Vesteda

Green Finance Framework

December 2023

Index

1. About Vesteda

Vesteda is an institutional residential real estate investor with a large and varied portfolio of homes in the Netherlands. The portfolio consists of approximately 28,000 homes, primarily located in economically strong regions and core urban areas. Vesteda has a focus on the mid-rental segment and a focus on improving the quality and sustainability of its portfolio. Vesteda invests the pension savings and insurance premiums entrusted to it by institutional investors, such as pension funds and insurance companies, in Dutch residential real estate, predominantly for middle-income tenants. As such, we contribute to future income security for retirees, affordable living for Dutch middle-income households and to the continued improvement of the quality of urban communities in the Netherlands.

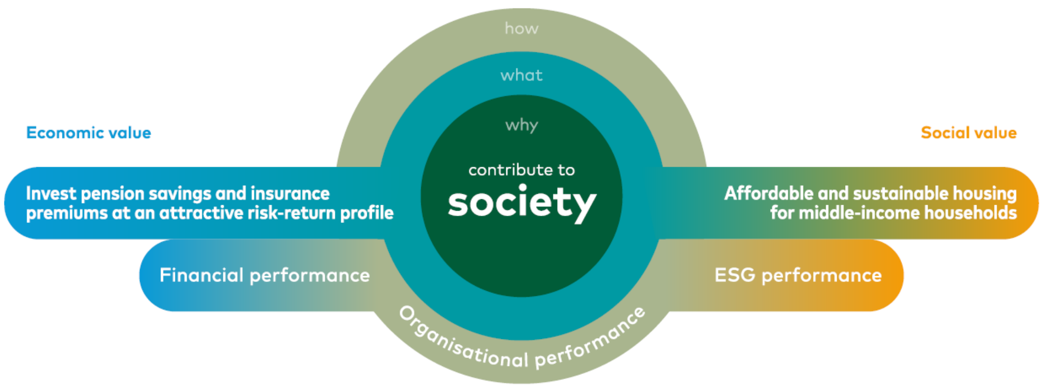
2. Introduction

2.1 Vesteda's strategy

At the heart of Vesteda's company mission lies Vesteda's commitment to achieve a positive contribution to society. Vesteda is driven by its goal to have a significant impact on society, and by doing so creating sustainable value and stable returns for all Vesteda's stakeholders. Vesteda focuses on economic value, social value, and the strengthening of Vesteda's organisation. From an economic standpoint, Vesteda invests pension savings and insurance premiums in residential investments with an attractive risk-return profile, ensuring financial security for retirees. Vesteda's pursuit of social value centres on furnishing middle income households with affordable, sustainable housing. One of Vesteda's main priorities is to create comfortable living environments for Vesteda's tenants. This is a collaborative effort involving both Vesteda and its tenants. While improving existing properties and making them more sustainable is important, Vesteda believes tenant involvement is also crucial to achieving significant reductions in energy consumption. Additionally, increasing the sustainability of the portfolio contributes to lowering the total housing costs of our tenants and has a positive impact on the affordability and quality of the portfolio.

Vesteda believes that by prioritising both economic and social value, Vesteda can maximise Vesteda's positive impact. These aspects are interlinked through Vesteda's 'high-performance organisation' framework. Vesteda measures the social and economic value it generates using a blend of ESG and financial benchmarks. This approach enables Vesteda to maximise Vesteda's impact.

Vesteda vision framework



2.2 Vesteda's sustainability strategy

Vesteda aims to be a trendsetter on the sustainable living front, making our residents and their satisfaction with their homes our main priority. We will achieve this by both building a sustainable portfolio and by staying ahead of the field in terms of our know-how. The realisation of a sustainable – and therefore future-proof – residential portfolio serves two purposes: it provides comfortable and healthy homes for residents and a responsible investment with healthy returns for our participants. To further safeguard the attractiveness of the fund and optimise its long-term risk return ratio, Vesteda has established the following sustainable targets:

