have €4.5 billion available to invest in 'impact funds', which generally include healthcare real estate and senior living funds.

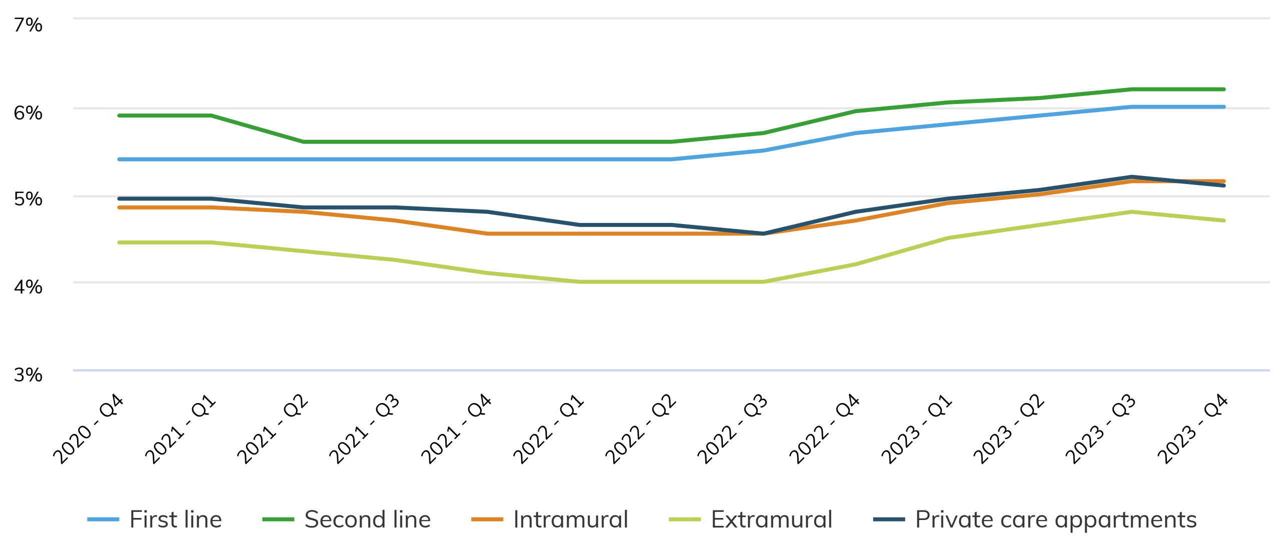
SHARP INCREASE IN GROSS INITIAL YIELDS

Gross initial yields for healthcare real estate have increased sharply due to higher interest rates and lower investor interest. From their lowest point in Q3 2022 to Q4 2023, gross initial yield levels increased by 55 to 70 bps. Because of the relatively high investment activity in the last two quarters of 2023, there was no additional upward yield shift in Q4 2023.

With the risk free rate (10y Dutch government bond) of approximately 2.75% and the gross initial yields 4.70% (extramural real estate), the risk premium for healthcare real estate has a minimum of 190 bps (Capital Value, 2024).

FIGURE 4: GROSS INITIAL YIELDS HEALTHCARE REAL ESTATE

In %



Source: Capital Value, 2023

CONCLUSION

The ECB stopped increasing the deposit interest rates when they reached 4.0%. The 10-year government bond rates decreased from 3.3% at the start of October to 2.3% at the end of December.

Inflation has been gradually decreasing, reaching 1.2% in December 2023. Inflation was 3.8% for the entire year of 2023.

The economy entered a mild recession in Q2 and Q3 and began to grow again in Q4. Economic growth reached 0.1% for the entire year of 2023.

Due to the high interest rates, investment volumes plummeted. In 2023, the investment volume in healthcare real estate was around 60% lower than in 2022. There was a significant shift in gross initial yield levels in 2023. Yields increased by 70 bps from the market peak in Q2 2022 to Q4 2023.

The transfer tax for real estate investors increased from 8.0% to 10.4% on 1 January 2023.

FUND STRATEGY

The aim of the Fund is to respond to the demand for high-quality care homes suitable for people with heavy and light care needs. This strategy consists of three pillars:

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

1. PROVIDING CARE AND NURSING HOMES FOR A BROAD TARGET GROUP

The AL&C Fund invests in care homes for people with heavy and light care needs in the lower-priced, mid-priced and higher-priced segments. We focus on real estate investments in the nursing home care and Assisted Living segments. In addition, we may invest in limited opportunities in short-stay, disabled care, and primary care facilities to enhance our service offering and diversification of the portfolio.

ASSISTED LIVING - SEASONS

- Target group: elderly people and people with mild to heavy 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, and reduce the demand for Social Support Act (“WMO”) care resulting in the lower cost of care.
- Rental segment: lower-priced, mid-priced, higher priced; with a strong focus on mid-priced.

Our Assisted Living concept known as Season bridges the gap between residential living and the nursing home. Seasons is centred around informal networks and communities of likeminded residents who aspire to a social, active and healthy lifestyle. These communities support social interaction among residents, which contributes to their overall well-being. Residents have access to professional care, which is provided by a home care provider and personalised to their needs. The AL&C Fund aims to invest in various types of Assisted Living. We will implement these housing solutions in partnership with home care providers and hospitality providers, which are all part of our Assisted Living ecosystem. Community managers will serve as the main point of contact for residents and support collaboration between all parties involved, including the municipality for the implementation of the 'Wet maatschappelijke ondersteuning'.

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 aging.
- 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 and for the delivery of affordable, high-quality care to a large target group. Amvest rents these properties to the care operator. In addition to investing in nursing homes operated by providers through the financing principle of separation of housing and care, we may invest in traditional nursing homes. If an opportunity arises, a thorough due diligence investigation will have to take place to assess the investment.

2. BUILDING A SUSTAINABLE REAL ESTATE PORTFOLIO

The Fund invests in sustainable real estate that also meets all climate requirements in the long term, becoming a frontrunner in the market. In addition, the Fund creates social impact by investing in the development of integrated housing concepts that address loneliness by creating opportunities for social contact. Increasing the well-being of residents contributes to a reduction in care costs. Over 97% of the portfolio is taxonomy aligned.

We are committed to building a future-proof portfolio in line with the Paris climate target. We have a Paris-proof roadmap in place to meet the CRREM (Carbon Real Estate Risk Monitor) 1.5-degree targets for healthcare in 2030 for CO2 emissions and energy consumption. Between 2024 and 2030, we will invest in assets that are at risk of becoming stranded, meaning that they do not meet future energy efficiency standards and are at risk of becoming economically obsolete. To meet the CRREM targets, the average carbon emissions of the portfolio may not exceed 25 kg CO2/m2/year in 2030. We will reduce our CO2 emissions and energy consumption through sustainability measures at the property level and by adding sustainable assets to our portfolio. In 2024, we will initiate the process of improving the sustainability performance of at least 11 properties in the portfolio.

3. INVESTMENT FOCUS ON STABLE, SUSTAINABLE AND IMPACTFUL RETURNS WITH A LONG-TERM HORIZON

Investments in care real estate are less affected by economic fluctuations than traditional real estate. In addition, the demand for care real estate is expected to grow due to the changing demographics in the Netherlands. The nature of care real estate therefore ensures stable returns in the long term, in line with the risk profile of our investors.

In addition to generating attractive financial returns, we aim to generate strong non-financial returns: returns with a positive impact for investors, tenants and society. In 2023, Amvest introduced the Amvest Impact Framework, a set of standards or non-financial return requirements that along with financial return requirements will guide future investment and development decisions. The framework describes the four themes and twelve goals by which Amvest will assess and measure the sustainable impact of investments. These themes are environmental impact, climate adaptation, liveability and resident satisfaction.

