achmea

Real Estate

2024 ANNUAL REPORT

ACHMEA REAL ESTATE B.V.

(previously called Syntrus Achmea Real Estate & Finance B.V.)
Chamber of Commerce no. 33306313

The original statutory annual report is prepared in Dutch and published on March 28, 2025.
This document is an English translation of the original. In the case of any discrepancies between the English and the Dutch text, the latter will prevail.

CONTENTS

THE YEAR AT A GLANCE

Portfolio figures

Number of clients
29
2023: 60

Assets under management (x € 1 billion)
12,0
2023: 41,2

Dutch real estate (x € 1 billion)
11,4
2023: 10,5

International real estate (x € 1 billion)
0,6
2023: 1,4

Result before tax (x €1,000)
6.273
2023: 9.089

Organisation

Total number of employees at year-end (in FTEs)
190
2023: 403

Employee engagement and commitment
7,4
2023: 7,3

Client satisfaction score
7,7
2023: 8,0

GRESB score
89
2023: 91

Other

Several transitions in 2024 have significantly impacted the year-on-year comparisons presented here. As from 1 July 2024, for instance, manager selection activities for International Real Estate Funds were consolidated under Achmea Investment Management B.V. in order to pool resources. Additionally, as from 1 October 2024, the company's mortgage activities were transferred to Achmea Mortgage Funds B.V. and Achmea Bank N.V., respectively.

EXECUTIVE BOARD REPORT

Introduction By The Executive Board

Achmea Real Estate is committed to creating high-quality, future-proof living environments, with Sustainable Living Together as a central tenet of our strategy. We integrate sustainability, social responsibility and financial performance, with a long-term perspective on value creation. In 2024, for example, we added €0.9 billion in domestic real estate assets under management (AuM) to our portfolio on behalf of our clients. Despite challenging market conditions and protracted processes, we completed over 800 homes, invested in the acquisition of a major shopping centre and committed to a €100 million investment in residential care apartments through Buurtwonen. We also demonstrated our decisiveness in relation to investing with impact. Maintaining our Sector Leader position in GRESB for healthcare real estate, we installed 5,000 solar panels. And we achieved an average CO_2 reduction of 64% across our residential portfolios (compared to 1990). We continued to accelerate and refined our impact strategy across our funds. Our ability to execute both in investments and impact creates a strong foundation for the continued growth of the real estate business, following the successful operational split between the Real Estate and Mortgage divisions. With the transfer of the mortgage activities, the company's name was formally changed to Achmea Real Estate B.V.

Market outlook for Achmea Real Estate as an independent real estate asset manager is positive.

The recovery in valuations and greater clarity around regulation (including the Affordable Rent Act and the Council of State's rulings on rent increase clauses) are driving growing investor demand. The Future Pensions Act (WTP) appears to have given an additional boost to the share of real estate in pension fund investment portfolios. Achmea Real Estate's investments in data and IT support a forward-looking business model, enabling us to inform clients quickly and effectively about their investment performance. These market developments, our strong corporate foundation and the trust of our clients enable us to pursue our strategy and continue to grow.

Achmea Real Estate stands for 'Meaningful Investing'.

Our core task is to deliver sustainable financial and social returns for our clients. For us, this is 'Meaningful Investing'. Our ambition is to deliver long-term outperformance of real estate, linked to clear results and compelling ESG innovations. We are among the front runners in CO_2 reduction as well as in innovations aimed at creating social impact. One example is our Social Impact Monitor. We also run a programme focused on healthy eating, which we have organised in our shopping centres for primary school children and their parents. With our client-focused approach to impact, we also choose to invest in further knowledge development in timber construction, and we support the TU Delft Chair in this field. We also conduct pilot projects to explore the use of more biobased materials. In this way, we are building sustainable investments. This enables us to offer our clients – including pension funds (and their members) and insurers – a sound financial future in a pleasant living environment. We also see this reflected in our client satisfaction score of 7.7 for the Real Estate division and in the committed mandates for growth.

The main themes in 2024 were:

- excelling for investors by delivering long-term outperformance of the MSCI benchmark and expanding investment portfolios through the completion of more than 800 rental homes;
- client-focused product development, by preparing the launch of the Achmea Dutch Residential Impact Fund, aimed at making existing homes – both rented and owner-occupied – more sustainable;
- making 900 rental homes more sustainable, installing 5,000 solar panels, alongside continued development of climate risk assessments in the real estate portfolio, creating improved CO_2 roadmaps, and encouraging knowledge development in timber construction – thus securing our leading position in the market;
- preparing and implementing the operational split of Syntrus Achmea Real Estate & Finance into Achmea Real Estate (Real Estate), Achmea Mortgage Funds (Mortgages – Investors) and Syntrus Achmea Hypotheekdiensten (Mortgages – Consumers), as part of the Mortgages and Financial Services cluster on 1 October 2024;
- client-focused and future-proof process design through data-driven operations, through the Real ConneQt (Real Estate) project, including 16% of the retail portfolio going live in the Yardi IT environment on 1 July 2024;
- improving Customer Due Diligence (CDD) and proactively informing our clients about non-financial risks;
- preparing for the implementation of the Digital Operational Resilience Act (DORA), EU legislation aimed at increasing resilience to cyberattacks and other digital disruptions;
- delivering information for Achmea's reporting under the Corporate Sustainability Reporting Directive (CSRD), the European directive on sustainability reporting;
- launching the change programme 'We ARE ahead' for our employees, with the aim of strengthening the organisation's adaptability, enhancing cooperation and continuing to increase proactiveness.