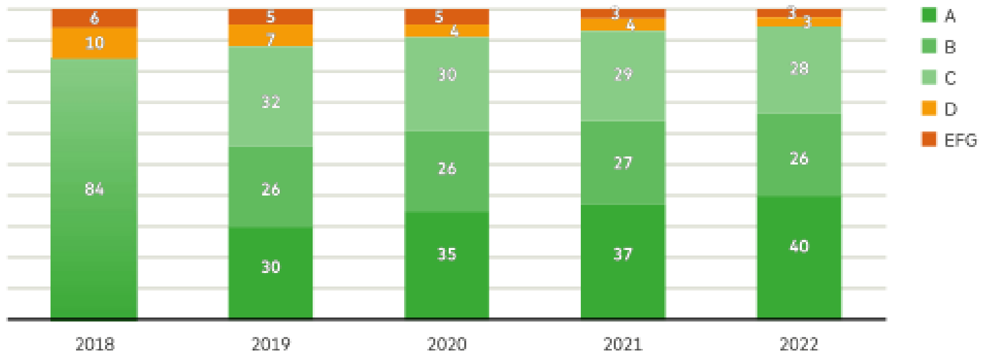
- Reduce fossil fuel use and make buildings adaptive: We work to create energy-neutral homes and ensure that our homes are resistant to climate change. To that end, we have set an energy reduction target of 55% in 2030 (compared to 1990).
- To have a low climate risk portfolio: we have set a target to have mitigated and- or have planned actions for assets with elevated risk by 2025.
- Reduce waste flows and raw material use: We want to build circular buildings, using recycled and re-used materials that can be used again as raw materials at the end of their useful life. The aim of this is to reduce waste materials to zero in the future, and to no longer use the earth's diminishing natural resources.
- Foster resident's happiness: We want to identify matters that affect the happiness of residents and have a positive impact whenever we can to ensure residents live happily in Vesteda's homes.
- Reduce total cost of living by stimulating behaviour of tenants to reduce energy consumption.
- Maintain GRESB 5 stars and compete for top 3 position (currently no.1)

Vesteda's environmental impact

Buildings are responsible for 36% of the energy usage and 25% of the total CO_2 emissions of the Netherlands[1]. Hence, improving the energy efficiency of buildings will contribute significantly to the greenhouse gas emissions reduction targets of the country as set out in the Dutch Energy Agreement for Sustainable Growth. Vesteda is convinced that all its efforts on the environment, social, and governance (ESG) front contribute, both directly and indirectly, to strengthen, improve and enhance the (social) responsibility of the fund and support the energy efficiency ambitions of the Netherlands. The percentage of homes in our portfolio with a green energy label (A, B, or C) increased to 94% in 2022, from 93% in the previous year.

[1] Monitor Energiebesparing Gebouwde Omgeving 2017, Rijksdienst voor Ondernemend Nederland (RVO)

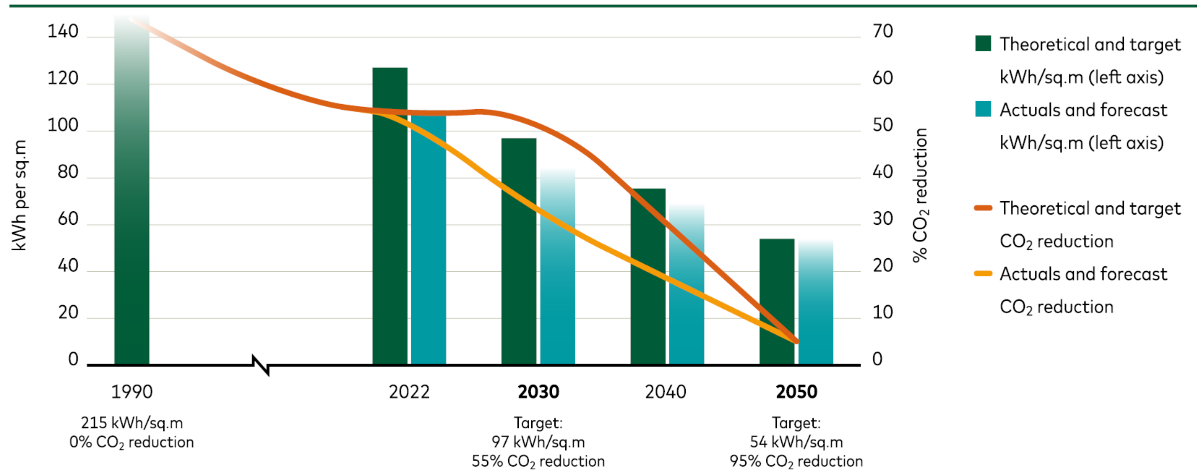
Energy labels (%, weight in units)



Our commitment to sustainability in our portfolio has resulted in significant improvements, including reduced emissions from our homes and lower energy costs for our tenants. We have also made progress in terms of measuring our performance. We monitor the actual energy consumption of our homes with full coverage of the total portfolio, including tenant consumption. We can use this relatively unique data to determine and monitor our goals.