FUND AND PORTFOLIO RESULTS 2023

PORTFOLIO COMPOSITION

In 2023, the AL&C Fund delivered 10 locations for a total of 200 units. The portfolio size grew to a total of 95 locations, comprising of 1,938 care homes. Dagelijks Leven expanded by eight locations and Het Gastenhuis and Futura Zorg both added one location. The Dagelijks Leven locations were part of the Luxor2+ portfolio acquired in 2023. Both Dagelijks Leven and Het Gastenhuis have ambitious growth objectives and aim to add more locations in the coming years. In terms of the relative investment volume, Dagelijks Leven remained the largest healthcare provider in our portfolio. In addition, we acquired 23 properties totalling an estimated investment volume of EUR 90.2 million. We did not sell any properties in 2023.

The share of locations in the low-priced segment (Dagelijks Leven) increased from 60% to 63% due to the acquisition of the Luxor2+ portfolio. The share of locations in the mid-priced (Futura Zorg and Het Gastenhuis) and higher-priced segment (De Laren) decreased slightly to 31% and 6%, respectively.

At year-end 2023, the committed pipeline consisted of 27 projects for a total of 1,036 residential units. Three of the 27 projects are Assisted Living projects. The soft pipeline consisted of two Het Gastenhuis locations for a total of 40 units.

FIGURE 5: NUMBER OF LOCATIONS PER PROVIDER

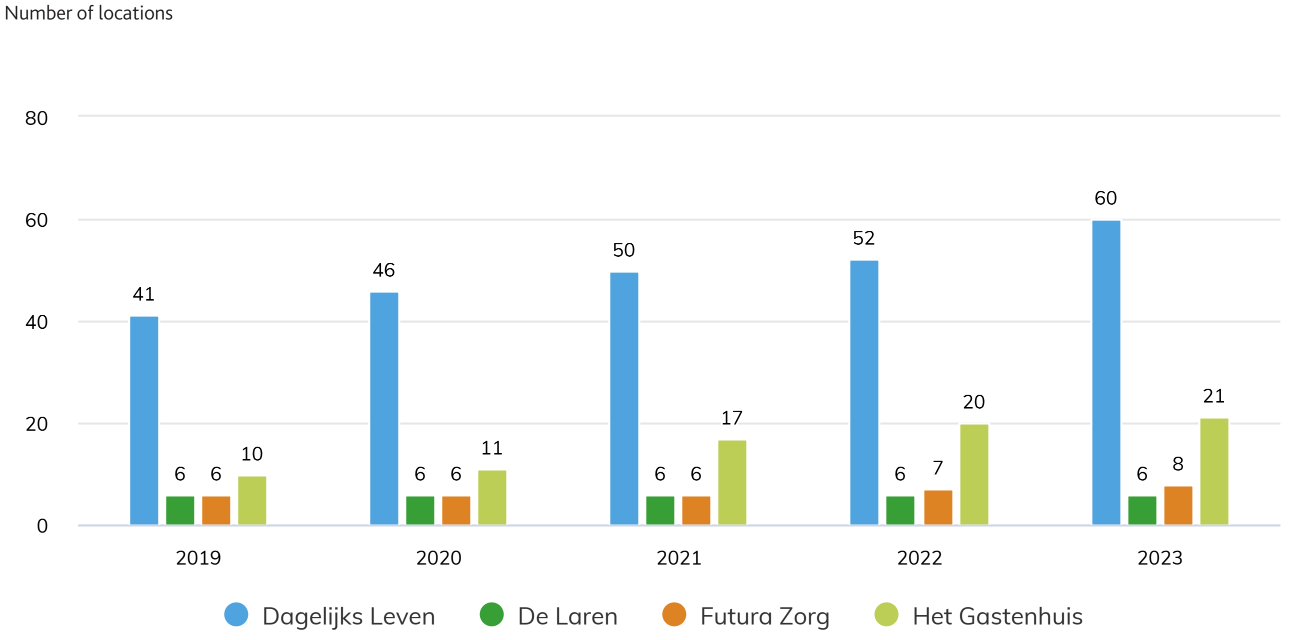
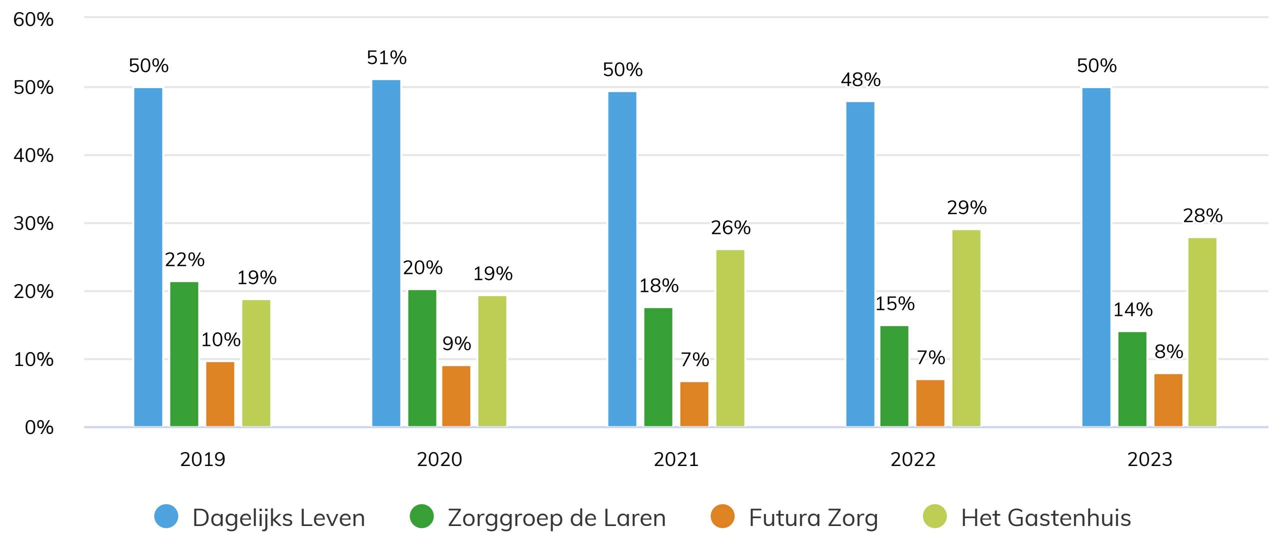


FIGURE 6: RELATIVE INVESTMENT VOLUME PER PROVIDER



FUND DEVELOPMENTS

We periodically conduct a materiality assessment to bring our strategy and actions in line with stakeholder interests and priorities and to better manage our impacts on the economy, environment and people. We use the outcomes of the materiality assessment to determine our targets and KPI's. The materiality assessment also helps us to identify what topics to report on. In this section, we report on the topics that have been determined as most material to the Fund. The Annex contains additional information on the materiality assessment.

RESIDENT SATISFACTION

We closely track resident satisfaction to assess the Fund's effectiveness in meeting the expectations of residents and to monitor the quality of care provided by our care partners. In 2023, our care homes received an average score of 9.2* 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 9.4*. Nearly all properties scored higher than the care home benchmark score of 9.1*.

- Dagelijks Leven 9.3 (based on 49 surveys)
- Het Gastenhuis 9.6 (based on 19 surveys)
- Zorggroep De Laren 8.2 (based on 6 surveys)
- Futura Zorg 9.8 (based on 3 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.

FIRE SAFETY

The AL&C Fund pays close attention to the fire safety of its properties to protect residents, particularly given the vulnerability of the target group. All our facilities meet the requirements for group care homes, even if not formally required by fire safety regulations. In 2023, all fire alarm systems were certified*.

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

INVESTING IN THE MID-PRICED SEGMENT

The AL&C Fund has a strong focus on affordability. We aim to invest in nursing homes and Assisted Living properties in the lower-priced and mid-priced segments for at least 75% of the total portfolio book value. In 2023, the lower- and mid-priced segments accounted for 86% based on book value.