Achmea Real Estate aligns closely with the strategy of Achmea and Achmea Old-Age Retirement Provisions

Achmea Real Estate's strategy aligns closely with that of Achmea, with the strong Achmea brand also reinforcing Achmea Real Estate's positioning. Achmea's mission is 'Sustainable Living Together'. The Sum of Us is the strategy that brings this vision to life and symbolises the energy and synergy opportunities that emerge when different Achmea entities collaborate. Within this, Old Age Retirement Provisions (OARP) is one of Achmea's growth pillars. Through OARP, Achmea helps clients make informed financial decisions by offering insight, advice and smart solutions. With its focus on addressing societal challenges such as 'income for now, the near future and beyond' and 'carefree living and working', OARP fits seamlessly with Achmea's vision. Achmea Real Estate makes a substantial contribution to this through innovative real estate projects for our institutional clients and, by extension, for pension scheme members and insurance policyholders. We work with partners, including Achmea Investment Management and Achmea Pension Services, to continuously improve our products and deliver the best possible service to our shared institutional clients.

We also take advantage of the pooling of Achmea's resources beyond OARP. Achmea Real Estate has also workedclosely with other Achmea entities. In 2024, Achmea IT's commitment and expertise made a key contribution to the Real ConneQt programme, which is modernising and is making our processes, data and IT landscape future proof. This programme supports the strategic objectives of the real estate division, including its growth ambitions. Together with Zilveren Kruis and Royal HaskoningDHV, Achmea Real Estate supports several healthcare organisations with sustainability roadmaps for their real estate and access to the capital required for that purpose.

Lastly, we work closely with a wide range of property developers and construction firms to deliver new projects that support the investment offerings for our clients. A good example is our partnership with J.P. van Eesteren, which delivered the first residential tower block in the Sluisbuurt district on Zeeburgereiland in Amsterdam. The 289 new, energy-efficient mid-market rental apartments were quickly let – with a significant proportion going to tenants who had previously occupied social housing elsewhere in the city, or who work in a vulnerable key occupation such as teaching or nursing.
The Podium in Amsterdam West was also completed with the construction firm De Nijs. Here, too, a significant share of the 173 rental apartments went to people who vacated a housing association home or who work in one of the vulnerable key occupations. Through its rental activities, Achmea Real Estate actively contributes to achieving social impact.

Achmea Real Estate is focused on portfolio growth, strong performance for our clients and operational excellence within its processes

In line with this, its priorities for 2025 are:

- continuing to boost client satisfaction and attract new clients;
- improving performance across our funds and portfolios;
- executing effectively on the mandates from our clients to grow real estate investments (including through the expansion of the newly launched Achmea Dutch Residential Impact Fund);
- integrating ESG policy and applying innovations to further strengthen our distinctive position in the impact space;
- improving internal governance, including risk management and compliance with laws and regulations on CDD, privacy and outsourcing;
- implementing the new data and IT landscape and standing out through data-driven services;
- realising and expanding synergies through Achmea's 'Sum of Us';
- good employment practices, including a focus on employee engagement and commitment.

Investing in social impact is a key part of our strategy

Our ESG strategy is the guiding framework for our social impact investments. ESG objectives are translated into concrete portfolio and annual plans to make the necessary investments. This helps our clients specify and achieve their own ESG ambitions. Over the past year, we updated stakeholders quarterly on relevant developments, initiatives and the progress of sustainability commitments through our ESG Magazine.

The CO_2 emissions of the total residential portfolio under management are now 64% lower than in 1990. This reduction has been achieved through sustainability measures, property acquisitions and disposals, and ever-increasing renewable energy generation in the Netherlands. In 2024, for example, over 900 homes received sustainability upgrades. And more than 5,000 solar panels were installed on homes and retail centres, with a total capacity of 2,000,000 Watt-peak. With a 64% CO_2 reduction in the residential portfolio (compared to 1990), we are well ahead of the EU target of a 55% reduction by 2030 (compared to 1990).

In line with this, five of our seven Dutch funds and portfolios achieved the maximum five-star rating in the international sustainability benchmark GRESB[1] in 2024. The Achmea Dutch Health Care Property Fund was named Global Sector Leader by GRESB for the sixth time since 2016 – making it the world's most sustainable healthcare real estate fund.

This means we have met our ambition to be among the market leaders in ESG. We will also maintain this ambition in 2025, so that we can continue to generate sustainable impact on behalf of our clients.

Employees

Achmea Real Estate has a strong team in place. However, our ambitions – along with the wishes and requirements of our clients and regulators, and the ongoing professionalisation of our business – continue to place evolving demands on our employees. Ongoing investment in training and development by both employer and employee is vital to maintaining our high standards and further professionalising our organisation. The foundation for this is Achmea's 'All You Can Learn' programme. Since 2022, employees have had access to an unlimited training budget through this initiative. The Climate Budget was also introduced in 2023, enabling employees to put €2,500 net towards making more climate-conscious choices, such as upgrading their homes for energy efficiency, purchasing sustainable appliances or buying an electric bike. New schemes were also launched in 2024 – including the 'pay per use'system, which replaces fixed allowances for homeworking and commuting with a more flexible approach that better reflects how our teams actually work. With Achmea's employment conditions as the basis, this allows us to shape our role as an employer in a modern and responsive way.