We have updated our roadmap based on the latest information, standards and updated energy reduction plans. We continue to align goals with the Paris Agreement, with a minimum of 55% energy reduction in 2030 compared to 1990. The total sustainability investments to achieve these goals amount to approximately €200 million up to 2030.

CO_2 roadmap



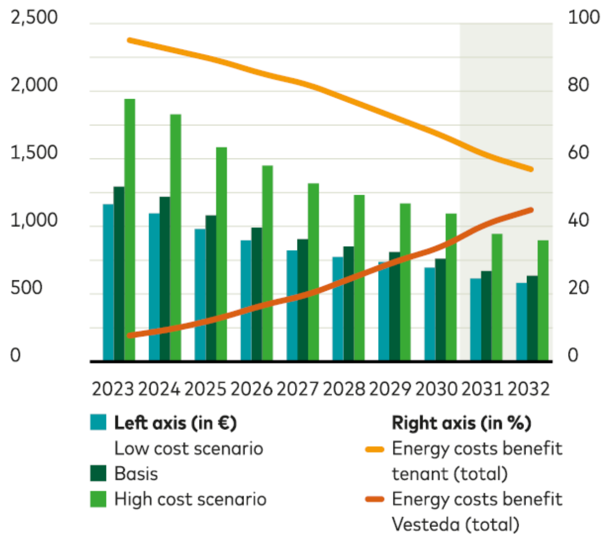
Based on our current roadmap we could outperform the Energy reduction target, and move quicker to the 2050 end goal. By taking the above mentioned measures, we theoretically could achieve a saving of 60% in terms of kWh/m2 consumption compared to 1990 in 2030. Taking into account margins and the uncertainty of implementation of plans we set the minimum target of 55% energy reduction by 2030.

After 2030, we will focus on further reducing energy consumption and on switching to sustainable 'green' energy sources, in order to realise a 95% reduction in CO emissions by 2050. The goal is to ensure that the energy consumption that remains is mostly CO emission free.

We have also identified the climate risks in our portfolio and implemented measures to mitigate the most material risks. Our goal is to have a low-risk portfolio, so we have set ourselves a target to have mitigated and- or have planned actions for assets with elevated risks by 2025.

Social
We offer our tenants an attractive and affordable home and consider this an important part of our social purpose. We want to add value on various aspects of the social spectrum. But given today's challenges, our main focus is on the total cost of living and tenant satisfaction. Our increased efforts aimed at improving the sustainability of our assets go hand in hand with reducing the energy costs of our tenants. Strengthening our tenant communication and finding the right tone of voice is essential if we are to be successful in terms of reducing the energy consumption of our tenants. Furthermore, we want to maintain our high level of tenant satisfaction. We want to achieve this by continuously working to improve our communication and services to tenants, based on the annual tenant satisfaction survey and our own experiences.
Last year our tenant satisfaction increased in all categories. For our service level we saw a smaller increase, driven by a lagging score on repair requests. This is already in our scope to improve, and we will continue to do so next year. The focus will mainly lay on increasing the 'first-time-fix'-percentage by increasing attention and communications with our maintenance partners.

Energy costs savings per home (€/yr.) with sustainable improvements



The scores on housing quality and living area improved significantly, and also significantly more than the benchmark. This underlines the impact of our portfolio strategy to improve quality and sustainability of the portfolio.

In order to bring more focus to all our initiatives for our tenants we have developed a framework for our initiatives and enable us to report on our actions on the social front, in line with Vesteda's Social Strategy that was outlined in 2023. The Social Strategy includes policies and actions aimed at having a positive impact on society. For example, Vesteda has made the approach and selection of keyworkers one of our priorities in renting out new and existing homes. We believe it is important that nurses, teachers, firefighters, and police officers are able to live in the city. We are now seeing the results of these efforts.