GRESB PERFORMANCE

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. In 2023, the AL&C Fund maintained the maximum five-star GRESB rating and increased its score to 95 out of 100 points (2022: 92). The higher score was the result of improved energy efficiency and reduced greenhouse gas (GHG) emissions intensity. We achieved a 15% decrease in energy consumption intensity compared to 2022, as well as an 8% increase in renewable energy usage. GHG emissions intensity decreased by 18.5% compared to 2022. We recorded a slightly lower score in the water data category as a result of a 4.6% increase in water consumption intensity in 2022. The Fund again received the GRESB award for Overall Global Sector Leader, Western Europe Healthcare Senior Homes Core. The award recognises our Fund's commitment to incorporating sustainability into our operations and communicating our sustainability performance to our investors and stakeholders.

GPR CERTIFICATES

To improve our score in the Building Certifications category, we continue to obtain GPR certificates for our properties. GPR is an instrument for measuring the sustainability of a property. Measuring the current sustainability of our properties in five different categories (energy use, environmental impact, health, quality, and future value) allows us to set goals for future optimisations and track the impact of our optimisation efforts. During the implementation process of GPR certificates we realised an average score of the GPR certificates retrieved during 2023 of 6.5* which is below our internal target of 7.0. The decline in the average score this year is attributed to the deliberate certification of predominantly transitional properties. The certification process offers the fund valuable insights into areas for improvement, thereby identifying potential opportunities. This strategic initiative is in alignment with the predefined objectives outlined in the renovation roadmap. Anticipated outcomes include a more sustainable portfolio, with a consequent potential for elevation in the average score across the entire portfolio.

ENERGY AND WATER CONSUMPTION

The AL&C Funds aims to lower the energy consumption of properties and reduce the CO2 emissions of its portfolio. We monitor the energy and water consumption of our properties to set goals for optimisation. We use smart meters and an Environmental KPI dashboard to track and report on the sustainability performance of our buildings. Energy consumption, carbon emission and water use data for the prior year is not completely available at date of submission of this annual report. Therefore, the 2022 figures are included in this report.

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 m to kWh/m /year. In 2023, the average EUI of our properties was 111.4 kWh/m3*, compared to 131.0 kWh/m3 in 2022. The average Carbon intensity (CI) of our properties was 17.1 kg/m^2/year, this is a decrease in comparison to previous year CI of 21.0 kg/m^2/year. 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 thermal storage heat pumps and district heating systems).

In 2023, the percentage of homes with an energy performance certificate A or B was 99%, which is on target.

The total water usage was 98,845 m^3. The water use intensity in 2023 was 0.91 m^3/m^2 *, which is equal to 910 litres water per m^2.

SUSTAINABLE PROCUREMENT

We conducted a sustainable procurement survey of our most important suppliers in collaboration with Custom Eyes (under the umbrella of the IVBN) to gain insight into and move towards a more sustainable supply chain.

RENOVATION ROADMAP

We have a renovation roadmap based in place based on our CRREM targets. Since 2021, we have analysed the energy performance of all properties in our portfolio and determined which assets are at risk of becoming stranded by 2030. We have selected 15 properties for renovation through 2030, mapped out the sustainability improvements per property and finalised our plan, timeline and budget. We expect to execute the first renovation projects in 2024.

EU TAXONOMY

During 2023, the ALC fund voluntarily determined for the first time what the EU taxonomy aligment for the portfolio is.

Based on the EU Taxonomy Regulation (EU) 2020/852, this annual report outlines ALC Fund's alignment with the criteria set forth in the regulation, aiming to provide transparency regarding our environmental performance andcommitment to sustainable development objectives. The SFDR Annex included in the annual report as other information contains three required Taxonomy KPI's. In addition to that, we have also voluntarily assessed our real-estate-related assets only against EU Taxonomy alignment criteria of Climate Change Mitigation activity 7.7. Based on this alignment assessment, we are able to categorise 97% of assets as taxonomy aligned. The percentage is only based on real-estate-related assets, therefore excluding cash and other receivables. Our commitment to sustainability is reflected in our business practices and investment strategies.

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

FINANCIAL RESULTS

The AL&C Fund has a long-term horizon. The Fund targets a stable dividend yield of 3.5%, which reflects the risk profile of the Fund. As a result of strong operational performance, the dividend yield for 2023 was 3.7%.

The rising interest rate contributed to higher gross initial yields. The investment volume in the healthcare real estate market plummeted, resulting in negative revaluations. The AL&C Fund was also affected by the challenging market conditions. The value of properties in our portfolio nevertheless increased to EUR 543.2 million by year end 2023, as new investments offset the negative revaluations.

The income return of the Fund was 3.8% in 2023. The operating costs increased to 8.9% (2022: 7.6%) due to higher maintenance costs related to the Bosch en Duin property operated by Zorggroep de Laren, and the Warmond property operated by Het Gastenhuis. Our cost percentage nevertheless remains low due to the relatively young age of our portfolio and because our care provider tenants are responsible for the daily operating costs.

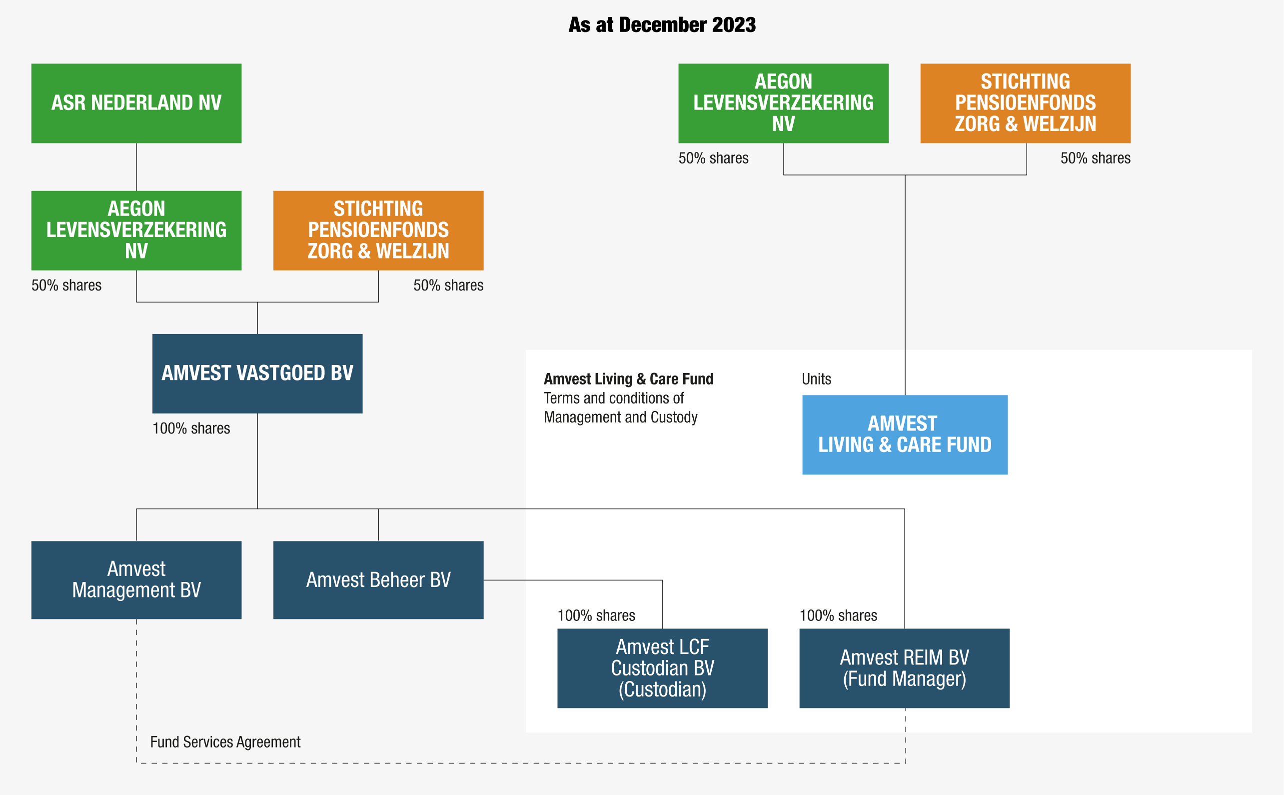
In 2023, the net/gross ratio was 91.1%. No debt finance is used to fund the AL&C Fund. The AL&C Fund has two participants, AEGON and PfZW. Of the total commitment of EUR 750 million, EUR 265 million remained available at the close of 2023. EUR 114 million of equity was called in 2023, while PfZW increased its equity commitment as planned by EUR 250 million in 2023. In the future, the Fund plans to use leverage at modest levels to fund its pipeline, subject to being able to generate positive leverage effects on direct income returns.

