

ASR PRIVATE DEBT FUND I

Disclaimer: This document is not marketing material. It contains information about this Fund (the product) in relation to the Sustainable Finance Disclosure Regulation. The information is legally required to help you understand the sustainability characteristics and/or objectives and risks of this fund. It is recommended to read this document together with other relevant documentation on this product so you can make an informed decision about whether to invest. Definitions used in this document have the same meaning as those used in the Fund prospectus.

(a) Summary

This product promotes Environmental/Social (E/S) characteristics, but does not have a minimum commitment to sustainable investments. Although there is no commitment for a minimum proportion of sustainable investments, this Fund may contain sustainable investments over which the Fund reports in its periodic report.

The Fund Manager has set requirements, as part of the SRI policy, with respect to good governance practices of investees.

This Fund is managed in its entirety in keeping with the sustainability policy and approach of the Fund Manager, so 100% is aligned with E/S characteristics. In the monitoring of the E/S characteristics and the due diligence, data of the loans and projects is used. For measuring the E/S characteristics and associated indicators, a qualitative assessment of the borrower is conducted by AVB. Insofar there is quantitative ESG information, this information is taken into account in the assessment.

(b) No sustainable investment objective

This product promotes Environmental/Social (E/S) characteristics, but does not have a minimum commitment to sustainable investments. Although there is no commitment for a minimum proportion of sustainable investments, this Fund may contain sustainable investments over which the Fund reports in its periodic report.

When funds aims to make one or more sustainable investments:

How the sustainable investments do not significantly harm any of the sustainable investment objectives?

Not applicable

How are the Principal Adverse Impacts (PAI) taken into account?

Not applicable

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights?

Not applicable

(c) Environmental or social characteristics of the financial product

What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes sustainability characteristics as the sustainability policy of ASR Nederland ("SRI Policy") is applied when the investment decisions are made. The SRI policy contains the criteria and standards for different sustainability subjects. This policy is regularly adjusted on the basis of new insights, amendment of law and/or regulations and expectations.

The Fund Manager applies this policy in managing the Fund in accordance with the following criteria:

- The Fund will not grant Private Debt Loans to companies, or in respect of projects, that are involved in controversial

activities as defined in the SRI policy;

- The Fund will not grant Private Debt Loans to companies with systematic and severe violations to human and labour rights, or to the environment (in line with the SRI policy);
- The Fund does not invest in companies active in the fossil fuel sector;
- The selection of sourcing partners is primarily determined by their ability to source private debt loans that have positive impact characteristics;
- Wherever possible, the Fund will grant loans to companies, or projects, that can be classified as pioneering in the field of sustainability in accordance with the applicable a.s.r. internal definitions of impact investing. These investments are considered sustainable investments. However, the Fund currently does not make a commitment for a minimum proportion of these investments.
- The Fund does not use a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes

(d) Investment strategy

What is the investment strategy used to meet the environmental or social characteristics promoted by this financial product?

The Fund Manager selects investments on the basis of the investable universe as defined in its sustainability policy ("SRI Policy").

The selection of sourcing partners is primarily determined by their ability to source private debt loans that have positive impact characteristics. Where possible, the Fund will grant loans to companies, or projects, that can be classified as pioneering in the field of sustainability in accordance with the applicable a.s.r. internal definitions of impact investing. These investments are considered sustainable investments. However, the Fund currently does not make a commitment for a minimum proportion of these investments.

What is the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance?

The Fund Manager has set requirements, as part of the SRI policy, with respect to good governance practices of investees. Governance is a decisive factor within the due diligence process which precedes the granting of a Private Debt Loan. The Fund Manager endorses international frameworks like the OECD guidelines for multinational companies, the UN Guiding Principles for Business and Human Rights and the UN Global Compact (UN GC). Violation of the standards can lead to having a dialogue with the company, or to an exclusion altogether. Furthermore, the lending documentation prescribes good governance as an essential condition for the granting of a loan.