Governance

Governance encompasses a whole range of aspects, such as: safeguarding participants' rights, board independence and decision making processes, the regulatory and legal domain, business ethics, taxation, executive/equal pay, employee and human rights, diversity & inclusion, (personal) data integrity, etc. To control these aspects we have developed a comprehensive governance framework that incorporates governance standards and norms originating from various EU ESG regulations and (business) standards such as the Dutch Corporate Governance Code, INREV self-assessment and GRESB. This framework is structured around the following key themes: Corporate Governance, ESG Governance, Business Conduct, Human Rights (including labour and consumer rights), Stakeholder Management, and Tax Strategy. This framework gives us a clear and transparent overview of all key governance themes and helps us to determine focus areas that need further attention. In the coming year, we will start using this framework to define three focus areas to develop further and update it when necessary.

Our objectives on the governance front are to obtain an unqualified opinion on the audit of our annual financial statements included in our annual reports, an unqualified opinion on the annual ISAE 3402 audit, to resolve findings from internal audit reviews and receive no warnings from statutory regulators. Furthermore, we strive to align our portfolio as much as possible with the EU Taxonomy, taking into account the composition of our portfolio and the Capex and investment budget available.

The increased focus on governance, including the governance framework, is also reflected in the Global Real Estate Sustainability Benchmark (GRESB). GRESB assesses how well organisations are governed with respect to environmental, social, and governance (ESG) factors. Given the fact that GRESB recently named Vesteda the global number one in the latest benchmark, it is safe to say we are on the right track. With our CO roadmap, Social Score, and Governance Framework, we have a strong foundation from which we can take the next steps in the coming years. To determine the next steps, we will also assess how Vesteda complies with responsible investment principles and identify areas for potential improvement.

2.3 Background of the Vesteda Green Finance Framework

Vesteda has developed its Green Finance Framework (“the Framework”) to attract specific funding for assets which contribute to achieving its sustainability goals. Under this Green Finance Framework, Vesteda can issue Green Finance Instruments, including bonds, private placements, commercial paper, loans and any other Green Finance Instruments.

The Framework provides a clear and transparent set of criteria for Green Finance Instruments issued by Vesteda and is consistent with the guidelines of the Green Bond Principles (ICMA, 2021[2])and the Green Loan Principles (LMA 2023[3]).As Vesteda recognises the importance of common definitions for sustainable economic activities as well as credible market standards, this 2023 update of the Vesteda Green Finance Framework aims to align the framework as much as possible with the EU Green Bond Standard[4] and the criteria for sustainable economic activities included in the EU Taxonomy Climate Delegated Act[5].

3. Vesteda Green Finance Framework

The Vesteda Green Finance Framework follows the core components of the voluntary ICMA and LMA process guidelines and incorporates the requirements of the EU Green Bond Standard throughout the following sections:

1. Use of proceeds
2. Process for evaluation and selection
3. Management of proceeds
4. Reporting
5. External review

3.1 Use of proceeds

Alignment with the EU Taxonomy Regulation

Vesteda intends to align the Green Finance Instruments issued under this Framework with the requirements of the EU Taxonomy Regulation for climate change mitigation as much as possible and shall be transparent on the extent to which this is the case over time.

Vesteda intends to use an amount equivalent to the net proceeds of the Green Finance Instruments issued under this framework to finance or refinance, in whole or in part, new or existing assets, which contribute substantially to climate change mitigation under the EU Taxonomy Climate Delegated Act (the “Eligible Green Assets”) on a best effort basis. The assets are required to meet the eligibility criteria included in the tables below. All Eligible Assets are located in the Netherlands.

[2] ICMA Green Bond Principles 2021 (with June 2022 Appendix 1) and additional Q&As related to secured Green Bonds, updated in June 2023
[3] APLMA/LMA/LSTA Green Loan Principles 2023
[4] https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/european-green-bond-standard_en
[5] https://ec.europa.eu/info/publications/210421-sustainable-finance-communication_en#taxonomy

ICMA GBP	UN SDGs	Eligibility criteria	EU Taxonomy[6]
Green buildings		New or existing residential buildings in the Netherlands: • Buildings built before 31 December 2020 with at least an Energy Performance Certificate (EPC) class A • Buildings built before 31 December 2020 belonging to the top 15% of the Dutch building stock based on Primary Energy Demand (PED)[7] • New residential buildings built or permitted after 31 December 2020 with energy performance at least 10% better than the threshold for Nearly Zero-Energy Buildings ('NZEB') in the local market[8] • Buildings that have been renovated, resulting in a reduction of Primary Energy Demand of at least 30% and at least EPC label C	• 7.2 Renovation of existing buildings • 7.7 Acquisition and ownership of buildings[9]

Vesteda identifies two ways to include renovated buildings:

1. Calculating the PED difference before and after renovation, based on the EPC label. The difference should be at least 30%.
2. If the renovated building has improved by two EPC label steps (for example from D to B). This is seen as a 30% improvement[10]. When this PED difference or EPC label difference cannot be

[6] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending regulation (EU) 2019/2088.