STRUCTURE AND GOVERNANCE

STRUCTURE

The AL&C Fund is structured as a closed-end fiscally transparent fund for joint account (FGR) with the Launching Investors AEGON and PfZW as the only two Investors. Amvest REIM B.V. (Amvest) is the Fund Manager and Amvest LCF Custodian B.V. is the custodian.

FIGURE 7: FUND STRUCTURE



TERM, INVESTORS, UNITS

The initial closing of the AL&C Fund took place on 31 December 2013. The AL&C Fund has a long-term horizon with an indefinite term. The first evaluation is set to occur before 1 January 2025. During 2022, one of the investors increased its commitment by EUR 250 million to a total of EUR 500 million. As a consequence, the Terms and Conditions were amended as agreed by the Investors and the Fund Manager. In 2023, 8,384 units were issued amounting to EUR 114 million. As of 31 December 2023, the AL&C Fund has two Investors (AEGON and PfZW) and EUR 264.8 million of undrawn commitments.

PARTNERSHIP WITH AMVEST DEVELOPMENT FUND B.V.

Amvest Development Fund B.V. (ADF) is one of the leading property developers in the Dutch residential market. The company has extensive experience with integrated area development and complex co-development projects. Its experience and cooperation with long-term investment funds like the AL&C Fund makes ADF a partner of interest to public authorities and public-private partnerships.

The AL&C Fund has a Right of First Refusal (RoFR) agreement with ADF. This means that ADF has the obligation to offer all residential-related care properties developed by ADF to the AL&C Fund, granting the AL&C Fund the right to acquire residential rental care homes, in line with the AL&C Fund investment strategy, on arm’s length conditions. The RoFR agreement is being updated in line with the amended Terms and Conditions. The new RoFR agreement is expected to be finalised at the start in 2024. The current RoFR agreement expires on January 1, 2025.

The partnership with ADF is strategically beneficial because it provides the AL&C Fund with access to a high-quality pipeline of properties. ADF’s extensive knowledge of (rental) markets is the basis for developing high-quality properties for care operators as tenants.

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 four times in 2023 while two Investors' Meetings were held in 2023.

RISK MANAGEMENT

AMVEST ORGANISATION CORPORATE RISK STRATEGY

The strategy of the Amvest organisation focuses on two key activities:
- Dutch residential area and property development in economically attractive regions.
- The set-up and management of Dutch investment funds and portfolios covering the residential sector.

The Amvest organisation is thus active across a large part of the real estate value chain. The link between these two key activities forms the basis of the Amvest business model: Amvest is able to create and benefit from synergy between these activities. Therefore, part of the corporate risk strategy focuses on adequately managing and mitigating the inherent 'conflict of interest risk'.

The structure and governance of the AL&C Fund, as well as the oversight role from the the depositary, and the AFM, help mitigate this risk.

INTERNAL CONTROL ENVIRONMENT

The Amvest risk management framework is designed to facilitate strong governance and risk management within the AL&C Fund. The framework is based on a control framework , which clearly separates the function of financial and portfolio management from the function of risk management to guard against conflicts of interest.

CONTROL FRAMEWORK

Fund management – Fund management is responsible for all fund-related activities, including managing the control environment and risks.

Risk & Compliance Officer (RCO) – The RCO coordinates, facilitates, reviews, and advises on risk management procedures in consultation with the Director Finance and Risk to safeguard the adequate management, control, and reporting of risks by the Fund Manager. The RCO acts independently from line management and remuneration is not tied to the Fund's performance.

Advisory Board – The Advisory Board serves as an escalation line for the RCO, independently of line and risk management. The Advisory Board is not part of the Amvest organisation.

ASSURANCE ON RISK RELATING TO FAILURE OF SYSTEMS AND PROCESSES

The Fund Manager is structured with an affiliated Fund Services Provider (Amvest Management B.V.). The Fund Services Provider employs all employees of Amvest group and provides relevant management services to the Fund Manager. An ISAE 3402 Type II framework is in place to support a consistent, high-quality level of services by the Fund Services Provider to the Fund Manager. Relevant processes carried out by the Fund Services Provider under the responsibility of the Fund Manager are described at an operational level. Control objectives and controls as part of these processes are defined.

Each year, Amvest's external auditor audits and reports on the design and effectiveness of controls as well as General IT Controls (GITC) based on the ISAE 3402 Type II standard. Amvest selects key controls within the most important business processes to be audited, primarily related to acquisitions, property and individual unit sales, and operations. Fund Management periodically assesses these controls in close consultation with the fund team, the RCO, the Fund Services Provider, and the external auditor of the AL&C Fund.

For 2023 (1 January 2023 - 30 November 2023), the external auditor issued an unqualified ISAE 3402 type II report.

AL&C FUND RISK MANAGEMENT FRAMEWORK

The Fund Manager uses a Risk Management Framework to appropriately identify, measure, manage, monitor, and report on risks. The Fund manager also sets the risk indicators, risk limits, and risk appetite for the defined risks. The risk management performance of the AL&C Fund is assessed in close consultation with the Portfolio Manager and the RCO on at least a quarterly basis and more frequently in case of significant events. The findings of the assessment are included in the quarterly Investor report's Risk Management Dashboard. The Director Finance and Risk is responsible for the risk reporting to all relevant stakeholders.

IDENTIFIED RISKS OF THE AL&C FUND

- **Rental risk:** the risk that a property cannot be rented out (again) within the envisaged period at the targeted rental price. This risk is particularly relevant for the AL&C Fund due to the limited number of care service providers (i.e. potential tenants) and the possibly difficult process of finding a (new) care provider for a care home. In addition, the AL&C Fund is at risk of being too dependent on one or more counterparties, particularly care service providers (concentration risk).
- **Portfolio risk**: the risk that the execution of the portfolio policy and the operational results are not in line with the portfolio plan. Critical variables, impacting the results:
  - Increase of land and construction cost may lead to declining yields.
  - Local authorities may become less accommodating regarding the care service concepts and projects of the AL&C Fund due to lobbying by competitors / alternative care providers.

– Delays in the realisation of the acquisition pipeline may occur.

- **Strategic risk**: the risk that developments outside of the AL&C Fund, including economic, political, and demographic developments and disasters, force changes to the strategic objectives and target portfolio of the AL&C Fund. The most significant strategic risks for the AL&C Fund include:
  – Trend of increasing care-related regulation and care-related subsidies are under austerity pressure.
  – The competition amongst care service homes is increasing due to new entrants in the market.
  – A potential decrease of the AL&C Fund's target group due to innovation and the development of a cure for dementia.
- **Counterparty risk**: the risk that a counterparty fails to fulfil contractual obligations and / or harms the reputation of the AL&C Fund. The main counterparties for the AL&C Fund are tenants (care service providers), investors, property developers, and appraisers.
- **Liquidity risk**: the risk that liquidity shortages occur due to the insufficient coordination (by timing and amount) of cash inflows and outflows in managing the AL&C Fund.
- **Performance risk**: the risk that the targeted return and cash proceeds of the AL&C Fund are not achieved.
- **Valuation risk**: the risk that the value of the real estate portfolio in the financial reports of the AL&C Fund does not represent the fair value and / or is not in line with the IFRS accounting principles.
- **Operational risk**: the risk that daily management and business operations (sales and acquisitions, technical, administrative) are not performed in accordance with Fund documents, management agreements, budgets, contracts, and the RoFR Agreement. Operational risk is identified at three levels in the organisation:
  – Inadequate operational management by the Fund Manager.
  – Acquisition of new care properties.
  – Daily management and business operation of the care service providers.
- **Conflict of interest risk**: the risk that the AL&C Fund or AL&C Fund structure is – in the perception of Investors – inadequately equipped (governance, checks and balances) to operate in the event of conflicts of interest and / or the risk that a conflict of interest occurs due to inadequate governance, checks and balances.