Housing market at a turning point: investor demand now outpacing construction output

Achmea Real Estate remains a visible player in the housing market. Despite finalising a large number of projects, we have seen institutional investor activity in the residential market decline in recent years. Contributing factors have included rising interest rates, changes to tax and rental policy and legal disputes over rent increases and zoning plans. Now that interest rates have begun to ease and the political landscape around housing has stabilised

1. Global Real Estate Sustainability Benchmark

somewhat, 2024 appears to have marked a turning point. Combined with recovering returns, institutional investor demand is picking up again and we are seeing investment volumes gradually return. Lower interest rates have led to an initial recovery in real estate valuations, particularly in the residential market. A strong user market, along with favourable demographic trends, is keeping operational risks low for real estate and placing upward pressure on rents. Rental growth is expected to drive further value increases over the coming years, making real estate an increasingly attractive asset class.

A range of government measures in recent years created uncertainty in the real estate market. In tax, the increase in transfer tax to 10.4% had a particularly adverse impact on investment portfolio values and limited the scope for investment in new developments and sustainability upgrades to existing properties. With the transfer tax rate set to drop back to 8% in 2026, some scope for investment is returning. In addition to tax measures, there have also been changes to rental regulation. The extension of the Nijboer Act ensures that tenants are better protected against excessive increases in contractual rents. The introduction of the Affordable Rent Act also required significant attention from institutional investors in 2024. Following a legislative process of several years, there is now national clarity for both tenants and investors and we hope that municipalities will align with national legislation. Political stability in the housing domain is essential to attracting new investors to the Dutch residential market.

A further positive development for the residential market in 2024 was the Council of State's clear ruling on the rent increase clause in residential tenancy agreements. This clause, which sets the maximum permitted rent increase, had been challenged by several subdistrict court judges as potentially conflicting with European consumer law, raising the risk that rent increases applied over the duration of a tenancy agreement might be nullified. In late 2024, the Supreme Court of the Netherlands clarified that a rent increase of up to 3% above inflation cannot be considered unreasonable, and that in all cases, rents may be increased by the rate of inflation. This ruling limits the impact for institutional investors and has contributed to renewed confidence in the Dutch rental housing market.

With an improved outlook for the real estate market and greater regulatory clarity, momentum is building for institutional investors to add Dutch real estate to their portfolios. This is further supported by the Future Pensions Act (WTP), which is leading many pension funds to increase their allocation to real estate. Demand is now growing faster than supply. We are seeing the effects of the slow pace of growth in the construction sector – for both new development and redevelopment – particularly due to lengthy permitting procedures. The nitrogen emissions case and uncertainty around the nature permit also continue to create obstacles and constraints to growth in building volumes. Through its sector organisation IVBN, Achmea Real Estate is calling on politicians to provide clarity on these issues as soon as possible.

Assets under management (AUM) in real estate rose to €12.0 billion in 2024 (2023: €11.9 billion), of which €9.0 billion (2023: €8.2 billion) is invested in residential real estate. Growth in AUM was driven by acquisitions of residential properties and a shopping centre, as well as by positive revaluations. To be able to focus on the direct real estate portfolio, management of the indirect international real estate portfolio (focused on funds) was transferred to Achmea Investment Management in 2024, where resources on this point are now pooled.

Customer due diligence

As a professional asset manager, it is essential to have a clear understanding of the parties we do business with to prevent money laundering, financing of terrorism and violations of the Sanctions Act. In 2024, we therefore continued our full CDD improvement programme, aimed at achieving better demonstrable control of CDD risks.

The Dutch Authority for the Financial Markets (AFM) has conducted two investigations at Achmea Real Estate B.V. (formerly Syntrus Achmea Real Estate & Finance B.V.) in relation to the Money Laundering and Terrorist Financing (Prevention) Act (Wwft) and the Sanctions Act.

The first investigation concerned reports of unusual transactions made by the company to the Financial Intelligence Unit (FIU) for the period 2018–2022. In June 2024, the AFM notified the company that, based on the findings of this investigation, it had started a fining procedure because some cases may not have been reported in time or may have been insufficiently investigated. Based on recent discussions with the AFM, we consider it more likely than not that a fine will be imposed on ARE. The potential financial impact is estimated at between €0 and a maximum of €2 million. We have reflected this in the 2024 financial statements of Achmea Real Estate B.V.

The second investigation concerns compliance with the Wwft and the Sanctions Act. In September 2024, the AFM informed the company that it would not impose a formal measure but would issue an informal warning. However, the AFM expects Achmea Real Estate B.V. to remedy several issues. Implementation of the improvement measures is under way.

Financial results

Achmea Real Estate's operational result for 2024 was €6.3 million (2023: €9.1 million). This includes the result of the mortgage activities up to 1 October 2024. The result from mortgages increased due to higher income from mortgage activities as the portfolio grew, while the successful migration to a single mortgage chain in 2023 reduced costs. However, this increase was not sufficient to offset the decline in the result from real estate activities.

Mortgage assets under management increased to €31.0 billion in Q3 2024 (year-end 2023: €29.3 billion). Real estate assets under management rose to €12.0 billion at year-end 2024 (2023: €11.9 billion).

Following the transfer of its mortgage activities, Achmea Real Estate retains a solid capital position, providing scope for further investment and growth as a leading real estate investor.

Organisation
There were several changes to the Management Team over the past year. Following the transfer of the mortgage activities on 1 October 2024, Hikmet Sevdican continued as Chief Executive of Achmea Mortgage Funds. Mascha Hendrickx stepped down as Finance Director and Acting Chief Executive (on 4 November 2024), and Toon Sweens joined as Operations Director. Toon Sweens and Boris van der Gijp (Investments Director) now jointly fulfil the role of Chief Executive. Mascha Hendrickx continues her career at Achmea Group as Director of Group Reporting & SSC Finance. We thank her for her efforts as Finance Director and Acting Chief Executive. Astrid Langeveld-Vos took up the role of Finance Director on 4 November 2024.