[7] Vesteda may engage external consultants to define the top 15% and NZEB-10% in the context of the national building stock in The Netherlands. Where there is no definition of NZEB or there is no practical solution to implement NZEB, Vesteda may choose to rely on the top 15% approach

[8] For buildings larger than 5,000m2 there are additional EU Taxonomy criteria 7.1.2 (air-tightness and thermal integrity, the "blowerdoortest" and the infra-red scan) and 7.1.3 (Life-cycle Global Warming Potential, GWP). Under Dutch Law it is obligatory to provide evidence for airtightness and thermal integrity; GWP is described under Dutch law under EPBD article 7 limb 2. Vesteda tests for thermal integrity, airtightness and global warming potential; there are documents available per building. For residential buildings, the calculations and disclosures are made for a representative set of dwelling/apartment types.

[9] For 7.7 sub 2, the buildings meet the technical screening criteria specified in section 7.1.1 for construction of new buildings. In line with the Draft commission notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act nr. 107 of December 19, 2022, Vesteda will follow the Do No Significant Harm and Minimum Social Safeguards under 7.7 of Annex 1 as it is the entity owning the building.

[10] CBI Location Specific Criteria for Residential Buildings: Improvement of at least two EPC levels to at least C. i.e. E > C, D > B, or C > A, which corresponds to at least 30% reduction, see figure 1.

observed Vesteda will base its calculation on an implied EPC label or implied PED based on the building code that was applicable in the building year of the building.

Figure 1: EPC Label Improvement Step-up Mechanism								
		TO EPC LABEL						
	EPC	A	B	C	D	E	F	G
FROM EPC LABEL	A							
	B							
	C	■						
	D	■	■					
	E	■	■	■				
	F	■	■	■				
	G	■	■	■				

Figure 1: A renovation resulting in two EPC label steps improvement can be seen as at least 30% improvement. Minimum energy standards for renovated buildings are updated every 3 years gradually phasing out energy label C buildings.

3.2 Process for evaluation and selection

The use-of-proceeds of this Framework are aligned with Vesteda's business model and sustainability strategy. The corresponding Eligible Assets are required to comply with local laws and regulations, including any applicable regulatory environmental and social requirements. In addition, Eligible Assets comply with Vesteda's internal (investment) policies and standards related environmental risks and impacts and are evaluated from a sustainability perspective by the Program Manager Sustainability of Vesteda. Relevant policies and standards are available on Vesteda's corporate website.

Compliance with environmental and social regulations, as well as application of Vesteda's policies and standards are used to evidence, to the extent possible and available, the 'Do No Significant Harm ' (DNSH) criteria of the EU Taxonomy and the related 'Minimum (Social) Safeguards'.

On at least an annual basis, the Program Manager Sustainability, the Appraisal Manager, the Manager Financial Control and Reporting and the Treasurer (together the "Green Finance Framework Group") will review the list of existing and potential Eligible Assets on whether they meet the eligibility criteria of this framework (outlined in section 3.1) as well as the additional evaluation and selection criteria outlined above. Approved assets will be added to the Eligible Assets portfolio. The Treasurer will report to Vesteda's Risk Committee[11] on the compliance of the issued Green Finance Instruments with Vesteda's Green Finance Framework.