RISK APPETITE AND EVALUATION 2023

The AL&C Fund invests in income-producing real estate investments in the Dutch residential care sector. The generated returns from rental income are relatively stable and the AL&C Fund acquires new projects on a turnkey basis, without incurring development risk. In line with its INREV core fund risk profile, the AL&C Fund has a relatively low risk profile and correspondingly low risk appetite.

During 2023, the risk indicators and risk limits for the risk categories as defined by the Fund Manager were closely monitored. The negative economic impact of the Ukraine war a.o. through rising energy costs as well as the interest rate environment received special attention. Higher interest rates have a negative impact on fund returns through declining valuations. So far, the negative impact of the weaker economic environment on on the Fund's operation has been limited..

OVERALL RISK PERFORMANCE

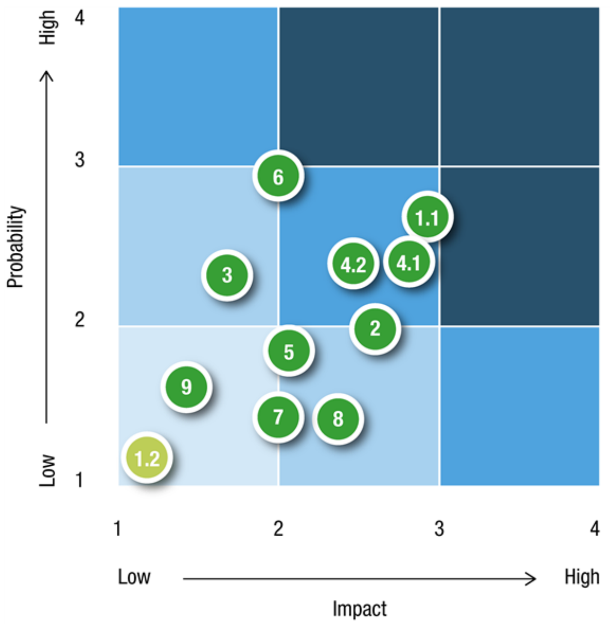
None of the risk limits set by the Fund Manager for the defined risk categories were exceeded.

No material changes to the liquidity management systems and procedures occurred and stress testing on liquidity showed no breaches in relation to the distribution policy as described in the Terms and Conditions and the Portfolio Plan. Various scenarios on funding, cash, and liquidity were calculated and monitored. The uncalled equity commitments (EUR 264.8 million) create a solid funding position for the AL&C Fund going forward.

UPDATED RISK MANAGEMENT DASHBOARD

The AL&C Fund's Risk Management Framework is a dynamic framework. The Fund Manager assesses, monitors, and reviews the risk management function, policy, framework, and its risk appetite, indicators, and limits on an annual basis and reports on these matters to the Advisory Board and Investors of the AL&C Fund. If necessary, the Fund Manager adjusts previously described risk categories in close consultation with the RCO and its stakeholders. In the fourth quarter of 2023, the Fund Manager presented the updated risk management dashboard to the Advisory Board for annual evaluation.

FIGURE 8: PLOTTED RISK (IMPACT/PROBABILITY)



1.1	Rental risk care providers
1.2	Rental risk individual care unit
2	Matching risk
3	Strategic risk
4.1	Counterparty risk - Tenants
4.2	Counterparty risk - Other
5	Liquidity risk
6	Performance risk
7	Valuation risk
8	Operational risk
9	Conflict of interest risk

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 2023, various policies were reviewed and updated following adjustments in internal procedures and the relevant laws and regulations.

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 and an Advisory Board meeting at least once a year.

The Fund Manager maintains a transaction register, which is compliant with the IVBN 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 2023, 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 of 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 2023, 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, complies with the codes of conduct applicable to members of this association.

AWARENESS

Awareness of integrity-related topics is an important theme within Amvest. The Code of Conduct is reviewed and updated annually. Employees receive an explanation of the updates from the RCO and sign the new Code of Conduct annually. Given the ever-increasing digitization of our world, cyber security is also a relevant theme. Random phishing testing to alert employees of suspicious emails is part of the awareness program. Every two years (most recently in February 2024), identified AL&C Fund staff and all other employees involved with transactions, Investors, and other relevant business relations, attend a training session 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-facing 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.

PROFESSIONAL LIABILITY (ARTICLE 9(7) AIFMD)

To cover potential professional liability risks resulting from activities carried out by the Fund Manager, AIFMD provides the Fund Manager with two options:

- Hold additional funds which are appropriate in relation to the potential risks arising from professional negligence; or
- Carry a professional indemnity insurance against liabilities related to professional negligence, which is appropriate in relation to the potential risks.

The Fund Manager selected the first option when setting up the AL&C Fund. The amount of the additional funds is calculated in accordance with criteria set out in the AIFM Directive and discussed with the Dutch Central Bank (DNB).

At the close of every quarter, the Fund Manager recalculates the value of the portfolio (one of the AIFMD criteria) to determine if significant increases have occurred. If this is the case, the Fund Manager recalculates the additional own funds required without undue delay and adjusts the additional own funds accordingly.

The Fund Manager ensures that the additional own funds are held in cash on the balance sheet of the Fund Manager.

LEVERAGE: GROSS AND COMMITMENT METHOD (ARTICLE 109(3) LEVEL II)

For the purpose of AIFMD (report to competent authorities), the leverage of the Fund is expressed as the ratio between the exposure of the Fund and its NAV. The Fund Manager calculates the exposure of the funds managed in accordance with the gross method and the commitment method. AIFMD stipulates a limit of three for the leverage.

Leverage - gross method: (total of assets + notional contract value derivatives -/- cash) / (INREV NAV). Leverage - gross AL&C Fund:

(565,669 + 0 -/- 19,518) / 552,450 = 0.99.

Leverage - commitment method: (total of assets) / (INREV NAV). Leverage - commitment AL&C Fund:

565,669 / 552,450 = 1.02.

DUTCH LAW

The AIFMD requires investment funds to prepare an annual report including a 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 compliant with the INREV Guidelines and undertaken by external appraisers.

INREV statement is included in the annexes of the report. INREV Statement include limited assurance by external auditor. Separate assurance report is included on page 73.

INREV GUIDELINES COMPLIANCE STATEMENT

The European Association for Investors in Non-Listed Real Estate Vehicles (INREV) published the revised INREV Guidelines incorporating industry standards in the fields of Governance, Reporting, Property Valuation, Performance Measurement, INREV NAV, Fees and Expense Metrics, Liquidity and Sustainability Reporting. The assessments follow these guidelines.

INREV provides an Assessment Tool to determine a vehicle's level of compliance with the INREV Guidelines as a whole and its modules in particular.

The overall INREV Guidelines Compliance Rate of the Amvest Residential Core Fund is 98.56%, based on all nine assessments. The table below shows the compliance rate for each completed module of this self-assessment.

