

2015

A stable, long-term investment strategy

[Page 48](#)

A portfolio poised for growth

[Page 51](#)

A diversified strategy for tenant and investor satisfaction

[Page 54](#)

A commitment to Corporate Social Responsibility

[Page 58](#)

Sustainable investments, sustainable value



A commitment to Corporate Social Responsibility

a.s.r. reim is keenly committed to Corporate Social Responsibility (CSR) as part of its approach to responsible investment management. One extremely important aspect of this responsibility is to make sure that the company acts as sustainably as possible. In fact, investment funds are becoming increasingly sustainability driven, making choices based on activities in this key area. At the same time, government legislators are set to introduce stricter environmental regulations, as the population at large – and tenants in particular – start to demand a more sustainable approach to construction, aesthetic renovations, maintenance and everyday energy use.

Property



The people who work for the company are aware of – and operate – according to sustainability standards



An official sustainability committee

“Between 25-35% of CO² emissions are either directly or indirectly caused by the construction and daily use of real estate,” explains Sustainability Manager Lizzy Butink. “As a real estate investor, we have clear sustainability goals and we take them very seriously.” a.s.r. reim formed a sustainability committee in 2014 to actively drive sustainability in the company’s official policy for 2016-2018. The policy strengthens the company’s corporate social responsibility approach through four pillars: **Property, Partners, Planet and People.**

Sustainable PROPERTY

All homes in the Fund are EPA-certified, with an average Energy Performance Coefficient of 1.6 (EPA label C). Recently, ASR DCRF took steps to improve the rating further, through the renovation of a building in Rosmalen (upgrading the EPA label from F to B and C), adding a large number of new homes with an EPA label of A or better) and a BREEAM Very-Good certified Futura complex in Zoetermeer. ASR DCRF also works with a construction company that thoroughly examines the portfolio and puts forward sustainability solutions such as improving wall, floor and roof insulation, adding double

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Partners



Planet



People



G R E S B
Green Star 2015

glazed glass (at an HR++ level), and introducing modern hot water systems.

Sustainable PARTNERS

“ASR DCRF chooses to work with partners who are committed to sustainability,” says Asset Manager Joost Compaan, “whether they are investors, builders, external property managers, or maintenance organisations.” Technical maintenance is performed by CSR-certified entrepreneurs. Applied engineering materials and installations must comply with current CSR standards. And the quality of the portfolio and CSR-related technical requirements is measured by

an outside consulting firm accredited according to NEN 2767 fitness and quality measurement standards.

It should go without saying that ASR DCRF is also committed to the people living in the portfolio’s buildings. “The Fund runs an annual tenant satisfaction survey,” explains Joost. “The outcomes are discussed internally and then translated into improvement actions that are monitored quarterly.” In 2015, our average tenant satisfaction rate was 7.1.

Sustainable PLANET

ASR DCRF’s properties use 100% green electricity with a major emphasis on

green gas. CSR performance in this area is also measured annually and made transparent in the Global Real Estate Sustainability Benchmark (GRESB). GRESB is an independent, scientific benchmark that assesses sustainability policies and their implementation in real estate funds across the globe. Last year, ASR DCRF was awarded the highest award in this area: Green Star.

Sustainable PEOPLE

a.s.r. reim is actively embedding a sustainability attitude internally across its organisation and processes, making sure the people who work for the company are aware of – and



operate – according to sustainability standards. “We are committed to reducing waste throughout our office,” says Lizzy. “And we actively inform our organisation about what we do in terms of sustainability.” The company works hard to maintain another kind of sustainability too – employee growth and satisfaction. The HR department focuses on personal development in terms of professional expertise, competences and skills, and each employee is entitled to a training budget amounting to 2% of their annual salary.

Taking sustainability into the future

A commitment to high environmental standards

All new ASR DCRF-invested buildings are constructed according to the highest environmental standards. And renovations always include an eye on raising the standards of existing buildings as well. “10% of our portfolio’s standing investments are currently rated F or G,” explains Joost. “So as we continue to renovate into the future, one of our goals is to reduce this percentage to under 3% in 2020.”

Cooperation with external maintenance organizations

ASR DCRF holds regular meetings with maintenance organisations. Discussions obviously address renovations, as well as opportunities to make normal

Engaging tenants in the sustainability process is crucial to success.

maintenance greener, increase the number of LED fixtures, and introduce water saving practices and other sustainability measures. “One of our goals is to apply energy-reducing measures in 10% of our portfolio annually,” says Joost. “Within five years at least 50% of our standing investments will have undergone sustainability improvements. Our measurement system automatically reads the associated gas, water and electric meters, so we already have a good view of where we stand and where we can best focus our efforts.”

A shared approach with tenants

Engaging tenants in the sustainability process is crucial to success. ASR DCRF is further increasing its approach to working with tenants to make greener choices when it comes to renovations and energy use. The Fund already has a good Data Management System in place.

One of the biggest challenges the company now faces is balancing the need for tenant privacy with a shared approach to obtaining more hard data regarding individual usage, especially in single home dwellings. One of the company’s key goals is therefore to increase tenant monitoring to further optimize energy use and lower CO² emissions. “One of the options we are looking at is shared renovation costs,” says Lizzy. “This brings the immediate advantage of increased sustainability that can increase energy cost-effectiveness for tenants’ daily expenses. Long-term, it can also

raise property value and lead to rent increases down the line.”

The company aims to involve tenants – as well as other inhabitants in the area – in its renovation projects, to create not only better houses but also a more attractive environment. This could range from subsidized playgrounds to a neighbourhood block party.

Investor involvement every step of the way

Clearly, ASR DCRF is committed to engaging people and organisations across the entire supply chain, raising awareness and making sure the best sustainable solutions are implemented at every possible step. Investors are also aware that one of the Fund’s strategic targets is to enhance the sustainability of the portfolio, and ASR DCRF will be regularly including sustainability on investor meeting agendas. Investors are encouraged to provide their ideas and input, and they can become as

involved as they like in the company’s sustainability activities.

The Fund is investing in a long-term, mature market. Within this market, ASR DCRF actively looks for – and builds – real-estate that is future-proof when it comes to sustainability. This will ensure that the buildings are attractive now and remain that way into the future. Of course, new, innovative ideas, products and services are always emerging in the area of sustainability. ASR DCRF will continue to keep a sharp eye on developments in this field, introducing measures that will create the most benefit for society, the environment, tenants, and ultimately, the property value for investors.



ASR DCRF will continue to keep a sharp eye on developments with regard to sustainability