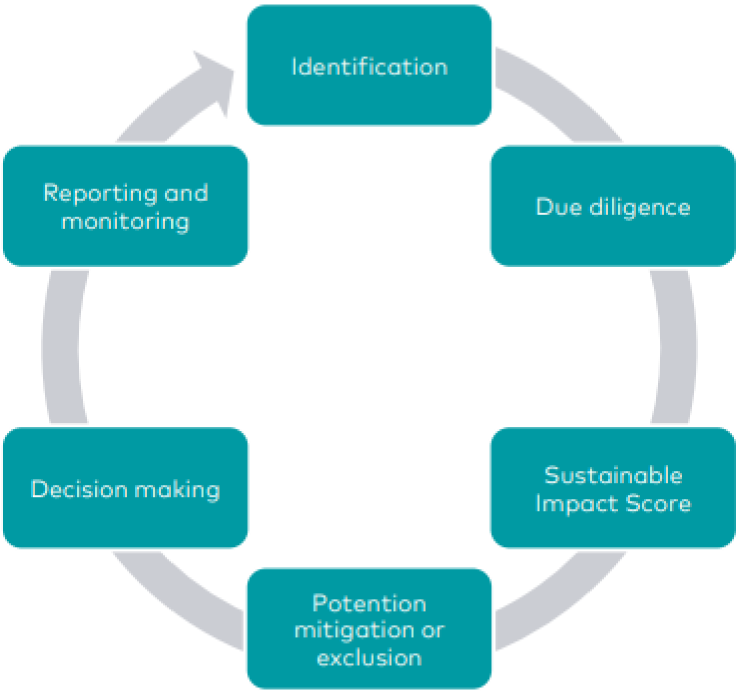
Integration of sustainability risks

As part of our internal sustainability governance, sustainability risks and impact on sustainability factors form an important part of Vesteda's investment decision making process for new acquisitions and renovation of existing buildings. Vesteda applies its technical standards to assess whether new (potential) investments comply with Vesteda's sustainability and technical requirements (the "Technical Standards"). Vesteda uses an ESG risk-framework (Annex) to determine a sustainability impact score for each new-built or renovation project. This contributes to a broader scope on relevant sustainability risks and factors.

[11] The composition and tasks of Vesteda's Risk Committee are described in the Vesteda Annual Report 2022, page 66.

The Technical Standards consist of technical and qualitative sustainability requirements that new projects and renovation of existing residential buildings are required to meet. These standards are, in some cases, even higher than national and local regulations and legislation and also take into consideration the Technical Screening Criteria for climate change mitigation and adaptation in relation to the EU Taxonomy Regulation[12].

In the ESG framework sustainability risks and potential impact on sustainability factors are incorporated and measured to score new projects and renovation of existing residential buildings that Vesteda is considering to invest in. As a result, each potential project is assigned a sustainability impact score based on approximately 25 indicators. The weighted average of this score results in a sustainability impact score (SIS) of the project. The integration of the ESG framework will ensure that sustainability risks and impact on sustainability factors are fully embedded in the decision making process. The assessment and decision making process for new investments takes place in several stages which are as follows:



A. Identification of sustainability risks and potential impact on sustainability factors
Potential sustainability risks and potential impact on sustainability factors of the proposed investment are identified. Vesteda uses its Technical Standards and the ESG risk framework to assess the ESG performance of the project. The ESG risk framework is used both to identify sustainability risks and to identify if the investment contributes to Vesteda's ESG goals. In general, Vesteda assesses new projects and renovation of existing buildings with regard to the quality of the product, sustainability and financial risk and return requirements. With regard to new projects, a selection is carried out to

[12] Reg (EU) 2020/852

determine whether or not the project meets the requirements of Vesteda and whether it wishes to continue with the potential investment. This will lead to an exclusivity agreement with the counterparty after which we proceed to the next stage.

B. Screening and selection (due diligence)

A due diligence is performed during the screening and selection phase. The goal is to assess the various sustainability risks and impact on sustainability factors.

C. Sustainability impact score

Vesteda measures a project's sustainability risks and impact on sustainability factors by benchmarking the project against the sustainability indicators in the ESG framework. After Vesteda has assessed all items in the ESG framework it will result in an overall sustainability impact score.

D. Potential mitigation

In the case Vesteda identifies a potential sustainability risk or a certain impact on a sustainability factor the project thus scores low with regard to that specific item. Vesteda will then, together with the counterparty, try to find mitigating solutions that can address, reduce or eliminate the potential risk or impact. The developer and or contractor will be responsible to alter the design or take additional measures to comply with Vesteda's requirements.

E. Decision making

The sustainability impact score (SIS) score will be incorporated in the Investment Proposal. Vesteda describes the potential investment and gives insight in whether it complies to the risk and financial return requirements in the investment proposal. With the SIS, the potential sustainability risks are explicitly incorporated in the investment decision making process and Vesteda is able to make a well balanced decision for the specific investment. Vesteda will reject a project or renovation in case its SIS falls below a pre-defined threshold, unless there are compelling reasons to not do so. This will have to be motivated and taken up in the relevant investment proposal for consideration of the Management Board and Supervisory Board and/or Participants (depending on the investment amount).