Assessment	Amvest
Code of Tax Conduct	96%
Fee and Expense Metrics	100%
Governance	100%
Liquidity	100%
INREV NAV	100%
Reporting	98%
Sustainability	95%
Performance measurement	100%
Property valuation	98%
	99%

EU TAXONOMY

The EU Taxonomy for sustainable activities is a classification system established to clarify which investments are environmentally sustainable. The aim of the taxonomy is to prevent greenwashing and to help investors make greener choices.

An eligible activity needs to comply with the following criteria in order to be aligned:
- Substantially contribute to at least one of the six environmental objectives (LCF contributes to objective Climate Change Mitigation);
- Do no significant harm to any of the other five environmental objectives;
- Comply with minimum safeguards, such as OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

SUSTAINABLE FINANCE DISCLOSURE REGULATION

The European Union has set in motion a legislative program 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. The RTS has come into effect per January 2023.

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.

Based on the SFDR, Amvest, in its role as manager, is required to set out:
1. how it plans to deal with sustainability risks in its investment decisions and what the consequences of this will be;
2. publish information about the way in which the negative impact of investments on sustainability factors will be handled; and
3. set out how it deals with sustainability in its investment decision policy and its remuneration policy and to detail the consequences of its approach.

In addition, the regulation contains transparency requirements at fund level. For these requirements we refer to the funds under Amvest management:
- Amvest Residential Core Fund;
- De Utrechtse Fondsen Vastgoed C.V.;
- Amvest Living & Care Fund.

Integration of sustainability risks into investment decision policy for investment decisions

Based on the SFDR, Amvest is required to indicate how it takes sustainability risks into account in its investment decisions. 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.

On behalf of the investors in funds under its management, Amvest invests in residential real estate. For investments in real estate, specific sustainability risks are relevant. Real estate is subject to the following:

Transition risks – risks based on the transfer from a fossil economy to a climate-neutral economy.

Based on additional laws and regulations and/or changes to the current laws and regulations, new requirements can be placed on the energy usage and CO_2 emissions of real estate. These developments can have consequences for the value of the real estate investments and can lead to costs associated with making real estate objects more sustainable.

Climate risk – (physical) risks resulting from climate change

In certain areas, buildings or the ground on which has been built, may get damaged during extreme weather such as heat, or due to slow developments such as rising sea levels. This may result in a lower valuation of the real estate investments.

Social risks – risks resulting from social trends and developments.

It is important that Amvest focuses on the satisfaction of tenants and the affordability of the homes based on its mission "Giving people a great home" and "Fair living for all generations."

Not advocating well enough for the interests of tenants may result in a lower tenant satisfaction. As a result, homes can be less attractive to tenants.

Potential i) additional costs for maintenance, ii) lower rental income and iii) lower valuation of real estate are possible consequences that can result in a decline of the return of investment of the real estate funds managed by Amvest. For this reason, the sustainability risks are taken into account in investment decisions. Amvest has implemented these requirements as follows:
- when purchasing a new-build complex, the schedule of requirements is the minimum that must be complied with. This schedule includes a minimum of technical and sustainability requirements that are often more stringent than the current building code. For new-build complexes pursuant to the building regulations, stringent rules apply with regard to the expected energy usage and CO_2 emissions. These data are recorded and guarantee that new investments comply with the most recent requirements;
- when there is intent to acquire 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 as outlined in the current Portfolio Plan (e.g. the required energy label) and there is no cost-effective way to bring the building up to the desired sustainability level (in due course), then as a rule the purchase will not take place;
- For the various real estate portfolios, Amvest has formulated CO_2 reduction objectives and will be measuring by how much the CO_2 emissions of the real estate portfolio have been reduced. Based on this analysis it is determined which complexes are eligible for a sustainability investment (e.g. solar panels or renovation) or disinvestment (sale of complex). Making the portfolios more sustainable is the starting point in managing the transition risk and investment decisions will be geared to achieving this aim;

- Amvest provides insight into physical climate risks based on climate risk scans. Based on these scans, a clear image can be created of the exposure of real estate objects to various types of physical risks;
- An annual survey is conducted on the topic of tenant satisfaction among tenants of the existing complexes, and, based on the results, we identify which areas could be improved;
- Both in the individual investment decisions and at portfolio level, the affordability of homes will be examined, with, as a starting point, a focus on the mid-range segment.

The described measures and frameworks have been included in various documents, including the Programme of Requirements, which newly acquired real estate must comply with, fund terms and conditions, portfolio plans, quarterly reports and annual reports. The measures described ensure that sustainability risks, particularly in terms of the environment, are taken into account in investment decisions with the aim of preventing risks as much as possible.

Taking into account negative impacts on sustainability factors

Investments in real estate can have a negative impact on sustainability factors – environmental and societal. 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 properties, we check whether our decision has a negative impact on certain sustainability factors.

Providing insight into and limiting the negative effects of real estate on environmental factors is easily done. Amvest currently views CO_2 emissions and the energy use and consumption of its investments as the most important negative effects of real estate on sustainability factors.

When it comes to acquiring real estate, the Amvest 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 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 first discusses an investment proposal extensively in a range of bodies before being permitted and able to take 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. 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 is shown to have a possible unfavourable effect on sustainability factors, then the likelihood of this unfavourable effect occurring and the severity of the impact will be examined based on a property analysis and the available data among other things once a year. Based on this analysis, Amvest can take the decision either to modernise this investment until it once again meets the requirements, or to sell it.

Amvest supports a number of international standards focused on including sustainability aspects into operations and on investing. For example, Amvest and its funds take part in the GRESB benchmark. GRESB is the annual worldwide benchmark on ESG themes (Environmental, Social, Governance). Amvest is also signatory for the United Nations Principles for Responsible Investment (UN PRI), an international commitment for investors that promotes the integration of ESG into investment decisions. Based on the UN PRI a report must be made of the way in which Amvest has given substance to this commitment.

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 into the remuneration policy. 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 in the area of sustainability;
- 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 THE 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. 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 following environmental and social characteristics:

Environmental characteristics
- 1. Investing in energy efficient future proof properties.
- 2. Realizing a reduction of CO_2 emissions.

Social characteristics
- 3. Ensuring high quality living environment.
- 4. Focus on the provision of healthcare related real estate for i) elderly people who have a significant care indication due to somatic and/or psychogeriatric limitations and can no longer live independently (verpleeghuiszorg); ii) people who have physical or mental disabilities and cannot live independently (gehandicaptenzorg), iii) people who have a light to moderate demand for care, regardless of whether they are able to live independently and iv) elderly people who need various levels of medical or personal care (assisted living).

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

KPIs defined and measured for these characteristics are:

Environmental characteristics
- 1. Composition of the portfolio by energy labels.
- 2. Scope 1, 2 and 3 CO_2 emissions of the properties.

Social characteristics
- 3. Annual tenant satisfaction score on the accommodation aspect.
- 4. Composition of the portfolio in the four health care segments.

For more information on the KPIs defined, the results of the past year, the data sources and screening criteria, please refer to the Annual Sustainability Report of the Amvest Living & Care Fund and specifically for SFDR to attached Sustainability related disclosures.

The Amvest Living & Care Fund qualifies as an 'article 8' product under the SFDR and, as such, promotes Environmental/Social (E/S) characteristics. Whilst it does not have sustainable investment as its objective, it has a proportion of 99% in sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy. All these investments also qualify as investments in sustainable investments with a social objective.

Results 2023

Periodic reporting on compliance to ecological and/or social characteristics is included in our annex. More information on SFDR and results related to our sustainable investment policies are included on our website where we also annually publish the Statement on principal adverse impacts of investment decisions on sustainability factors (PAI statement). This statement contains our policies related to determination and prioritizing the most important adverse impacts on sustainability and a description of the most important adverse effects including related data sources and processing.

KPI's relevant to SFDR are included throughout our annual reporting and contain limited assurance by KPMG. Please refer to annex for complete set of assured KPI's and to page 59 for the limited assurance report by KPMG.

Outlook 2024

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.