Conclusion
The Management Team looks back on a strong year under challenging market conditions. With interest rates stabilising and greater clarity on regulation and rent increases, we believe a turning point has been reached, making residential real estate, in particular, more attractive to institutional investors. Achmea Real Estate's foundation has strengthened. Our solid market position, broad client portfolio and diverse team of professionals thriving in a leading financial institution form the basis for this. We thank all employees for their commitment over the past year, and our existing and new clients for their trust in Achmea Real Estate.

We are on track and confident that we will achieve our business objectives in 2025.

Amsterdam, 28 March 2025

Toon Sweens, Co-Chief Executive and Operations Director

Boris van der Gijp, Co-Chief Executive and Investments Director

Astrid Langeveld-Vos, Finance Director

Annual Review: Achmea Real Estate

January

- Achmea Real Estate acquires 33 apartments on the Nieuwe Gracht in Delft on behalf of one of its institutional clients. These homes – largely constructed using timber – range in size from 50 to 68 m² and are rented in the mid-market segment.

March

- In recent months, Achmea Real Estate has let a total of 7,260 m² of retail space to new tenants on behalf of the Achmea Dutch Retail Property Fund (ADRPF). Several existing leases were also extended on a long-term basis.
- Achmea Real Estate publishes its first Climate Report, outlining how we integrate relevant climate change-related actions into the property portfolios we manage, as well as into our own organisation, strategy, processes and targets.

April

- An Achmea Real Estate employee is nominated for the 2024 Real Estate Market Young Talent Award, powered by NVM in Business.

May

- On behalf of the Achmea Dutch Retail Property Fund (ADRPF), Achmea Real Estate acquires De Korf, a district shopping centre, in Krimpen aan den IJssel. The 9,000 m² centre, home to 34 tenants, is fully let and focuses on daily necessities.

June

- On the instructions of BPL Pensioen, Achmea Real Estate arranges for the cultivation of hemp, which is used to insulate homes. The 4.6-hectare plot near Woerden is owned by the pension fund. This is a pilot project, which may be followed up if successful. The hemp is THC-free and has no psychoactive effects.
- On behalf of the Achmea Dutch Health Care Property Fund (ADHCPF), Achmea Real Estate acquires 80 residential care and 28 lifetime apartments in Nijmegen, all with energy labels A++ or A+++.

July

- Achmea Real Estate will transform the ‘Zilveren Kruis’ office location in Noordwijk into a residential development with 166 apartments, as an investment for one of its institutional clients.
- On behalf of the Achmea Dutch Residential Fund (ADRF), Achmea Real Estate will develop 75 sustainable single-family homes in the ‘De Maricken II’ new-build area in Wilnis.

August

- Achmea Real Estate’s priority scheme, designed for people leaving social housing or those in key occupations, helps 41 people find new homes in Amsterdam-West. Of the 147 apartments in Podium Lelylaan, 26 have been rented by tenants leaving social housing and 15 by key workers such as police officers, nurses and teachers.
- The regulators – the Dutch central bank (DNB) and the Dutch Authority for the Financial Markets (AFM) – and the employee representation have approved the intended split of the mortgage and real estate activities at Syntrus Achmea Real Estate & Finance B.V. This organisational change supports Achmea’s continued growth in both sectors.

September

- Attens Hypotheken has continued its impressive growth of recent years, expanding its mortgage portfolio from €2.5 billion in 2019 to €5 billion in September 2024.

October

- The Achmea Dutch Health Care Property Fund (ADHCPF) of Achmea Real Estate once again ranks as the world's most sustainable healthcare real estate fund. The real estate funds Achmea Dutch Residential Fund (ADRF) and Achmea Dutch Retail Property Fund (ADRPF) also achieve the top five-star rating in the leading Global Real Estate Sustainability Benchmark (GRESB).

November

- Achmea Real Estate announces plans to invest more than €100 million over the next five years in 25 small-scale residential locations for people with emerging care needs. These social and mid-market rental homes will largely be built using timber and other biobased materials.
- Leen Meijaard and Petri Hofsté are appointed to the Supervisory Board of Achmea Real Estate on 10 November 2024. Leen Meijaard succeeds Hans Snijders as Chair. Fieke van der Lecq steps down as a Supervisory Board member on 1 October 2024.

December

- On behalf of PME Pensioenfonds, Achmea Real Estate acquires 63 apartments in the timber-constructed complex De Koffiefabriek in Amsterdam.
- As the first asset manager to do so, Achmea Real Estate installs Keller Keuken's circular kitchens on the instructions of BPL Pensioen. Not only are the units and countertops made from recycled materials, but the appliances are also refurbished.
- Achmea Real Estate is well ahead of schedule in cutting CO_2 emissions from its residential portfolio. Emissions are down 64% compared to 1990 – significantly exceeding the government's target of a 55% reduction by 2030. ARE manages 27,000 rental homes on behalf of its institutional clients.
- Achmea Real Estate has purchased two health centres in Almere on behalf of the Achmea Dutch Health Care Property Fund (ADHCPF): the De Haak (2,777 m²) and De Compagnie (1,463 m²) health centres are almost fully let. It also bought a complex with 24 residential care apartments in Apeldoorn, intended for elderly people with dementia.