F. Reporting and Monitoring

The reporting and monitoring phase takes place after project completion. At this stage the property is finished, rented out and operated. Vesteda monitors the performance and impact of sustainability factors. This is conducted by gathering data from the properties and perform property performance tests. The results therefrom and the results from the benchmarks comprise input for our policy on investments decisions and may cause adjustments of the ESG Framework and Technical Standards.

G. Governance

Vesteda constantly seeks to improve the ESG impact of investments and therefore will continuously update the Technical Standards, sustainable impact score metrics, the ESG Framework and related policy. The policy on integration of sustainability risks and factors will be yearly evaluated and any amendments will be submitted for approval to the Management Board. The Head of Acquisitions and Development is ultimately responsible for the implementation and integration of this policy.

3.3 Management of proceeds

The Treasurer of Vesteda will manage the net proceeds of the Green Finance Instruments issued under this framework on a portfolio basis. As long as the Green Finance Instruments are outstanding, it is intended to exclusively allocate an amount equivalent to net proceeds of these instruments to a portfolio of Eligible Assets which meet the above-mentioned eligibility criteria and evaluation and selection process.

The Green Finance Framework Group will monitor the portfolio of Eligible Assets on at least an annual basis. If an Eligible Asset is divested or does no longer meet the definition of Eligible Assets as outlined in section 3.1, Vesteda will remove this asset from the portfolio of Eligible Assets and will strive to replace it with another Eligible Asset as soon as reasonably practicable. Vesteda aims to ensure that the total value of issued finance instruments does not exceed the value of its portfolio of Eligible Assets.

Vesteda will include assets in the portfolio at their current IFRS balance sheet value. The value will be updated annually to reflect investment and depreciation under IFRS. These assets will qualify for refinancing without a specific look-back period.

The Eligible Assets in the portfolio will be reduced by an amount equal to any green labelled loans that Vesteda has received relating to such assets or expenditures. Any loans from multilateral agencies, national or supranational entities, such as the EIB, that are known to refinance their operation by issuance of sustainable financing instruments will be considered as labelled loans.

Vesteda intends to fully allocate the proceeds of issued Green Finance Instruments within a timeframe of maximum 2 years after issuance.

Pending the allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Assets, or in case insufficient Eligible Assets are available, Vesteda commits to manage the unallocated proceeds in line with its treasury policy.

The allocation of the net proceeds of issued Green Finance Instruments to the portfolio of Eligible Assets will be reviewed and approved by Vesteda's Risk Committee on at least an annual basis, until full allocation of the net proceeds of issued Green Finance Instruments.

3.4 Reporting

3.4.1 Allocation of proceeds reporting

On at least an annual basis and until full allocation, Vesteda will prepare a report to update investors on the allocation of the net proceeds of issued Green Finance Instruments. The allocation report provides information about:

- The total outstanding volume (in EUR) of Green Finance Instruments issued under the Framework.
- The allocation of the net proceeds of issued Green Finance Instruments to a portfolio of Eligible Assets, including a breakdown of allocation to the specific Use of Proceeds on an aggregated basis.

- The share of Eligible Assets that is aligned with the EU Taxonomy Climate Delegated Act
- The value of unallocated proceeds (if any).
- The share of financing vs. refinancing.
- An overview of the Eligible Assets by nature of what is being financed (assets, capital expenditures).
- An overview of Eligible Assets by geographical area (country level).

3.4.2 Impact reporting

On an annual basis, Vesteda will report to investors on the impact of their investments from a sustainability/non-financial perspective. Where feasible, this report will provide information regarding:

For Green Buildings:

- Estimated energy savings (in MWh/GWh and/or GJ/TJ) through the portfolio of energy efficient residential buildings in comparison with a representative average Dutch residential portfolio and the accompanying greenhouse gas emission avoidance (in tonnes of CO_2 equivalent).
- Estimated energy savings (in MWh/GWh and/or GJ/TJ) through the portfolio of refurbished residential buildings and the accompanying greenhouse gas emission avoidance (in tonnes of CO_2 equivalent).
- Total energy savings (in MWh/GWh and/or GJ/TJ) and the accompanying greenhouse gas emission avoidance (in tonnes of CO_2 equivalent).
- Examples or case studies of Eligible Assets.