In addition to the sustainability laws and regulations (SFDR/Taxonomy), the Digital Operations Resilience Act ('DORA') is relevant. DORA is a EU regulation that entered into force on 16 January 2023 and will apply for Amvest as AIF as of 17 January 2025.

It aims at strengthening the IT security of financial entities such as banks, insurance companies and investment firms and making sure that the financial sector in Europe is able to stay resilient in the event of a severe operational disruption.

DORA brings harmonisation of the rules relating to operational resilience for the financial sector applying to 20 different types of financial entities and ICT third-party service providers.

OUTLOOK

The higher risks associated with the real estate market was underlined by the continued yield decompression throughout 2023. The uncertain impact of rent regulation, higher construction costs and rising interest rates created a weaker real estate market environment. The downward trend that started in mid-2022 continued in the following one and a half years. The last quarter shows further signs of a gradual trend toward stabilisation of real estate valuations.

The long term trend for the AL&C Fund is likely to remain favourable based on the significant shortage of health care real estate in combination with the long term demographic trends.

The AL&C Fund is well capitalised but short term growth objectives might however be hampered due to a lack of feasible new projects. The existing modern and energy efficient portfolio remains resilient in the current market environment.

For the first half year of 2024 we foresee a gradual reversal of the negative trend which is amongst others driven by a pick-up in investment market activity and limited supply for a real estate segment which is in high demand.

Amsterdam, the Netherlands, 19 April 2024

Wim Wensing, Fund Director and Portfolio Manager

Niclas von der Thüsen, Director Finance and Risk

Susan van de Koppel-Nagelmaeker, Portfolio Manager

Interview


JEROEN KLEINJAN (CEO) AND INES VAN KLOOSTER (CFO)
DAGELIJKS LEVEN

"THE SMALL SCALE ENSURES THAT PERSONALIZED CARE IS POSSIBLE, AND THAT WE TRULY SEE OUR RESIDENTS."

CEO Jeroen Kleinjan and CFO Ines van Klooster are at the heart of the community with the small-scale residential care of Dagelijks Leven, providing people with dementia a place where they can be themselves.

"In essence, the care concept of Dagelijks Leven revolves entirely around the resident and what he or she still wants," explains Jeroen. "We try to follow the resident's rhythm as closely as possible. For example, we don't dictate when residents should wake up or go to bed, and we ensure that they can do the things they enjoy. We've noticed that many residents enjoy helping with meal preparation, setting the table, or working in the garden. So why not let them do that? We encourage relatives to visit as often as they used to. We're not a nursing home, we have no visiting hours: the door is open. This makes residents feel at home. And that's also our motto: Just like home." Dagelijks Leven provides small-scale living space for a maximum of 22 residents with a form of dementia. They have their own studio, and there are also two large living rooms, an activity room, and a garden. The residences of Dagelijks Leven are deliberately located in lively places in residential areas. Jeroen: "There's plenty of activity around our residential complexes. Facilities, such as the supermarket, bakery, or hairdresser, are nearby. This makes it easier for our residents to participate in society and engage in the things they still want and can do independently." Ines adds, "Dagelijks Leven is also accessible to everyone, including those with a limited budget. That's very important to us."

PERSONAL APPROACH

Meanwhile, Dagelijks Leven has more than ninety locations, across the Netherlands. Last year, nine new residential care properties opened their doors. On Zorgkaart Nederland (Care Map Netherlands), Dagelijks Leven has been consistently rated with a score of 9 or higher for many years. "Of course we're very proud of that," acknowledges Jeroen. "Feedback from our own satisfaction surveys also indicates that residents, as well as their relatives, appreciate our personal approach. Family members truly feel that their father or mother is in trusted hands." Ines admits that maintaining the care at such a high level is quite a challenge and emphasizes the importance of good collaborative partners. Last year, the Amvest Living & Care Fund reached an agreement to purchase 22 Dagelijks Leven residential care properties, ultimately providing a comfortable home for 480 residents. Eight of them were completed last year, and the remaining locations will be realized in 2024 and 2025. "We want to be the best and remain the best in caring for our residents, and having a good and reliable real estate partner is crucial. In our collaboration with Amvest, we know what to expect from each other. That brings peace and confidence, allowing us to focus on care."

MORE TO ACHIEVE

As attention increasingly turns towards sustainability and social impact, Dagelijks Leven also sees the benefits of working with collaborative partners like the Amvest Living & Care Fund. "In terms of sustainability, real estate is essential," says Jeroen. "We take the responsibility together to contribute to livability, and we see that reflected in our buildings, such as solar panels and heat pumps. Additionally, we assess what can be improved in daily operations, for example, in the procurement process and in terms of waste." Making a social impact is inherently what Dagelijks Leven is about, emphasizes Jeroen: "We closely monitor the development of people with dementia and see the numbers rising. But there's much more ahead, and there's still a world to win. We have the ambition for Daily Life to stand even more firmly in a community, but also to activate the surrounding area. We learn a lot from the two thousand elderly people currently living with Daily Life. We don't want to treat people with dementia as patients but explicitly provide a home where they can largely retain control over their lives."

ANNEXES

DAGELIJKS LEVEN, BRUMMEN

KPIS FOR THE PURPOSE OF NON-FINANCIAL DATA IN THE ANNUAL REPORT

RESIDENT SATISFACTION

Objective	Determine resident satisfaction
KPI owner	Amvest
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	• 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 2023	Resident satisfaction of 9.2, aspect 'accomodation' scored a 9.4. The scores are above target.

GRESB SCORE

Objective	Achieve a GRESB (Global Real Estate Sustainability Benchmark) score
KPI owner	Amvest
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	• 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 2023	GRESB score of 95 (2022: 92), this results in a 5-star status.

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	Electricity: • 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) Gas: • Gas consumption in m^3 is converted into kWh (factor 9,769) • The total energy usage per building is divided by the total Gross Floor Area in m^2
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. The consumption data of previous year is used to determine the outcome for current year.
Frequency	Once a year
Reporting process	The energy consumption is measured based on the following data: 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. 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. The asset manager delivers the data to Cooltree. Cooltree puts the data in the standard calculation sheet which will process the data.
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), CWING (managed by C&W, AL&C Fund has access) Excel for renewable energy. The data is retrieved from the solar panel inverter
Audit process	• 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 m^2) • Data report is created by CoolTree
Result 2023	Average Energy Use Intensity 2022: 111.4 kWh/m^2 /year The change percentage between 2021 and 2022 is a 15.0% decrease.

CARBON EMISSIONS

Objective	Measure carbon emissions from the AL&C Fund
KPI owner	Amvest
Definition	The total CO_2 emissions in kg per m^2 of the buildings of the AL&C Fund
Scale / unity	# kg CO_2 / m^2 / year
Calculation	Electricity: • 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 'grey' electricity is converted to kg of CO_2 in accordance with the emission factors of www.co2emissiefactoren.nl. 1 kWh = 0.5560 kg of CO_2 Gas: • The amount of gas in m^3 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 m^3 • The total amount of m3 natural gas is converted to kg CO2 in accordance with the emission factors of www.co2emissiefactoren.nl. 1 m^3 natural gas = 1.88 kg CO_2 • For approx. 5-10% of the electricity consumption, the source is unknown so therefore an 'energy mix' assumption is applied. The energy mix consists of 65% grey and 35% green electricity (based on CBS data, before the update November 14, 2023).
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). The consumption data of previous year is used to determine the outcome for current year. Only buildings which are completely in operation during the whole year are taken into account.
Frequency	Once a year
Reporting process	• 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 CO_2 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	• 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 2023	Average Carbon Emmission Intensity 2022: 17.1 kg CO_2/m^2 /year The change percentage between 2021 and 2022 is a 18.5% decrease.

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 explotation 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 2023	100% (95 buildings) valid certificates.