Financial

Achmea Real Estate – Multi-Year Overview *(Amounts X €1,000, Unless Stated Otherwise)*

	2024	2023	2022
Profit and loss account			
Total revenue	112,667	135,004	137,006
Total expenses	-108,181	-127,317	-127,540
Financial income and expenses	1,787	1,402	-21
Profit before tax	6,273	9,089	9,445
Corporate income tax	-1,848	-2,366	-2,433
Profit after tax	4,425	6,723	7,012
Equity	**51,507**	**60,682**	**53,959**
Investments in fixed assets	-	-	-
Cash flow from operating activities	8,363	4,680	18,992
Solvency	**85.2%**	**79.4%**	**78.4%**
Liquidity	**7.5**	**4.8**	**4.7**
Return on Sales	5.6%	6.7%	6.9%
Return on Equity	10.3%	16.8%	20.1%

Several transitions in 2024 have significantly impacted the comparisons presented here. For example, the indirect international real estate portfolio was transferred to Achmea Investment Management B.V., and the mortgage activities were transferred to Achmea Mortgage Funds B.V. and Achmea Bank N.V.

Development of assets under management

Achmea Real Estate's real estate assets under management increased by €0.1 billion to €12.0 billion in 2024 (2023: €11.9 billion), a rise of 0.5% despite the transfer of the indirect international portfolio to Achmea Investment Management. At year-end 2024, the mortgage assets under management stood at zero (2023: €29.3 billion) following the transfer of the mortgage activities to Achmea Mortgage Funds (Mortgages – Investors) and Achmea Bank (Mortgages – Consumers through Syntrus Achmea Hypotheekdiensten) on 1 October 2024.

The distribution of the assets under management by sector is as follows:

Distribution Of Assets Under Management By Sector *(Amounts X € Billion)*

	2024	2023
Residential	9.1	8.2
Retail	0.9	0.9
Offices	0.0	0.1
Healthcare	0.9	0.8
Other	0.5	0.5
Dutch real estate	**11.4**	**10.5**
Europe	0.6	0.7
North America	0.0	0.5
Asia	0.0	0.2
International real estate	**0.6**	**1.4**
Total real estate*	**12.0**	**11.9**
Retail mortgages	n/a	29.3
Total mortgages	**n/a**	**29.3**
Total assets under management	**12.0**	**41.2**

* This includes both the in-house real estate funds and the discretionary real estate.

Financial results

Profit
Profit before tax for 2024 fell by €2.8 million to €6.3 million (2023: €9.1 million). This decline in profit was mainly due to a €22.3 million decrease in total revenue, driven by the transition of the mortgage activities in October 2024. This was partially offset by a €19.1 million reduction in total expenses in 2024 compared to 2023. Interest income for 2024 was €0.4 million higher than in 2023.

Revenue
Total revenue decreased by €22.3 million to €112.7 million in 2024 (2023: €135.0 million), primarily due to the transition of the mortgage activities in October 2024.

The lower real estate management fees of €1.8 million are mainly as a result of winding down and transferring the indirect international portfolio to Achmea Investment Management in mid-2024. In addition, acquisition, disposal and development fees were €1.3 million lower than last year, largely due to fewer completed projects and therefore lower development fees.

The management fee for mortgage AUM decreased by €19.2 million. Up to the transfer of the activities in October 2024, mortgage revenue developed positively compared to the previous year, driven by higher AUM.

Expenses
The cost level dropped significantly in 2024 compared to 2023 due to the transfer of the mortgage activities. Total expenses fell by €19.1 million to €108.2 million compared with the previous year (2023: €127.3 million). The cost level could not be reduced at the same pace as revenue, mainly due to ongoing investments in the Real ConneQt programme and the persistently high costs of improvement programmes to comply with laws and regulations – particularly the expansion of CDD efforts and the formation of 1KYC (Achmea's group-wide Know Your Customer centre).

Ratios
The definition applied for return on equity (ROE) is the profit before tax for the reporting year divided by equity at the start of the reporting year. The definition applied for return on sales (ROS) is profit before tax for the reporting year divided by total revenue for the reporting year.

- The ROE ratio decreased by 6.5 percentage points to 10.3% in 2024 (2023: 16.8%).
- The ROS ratio decreased by 1.1 percentage points to 5.6% in 2024 (2023: 6.7%).
- The liquidity ratio rose to 7.5 in 2024 (2023: 4.8)
- The solvency ratio rose to 85.2% at year-end 2024 (2023: 79.4%).

The lower ROE was mainly due to a higher opening equity position in 2024 following the addition of the 2023 result in the 2024 financial year.

Reference is made to the consolidated cash flow statement for 2024 in the financial statements as regards the cash flow from operating and investment activities.

Capital management

Achmea Real Estate must comply with prudential capital requirements under the Financial Supervision Act (Wft). Investment firms must periodically assess the risks they are exposed to, the extent to which they mitigate these risks, and the capital required to cover the residual risk. This internal capital adequacy assessment process and internal risk assessment process ('ICARAP') forms the basis for continuously evaluating and maintaining the size, structure and allocation of the internal capital and liquid assets considered sufficient to cover the nature and extent of the risks to which the investment firm is exposed or can be exposed.

Based on the ICARAP analysis that was updated in 2024, the required ICARAP capital amounts to €26.5 million. On 31 December 2024, the minimum liquid assets to be held as an alternative investment fund manager under the AIFMD authorisation was €20.1 million.

The ICARAP capital must be tested against Achmea Real Estate's separate capital (i.e. as shown in its non-consolidated financial statements). Intangible fixed assets are a deductible item for calculating the regulatory capital.