(e) Proportion of the investments

This Fund is managed in its entirety in keeping with the sustainability policy and approach of the Fund Manager, so 100% is aligned with E/S characteristics.

(f) Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms?

The Fund invests through sourcing partners which are selected based on their alignment with the sustainability policy of the Fund Manager. This sets the expectation that the sourcing partner invests in line with the United Nations Principles for Responsible Investment ("UN PRI"), the United Nations Global Compact ("UN GC") and standards as defined by the Dutch Association of Insurers regarding the exclusion of investments in controversial weapons. Furthermore, the granting of a Private Debt Loan remains at the discretion of the Fund Manager and follows (at minimum) the exclusion criteria as defined in the SRI policy. Meaning that certain activities are completely excluded, such as arms production, activities related to gambling, and production of tobacco. These criteria are regularly adapted within the sustainability policy. The Fund does not invest in companies active in the fossil fuel sector. This is measured by means of a threshold of 0% to fossil fuel companies (as also stated on PAI #4 Exposure to companies active in the fossil fuel sector).

(g) Methodologies

What are the methodologies to measure how the social or environmental characteristics promoted by the financial product are met?

The methodology for measuring the E/S characteristics and associated indicators is a qualitative assessment of the borrower, conducted by AVB. In this assessment data of the loans and projects is used.

(h) Data source and processing

How are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?

What measures are taken to ensure data quality?

How is data processed?

What proportion of the data is estimated?

In the monitoring of the E/S characteristics and the due diligence, data of the loans and projects is used. The ESG information (both qualitative and quantitative) is directly obtained from the borrower and integrated in the internal systems. For measuring the E/S characteristics and associated indicators, a qualitative assessment of the borrower is conducted by AVB. Insofar there is quantitative ESG information, this information is taken into account in the assessment.

(i) Limitations to methodologies and data

What are potential limitations to the methodologies or data sources and how do such limitation not affect how the environmental or social characteristics promoted by the financial product are met?

There are no significant data restrictions with regard to the E/S characteristics, as the qualitative assessment does provide the required insights for the screening. By all means, more quantitative data of companies are welcome, so that AVB can further measure and monitor the ESG performance of companies.

(j) Due diligence

What due diligence is carried out on the underlying assets of the financial product (including the internal and external controls)?

The Fund Manager selects investments on the basis of the investable universe as defined in its sustainability policy ("SRI Policy").

At the start of the investment process, the E/S characteristics relating to exclusions, controversies and fossil fuel sector involvement are screened by means of a qualitative assessment of the borrower.

Furthermore, in the selection of sourcing partners is primarily determined by their ability to source private debt loans that have positive impact characteristics. Where possible, the Fund will grant loans to companies, or projects, that can be classified as pioneering in the field of sustainability in accordance with the applicable a.s.r. internal definitions of impact investing. These investments are considered sustainable investments.

(k) Engagement policies

What is the engagement policy applied, in the case that engagement is part of the environmental or social investment strategy (including any management procedures applicable to sustainability-related controversies in investee companies)?

When ESG risks are identified in the portfolio, a dialogue can be started with the company to which the respective loan is provided. The Fund Manager selects investments on the basis of the investable universe as defined in the Fund Manager's sustainability policy ("SRI Policy").

(l) Designated reference benchmark

Has an index been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product?

The Fund does not use a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

(m) Summary Translations



Samenvatting

Dit product promoot ecologische en sociale kenmerken door op continue basis bepaalde beleggingen die een belangrijk ongunstig effect hebben op duurzaamheidsfactoren actief uit te sluiten. In het kader van due diligence houdt het product rekening met de belangrijkste ongunstige effecten voor zover dergelijke gegevens beschikbaar zijn, en past maatregelen toe om ondernemingen waarin is belegd die geen praktijken op het gebied van goed bestuur hanteren, te screenen. Het grootste deel van de beleggingen in het product is afgestemd op de ecologische en sociale kenmerken. De beheerder gebruikt een grote verscheidenheid aan interne en externe gegevens uit verschillende bronnen als input voor zijn beslissingen.