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. The consumption data of previous year is used to determine the outcome for current year.
Frequency	Once a year
Reporting process	• 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	• Data trends are analyzed annually (smallest and largest consumer based on water consumption per m^2)
Result 2023	Average Water use Intensity 2022: 0.91 kg m^3/m^2 /year The change percentage between 2021 and 2022 is a 4.6% increase.

RENOVATION ROADMAP

Objective	Investigate investment options per identified property for meeting portfolio-wide CCREM targets for carbon emissions and energy consumption
KPI owner	Amvest
Definition	The renovation roadmap provides guidance for sustainable transformation of the portfolio towards energy-neutral
Scale / unity	# kg CO_2 / m2 / year and kWh / m2 / year
Calculation	This Roadmap links up with the Carbon Risk Real Estate Monitor (CRREM) for CO_2 and WEii guidelines for energy consumption. Both pathways align with the Paris climate goals of limiting global temperature rise to 2°C, with the ambition towards 1.5°C.
Target	Investigate which investments can be made to improve the identified properties within the portfolio for meeting the CCREM and WEii targets.
Scope	A selection of 8 object for further investigation is made
Frequency	Once a year
Reporting process	The relevant properties are investigated by Innax, Hemink, Technical manager and Asset manager for investment opportunities which will decrease the property's carbon footprint. Different kinds of scenarios are determined and plotted within the CRREM. Based on these investigations further actions are determined for the following years.
Systems and sources	Dashboard roadmap tool
Audit process	At the moment no audit process is in place other than the check which properties are closed to or over the CCREM and WEii line.
Result 2023	Insight has been created and assets with highest need for improvement are investigated.

ENERGY PERFORMANCE CERTIFICATES

Objective	Thrive to limit the higher energy performance certificates
KPI owner	Amvest
Definition	The amount of energy performance certificates of the ALC Fund per calender year based on bookvalue
Scale / unity	Absolute percentage
Calculation	The energy performance certificates of all existing properties of the ARC Fund, based on bookvalue of the properties.
Target	95% A and B energy performance certificates
Scope	Energy performance certificates of the ARC Fund
Frequency	Once a year
Reporting process	New complexes: When a new building has been completed the technical manager contacts the contractor to request an energy performance certificate. The contractor hires a company to measure the building and determine the energy performance certificate, this is preferably done in Vabi format. When the energy performance certificate is determined the report is entered in the datawarehouse by the asset controller. Existing complexes: When an energy performance certificate is expired or the building has been improved a new energy performance certificate is requested by the technical manager. The technical manager hires a company to measure the building and determine the energy performance certificate, this is preferably done in Vabi format. The energy performance certificate is than entered in the datawarehouse by the asset controller. Every quarter asset controller asks for an update of NIBAG regarding the current energy performance certificates and this is added to the datawarehouse.
Systems and sources	Datawarehouse NIBAG
Audit process	Financial process of Amvest
Result 2023	The percentage of homes with a A and B energy performance certificate for 2023 amounted to 99%, which is on target.

GPR CERTIFICATE SCORE

Objective	Achieve a postive GPR certificate score for new buildings
KPI owner	Amvest
Definition	Average score of the received GPR certificates in this year
Scale / unity	Score number from 1 (minimum) to 10 (maximum)
Calculation	The GPR score is calculated by a GPR certified organization based on the building specific qualities. For each item a maximum number of 10 points is possible to be achieved. The final score is based on standardized calculation rules (for example EPC-Calculation).
Target	Average GPR score of 7.0
Scope	All properties where a GPR certificate is available within the financial year.
Frequency	Once a year
Reporting process	The financial staff of the fund determines the average GRI Certificat for all properties based on GPR certificates provided by asset maanger and reports about it in the annual report.
Systems and sources	Amvest data systems
Audit process	Financial process of Amvest
Result 2023	The average score of the GPR certificates over 2023 is 6.5, which is below the target.

INVESTING IN LOWER AND MID-PRICED SEGMENT

Objective	Invest in the lower and mid-priced rental segment for nursing homes and assisted living
KPI owner	Amvest
Definition	The end-year portfolio allocation of the ALC Fund in the lower and mid-priced segment
Scale / unity	Absolute percentage
Calculation	The percentage of homes (both nursing and assisted living) in bookvalue of the ALCF allocated in the lower and mid-priced segment compared to the total nursing homes and assisted living homes in the ALCF portfolio*
Target	Minimum of 75%
Scope	The allocation in lower and mid-prized houses (both nursing and assisted living) of the ALC Fund per year-end.
Frequency	Once a year
Reporting process	The financial staff of the fund calculates the portfolio allocation of the fund and reports about it in the annual report.
Systems and sources	Amvest financial systems
Audit process	Financial process of Amvest
Result 2023	The percentage of properties in mid-prized segment for 2023 amounted to 86%, which is on target.

*The lower, mid and high-priced segment are determined based on the care provider. The care providers Dagelijks Leven, Het Gastenhuis and Futura Zorg are deemed lower and mid-priced segment. Zorggroep de Laren classifies as higher-priced segment.

SUSTAINABLE PROCUREMENT SURVEY

Objective	Sustainable procurement survey
KPI owner	Amvest
Definition	Through an annual Sustainable procurement survey the LCF measures the Sustainabile procumerent of suppliers.
Scale / unity	Respones of suppliers
Calculation	Percentage of respones of suppliers which comply with sustainable procurement guidance
Target	A report where can be determined whether suppliers follow IVBN sustainable procurement guideliness
Scope	All selected suppliers
Frequency	Once a year
Reporting process	• IVBN determines survey questions • Customeyes sends out the survey based on list of suppliers provided by technical manager Amvest • Customeyes determines respone • Customeyes delivers a report (dashboard)
Systems and sources	n/a
Audit process	n/a
Result 2023	Insight has been created.

RESUMES OF THE MANAGEMENT TEAM

WIM WENSING

FUND DIRECTOR

- Erasmus University Rotterdam, Business Economics
- University of Amsterdam, Master of Science in Real Estate
- Real Estate Manager, Housing Association (1995-1997)
- Account Manager, Meeùs Property Management (1997-2000)
- (Senior) Asset Manager, ING Real Estate Investment Management (2000-2004)
- Managing Director, ING Real Estate Investment Management (2004-2011)
- Chief Investment Officer, Amvest (since 2011)
- Fund Director; Board member Fund Manager (Amvest REIM B.V.) (since 2011)

Ancillary positions

- Chairman IVBN (since 2024)

NICLAS VON DER THÜSEN

DIRECTOR FINANCE AND RISK

- Hotelschool Den Haag, Financial Management and Strategic Management
- Vrije Universiteit Amsterdam, Postgraduate Treasury Management/ (RT)
- UvA Amsterdam, Postgraduate Register Controller/ (RC EMFC)
- Consultant Real Estate, Arthur Andersen (1997-1999)
- Associate Investment Services, Jones Lang LaSalle (1999-2001) Associate Director/Vice President, NIBC Bank (2001-2008)
- Manager Capital Markets, Multi Corporation B.V. (2008-2012)
- Treasurer, Vesteda (2012-2016)
- Manager Finance and Control, Vesteda (2016-2018)
- Director Finance and Risk; Board member Fund Manager (Amvest REIM B.V.) (since October 2018)

SUSAN VAN DE KOPPEL-NAGELMAEKER

PORTFOLIO MANAGER

- Rijksuniversity of Groningen, Master of Science in Real Estate
- Amsterdam School of Real Estate, (postgraduate) Master of Real Estate
- Projectadviser zorgvastgoed, Syntrus Achmea Real Estate & Finance (2008-2009)
- Assetmanager healthcare and residential real estate, Syntrus Achmea Real Estate & Finance (2009-2015)
- Acquisistion manager healthcare and residential real estate, Syntrus Achmea Real Estate & Finance (2015-2020)
- Senior consultant healthcare, CBRE (2020)
- Portfolio Manager, Amvest (since August 2020)

AMVEST