On 31 December 2024, Achmea Real Estate's regulatory capital amounted to €50.8 million (2023: €58.1 million). The regulatory capital is therefore above the required ICARAP capital of €26.5 million. The liquid assets held amount to €54.2 million (separate, 2023: €49.1 million) and are therefore above the minimum amount of €20.1 million.

Cash flows and funding requirements

Based on internal liquidity forecasts, Achmea Real Estate expects the future operational cash flows and current liquidity to cover its future obligations. Achmea Real Estate is funded through equity. The company expects that its separate equity will remain above both the ICARAP and AIFMD regulatory capital.

(Amounts X € Million)

	2024	2023
Equity	51.5	60.7
Minus: participating interests	-0.5	-2.2
Minus: Intangible fixed assets	-0.2	-0.4
Regulatory capital	**50.8**	**58.1**
ICARAP capital	26.5	26.0
Surplus	**24.3**	**32.1**

About Us

General information and profile

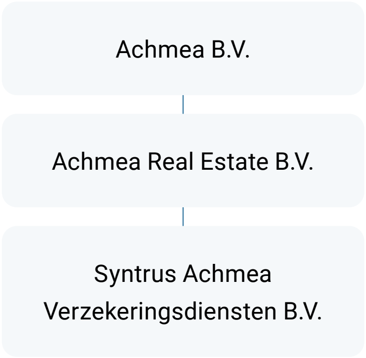
The key event in 2024 was the transfer of the mortgage business to Achmea Mortgage Funds and Achmea Bank on 1 October 2024. This transfer had significant implications for the company's legal structure and activities.

Legal structure

Achmea Real Estate B.V. is a wholly owned subsidiary of Achmea B.V., the parent company of the Achmea Group. Achmea Real Estate B.V. owns 100% of the shares in the subsidiary Syntrus Achmea Verzekeringsdiensten B.V.

Until 1 October 2024, the company also owned 100% of Syntrus Achmea Hypotheekdiensten B.V., which in turn holds 100% of the shares in the subsidiaries Attens Hypotheken B.V. and Achmea Hypotheken B.V. All of Achmea Real Estate B.V.'s shares in Syntrus Achmea Hypotheekdiensten B.V. were transferred to Achmea Bank N.V. on 1 October 2024.

Organization chart



Activities

In connection with the transfer of the mortgage activities to Achmea Mortgage Funds B.V. and the transfer of shares in Syntrus Achmea Hypotheekdiensten B.V. to Achmea Bank N.V., the company's activities are described below in two parts: until 1 October 2024 and as from 1 October 2024.

Until 1 October 2024

The company operated under the name Syntrus Achmea Real Estate & Finance B.V. (Syntrus Achmea) until 1 October 2024 as a Dutch asset manager specialising in making direct and indirect real estate and mortgage loan investments at the expense and risk of third parties. Syntrus Achmea worked for institutional parties such as Dutch pension funds, insurers and charitable institutions. Syntrus Achmea held an AIFMD authorisation for this purpose, as referred to in Section 2:65a of the Financial Supervision Act ('Wft'), as well as a Wft authorisation to provide investment services to professional investors (Section 2:67a, paragraph 2 Wft).

- Syntrus Achmea Hypotheekdiensten B.V.: the activities mainly consist of offering credit facilities and providing and managing mortgage loans. Syntrus Achmea Hypotheekdiensten B.V. is an intermediary as defined in the Wft and has an authorisation issued by the Dutch Authority for the Financial Markets (AFM) under Section 2:80 Wft. Syntrus Achmea Hypotheekdiensten B.V. is exempt from the commission ban under Section 4:25a Wft.
- Attens Hypotheken B.V.: the activities consist of offering credit facilities, managing mortgage loan investment portfolios and providing and managing mortgage loans. Attens Hypotheken B.V. is a provider and intermediary as defined in the Wft and has authorisations issued by the AFM under Sections 2:60 and 2:80 Wft. Attens Hypotheken B.V. is exempt from the commission ban under Section 4:25a Wft.
- Achmea Hypotheken B.V.: the activities mainly consist of offering credit facilities, managing mortgage loan investment portfolios and providing and managing mortgage loans. Achmea Hypotheken B.V. is a provider and an intermediary as defined in the Wft and has authorisations issued by the AFM under Sections 2:60 and 2:80 Wft. Achmea Hypotheken B.V. is exempt from the commission ban under Section 4:25a Wft.
- Syntrus Achmea Verzekeringsdiensten B.V.: the activities mainly consist of advising on and providing intermediary services in non-life commercial insurance. Syntrus Achmea Verzekeringsdiensten B.V. is an advisor and intermediary as defined in the Wft and has authorisations issued by the AFM under Sections 2:75 and 2:80 Wft.

As from 1 October 2024

As from 1 October 2024, Syntrus Achmea continues under the name Achmea Real Estate. Achmea Real Estate is a Dutch asset manager specialising in making direct real estate investments at the expense and risk of third parties. It works for institutional parties such as Dutch pension funds, insurers and charitable institutions. Achmea Real Estate holds an AIFMD authorisation as referred to in Section 2:65a of the Financial Supervision Act ('Wft') as well as a Wft authorisation to provide investment services to professional investors (Section 2:67a, paragraph 2 Wft).

- Syntrus Achmea Verzekeringsdiensten B.V.: the activities mainly consist of advising on and providing intermediary services in non-life commercial insurance. Syntrus Achmea Verzekeringsdiensten B.V. is an advisor and intermediary as defined in the Wft and has authorisations issued by the AFM under Sections 2:75 and 2:80 Wft.