To promote transparency and contribute to the harmonisation of impact reporting methodologies, Vesteda intends to align its impact reporting with the ICMA Harmonized framework for Impact Reporting (June 2023) [13].

Besides the abovementioned impact indicators, the impact reporting may provide an estimation of adverse environmental impacts related to the Eligible Green Assets portfolio and how these are managed and mitigated by Vesteda.

3.5 External review

3.5.1 Pre-issuance verification

This Vesteda Green Finance Framework has been reviewed by ISS Corporate Solutions, Inc. which has issued a Second Party Opinion. The Second Party Opinion as well as the Green Finance Framework will be made available to investors and can be found on Vesteda's website.

3.5.2 Post-issuance verification

Vesteda will appoint an independent verifier to provide a post-issuance review addressing the allocation of the net proceeds of issued Green Finance Instruments on an annual basis until full

[13] https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Handbook-Harmonised-framework-for-impact-reporting-June-2023-220623.pdf

allocation. The independent verification report will be published on the investor relations section of Vesteda's corporate website, under credit investors.

Annex – ESG Framework

	Sustainability risk / impact on sustainability factor indicator	Strategy and due diligence	Sustainability Impact Score (SIS)	Potential mitigation	Reporting and monitoring
Environmental	• Climate adaptivity • Biodiversity • Energy performance • Water use and water retention • Material use and resources	• Resilience against physical climate risks (flooding, heat stress, groundwater flooding, wildfire and wooden pile rot) • Protection and restoration of biodiversity and protect species and habitats • Reduce energy consumption, increase sustainable energy and reduce carbon footprint • Sustainable use and protection of water resources • Exclude environment unfriendly materials, transition towards circularity	• Climate adaptivity risk score (CAS) • Biodiversity score • Energy consumption (kWh/sqm) • # of water saving measures • Material and resources score	• Climate adaptivity measures • Increase green to improve biodiversity • Decrease energy need, adjust energy source, increase renewable energy sources (solar panels, ATES etc.) • Green roof for heat reduction and water retention • Increase water saving and retention measures • Stimulate environmentally friendly materials, apply testing on emissions on formaldehyde concentration	• Climate adaptivity risk score (CAS) • Biodiversity score • Energy consumption in kWh
Social	• Affordability • Accessibility • Health and wellbeing	• Realise residential units for mid income households • Job accessibility from residential unit • Create	• % of mid rental housing from total units • Vesteda mobility score • Comfort score	• Allocate units for mid income households • Comply to Woonkeur and design improvements to enhance GPR and Breeam score	• Percentage of mid rental units on total portfolio • Vesteda mobility score

		comfortable living environments		• Apply additional measures if necessary, such as extra air filters in ventilation systems or screens at the façade	
Governance	• Compliance • Quality • Social return	• Screening of counterparty risks • Internal and external audits • Alignment of suppliers and counterparties • Contribution to social return	• Satisfactory outcome Client Due Diligence check • ISAE controls • Alignment with sustainability goals	• Exclude parties with reputational risks • Responsible and well balanced decision making	

DISCLAIMER

The information and opinions contained in this Vesteda Green Finance Framework (the **Framework**) are provided as at the date of this Framework and are subject to change without notice. None of Vesteda Finance B.V., Vesteda Residential Fund or any of its affiliates (jointly referred to as **Vesteda**) assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current Vesteda policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations.

This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Vesteda and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Vesteda as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are forward looking statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework.

No representation is made as to the suitability of any green financing instruments to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of green financing instruments should determine for itself the relevance of the information contained or referred to in this Framework or the relevant green financing instruments documentation for such green financing instruments regarding the use of proceeds and its purchase of green financing instruments should be based upon such investigation as it deems necessary. Vesteda has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with the Vesteda green financing instruments. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such green financing instruments if Vesteda fails to adhere to this Framework, whether by failing to fund or complete Eligible Assets or by failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise.

In addition, it should be noted that all of the expected benefits of the Eligible Assets as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, the lack of available Eligible Assets being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Assets. Each environmentally focused potential investor should be aware that Eligible Assets may not deliver the environmental or sustainability benefits anticipated and may result in adverse impacts.

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