Organisation

All Achmea Real Estate employees are employed by Achmea Interne Diensten N.V., which is an operating company of Achmea B.V. Personnel and other expenses are charged on a self-financing basis to the various Achmea operating companies, including Achmea Real Estate. Achmea Real Estate charges personnel and other expenses relating to the activities of its subsidiaries to those subsidiaries.

Equitable distribution in the composition of the Executive Board

Achmea Real Estate strives for an equitable distribution of men and women (at least 30% men and at least 30% women) on its Executive Board under the articles of association. The Executive Board currently consists of two men and one woman.

Human Resources

Workforce

The composition of Achmea Real Estate's workforce (internal and external employees) in 2024 was as follows:

Average number of FTEs in 2024*

FTEs per business unit	Internal	External	Total
Mortgages**	154.6	32.4	187.0
Real estate	174.4	20.9	195.4
Total	329.0	53.3	382.4

* A full-time employment contract is 34 hours a week.

** FTEs in Mortgages are included until the end of September 2024.

Culture and employee engagement

In 2024, Achmea launched its leadership programme for executive boards and management teams. The primary aim is to break through limiting patterns and thus move from 'Good to Great'. In parallel to this, Achmea Real Estate introduced the 'We ARE ahead' programme for all employees, designed to strengthen adaptability, proactiveness and cooperation across the chain. The Achmea leadership programme is cascaded through this programme to all employees.

In 2024, we once again conducted an employee satisfaction survey. The out-comes constitute an important topic for conversation at various levels in the organisation and form the basis for discussions about strategic staff planning and leadership. New themes and questions in the survey mean that it is not always possible to make a comparison with previous outcomes. The scores for the seven objectives are:

Goal	Score	
Engagement	7.4	(2023:7.3)
Team collaboration	7.4	(new)
Social safety	7.8	(new)
Team leadership	7.6	(new questions – leadership 2023 7.0)
Employment practices	6.9	(new questions – employment practices 2023 7.6)
Vitality	7.3	(2023 7.1)
Inclusion	7.5	(2023 7.7)

Out of the seven themes in the survey, two were entirely new, and two were based on new questions. Our themes and questions are now largely aligned with major benchmarks, allowing for better comparability with other organisations. We are pleased to see that most scores have improved compared to the previous year. For the first time, we measured social safety, which received a strong score. The vitality score showed a slight increase again, a trend that is also reflected in lower sickness absence rates. Through our leadership programme and employee programme, we aim to further improve the leadership score in 2025.

Organisational developments

Cluster formation of Mortgages & Financial Services and Real Estate
Effective as of 1 October 2024, we received approval from the AFM to split Syntrus Achmea operationally into two business units: Achmea Mortgages and Achmea Real Estate. Together with Achmea Bank and Centraal Beheer Financiële Diensten, Achmea Mortgages forms the Mortgages & Financial Services cluster. Achmea Real Estate now operates as an independent entity.

Strategic Workforce Management
In 2024, an integrated plan was again developed for strategic workforce planning within the OARP chain at Achmea, which includes both the mortgage and real estate divisions. Topics such as management information, fleet reviews, succession planning, recruitment strategy and development have been included in the plan.

Remuneration

Employee remuneration

All employees who work completely or partly for Achmea Real Estate are employed by Achmea Interne Diensten N.V. Achmea Real Estate does not have any employees of its own. Personnel and other operating expenses related to the activities of Achmea Real Estate are charged to Achmea Real Estate. The Achmea Group Remuneration Policy applies to all entities within Achmea B.V. in which Achmea has an interest or control of more than 50%, including Achmea Real Estate. In the management report of Achmea B.V.'s annual report, the Supervisory Board reports on its supervisory role in relation to the remuneration policy, including variable renumeration. The annual report of Achmea B.V. will be published in April 2025 on www.achmea.nl.

Variable remuneration

At the time of preparing Achmea Real Estate's financial statements, no decision had yet been made on whether to award variable remuneration for the 2024 performance year to Achmea Real Estate's employees or its Executive Board. Any award of 2024 variable remuneration will be published in Achmea's Remuneration Report, which will be released by early June 2025 on www.achmea.nl.

Following the adoption of the 2023 financial statements in 2024, variable remuneration was awarded for the 2023 performance year to Achmea Real Estate's employees and its Executive Board.

Remuneration policy based on performance targets, long-term value creation and sustainability

Within the Achmea Group, the Executive Board applies top-down performance management of the group strategy and the 'Sustainable Living Together' vision. This results in a balanced approach to performance management, known as Achmea's Stakeholder Value Management (SVM). On this SVM card for Achmea Real Estate, objectives have been agreed for five building blocks – a large client base, skilled employees, strong partner relationships, expertise in data & digital and a solid financial position – complemented by a sixth aspect: sustainability.

Specific performance objectives are defined from each of these angles in the form of key performance indicators (KPIs). In addition to KPIs, key risk indicators (KRIs) are also included on the SVM cards to support risk control. If a KRI is not met, the SVM card performance is adjusted downward. In this way, KRIs serve as a counterbalance to KPIs and prevent perverse incentives. Long-term objectives are also set for all stakeholders to mitigate the risk of excessive short-term focus.

Achmea Real Estate's SVM card forms the framework for the personal result and development targets set annually between individual employees and their managers. This ensures that management at all levels is aligned with long-term value creation. Variable remuneration is awarded through a controlled and carefully managed decision-making process. It is based on achieving a combination of KPIs (from the SVM card) on three levels: the Achmea Group (level 3), the Achmea Real Estate SVM card (level 2), and individually agreed KPIs (level 3), one of which must always be a behavioural or leadership-related objective. The three levels each count toward the variable remuneration in a specific ratio, which depends on the position (executive board position or CLA employee and whether it is a central or decentralised control function). For employees in roles defined as ‘control functions’ under remuneration and other relevant regulations, remuneration is not tied to objectives over which they themselves exercise oversight.

The total amount of variable remuneration at Achmea Real Estate is capped at 20% of fixed pay. Variable remuneration is paid in cash. Identified Staff are awarded and paid variable remuneration in two instalments: 50% is paid directly after the performance year, and 50% – the long-term portion – is conditionally awarded and paid no earlier than five years after the performance year. Before any variable remuneration is awarded, a risk analysis is conducted to ensure alignment with the company’s risk appetite, the requirements set for liquidity and solvency and the Achmea General Code of Conduct. Clawback and malus are part of the variable remuneration policy.

In 2024, sustainability targets were agreed in relation to Socially Responsible Investing and objectives aligned with ESG (Environmental, Social & Governance) criteria. These targets partly count towards the overall set of targets on which the award of variable remuneration for individual employees is based. One such target focuses on reducing CO_2 emissions in both Achmea’s operations and its investment portfolio. In this way, variable remuneration is consistently aligned with the achievement of sustainability targets.

Total remuneration

The total remuneration paid in 2024 to internal employees who performed work for Achmea Real Estate is set out below. Achmea Real Estate employed an average of 329 internal employees in 2024 (2023: 354), including 8 employees classified as Identified Staff (2023: 15 employees).

Achmea Real Estate’s total employee benefits amounted to €40.3 million in 2024 (2023: €49.1 million). The variable remuneration charged to 2024 was €1.1 million (2023: € 1.4 million).

As in 2023, no employee, including Executive Board members, received remuneration of €1 million or more in 2024.

Explanation of employee remuneration under the AIFMD remuneration rules

Achmea Real Estate operates under an AIFMD authorisation. The total amount of remuneration paid by Achmea Real Estate to its employees during the year is shown below, broken down into fixed and variable remuneration. This concerns the total remuneration of all individuals who performed work wholly or partly for Achmea Real Estate.

AIFMD Table 1 – Total for employees *(in € x 1,000)*

	Total fixed remuneration of Achmea Real Estate employees*	Total variable remuneration of Achmea Real Estate employees for the financial year	Total remuneration of Achmea Real Estate employees
2024	25,199	not yet known**	25,199
2023	30,677	1,169 ***	31,846

* Fixed remuneration refers to gross annual salary, including holiday allowance and 13th month's salary.

** Not yet known At the time of signing the financial statements, no resolution had been adopted concerning the award of variable remuneration for 2024. If it is resolved to award it, this will be published in Achmea's 2024 Remuneration Report, which will be released by early June 2025 on www.achmea.nl.

*** This concerns the variable remuneration awarded for the 2023 performance year. This was processed after the fact in the total for the 2023 performance year following the adoption of the 2023 financial statements. Also see Achmea's 2023 Remuneration Report published in early June 2024.

Identified Staff

The aggregate amount of the remuneration at Achmea Real Estate is reported below, broken down by the Executive Board, senior management and the other employees whose actions have a significant influence on the risk profile of the investment entity, known as the identified staff. Identified staff are determined once a year, namely in the quarter preceding the next financial year.

AIFMD Table 2 – Identified staff: Executive Board and senior management *(in € x 1,000)*

	Total fixed remuneration of Achmea Real Estate's Identified Staff	Total variable remuneration of Achmea Real Estate's Identified Staff for the financial year	Total remuneration of Achmea Real Estate's Identified Staff
2024	780	*	780
2023	2,207	95**	2,302

AIFMD Table 3 – Identified staff: other employees *(in € x 1,000)*

	Total fixed remuneration of Achmea Real Estate's Identified Staff	Total variable remuneration of Achmea Real Estate's Identified Staff for the financial year	Total remuneration of Achmea Real Estate's Identified Staff
2024	468	*	468
2023	678	63**	741

* Not yet known At the time of signing the financial statements, no resolution had yet been adopted concerning the award of variable remuneration for 2024 to Identified Staff. If it is resolved to award it, this will be published in Achmea's 2024 Remuneration Report, which will be released by early June 2025 on www.achmea.nl.

** This relates to the variable remuneration awarded for the 2023 performance year to Identified Staff. This was processed after the fact in the total for the 2023 performance year following the adoption of the 2023 financial statements. Also see Achmea's 2023 Remuneration Report published in early June 2024.

Remuneration of Achmea Real Estate's Executive Board and Supervisory Board under the articles of association

Key positions: Achmea Real Estate's Executive Board
Achmea Real Estate is an independent business unit within Achmea Achmea Real Estate's Executive Board under its articles of association is primarily responsible for the entity itself.

In this section, we regard Achmea Real Estate's executive directors who perform the core management tasks for this entity as those holding the key positions under IAS 24.

Remuneration of the Executive Board
The different positions are weighted, considering aspects such as the scope and nature of the responsibilities, the complexity of the managerial context in which an executive director acts, and the required knowledge, experience and competencies.

Salary
The salary is the fixed annual salary including holiday allowance and the fixed year-end bonus. The salary is paid in twelve equal parts. Where applicable, the salary includes the benefit for private use of a lease car. As from 1 January 2024, there was a general differentiated salary increase of 3% to 6% for Executive Board members (2023: 1%). As from the same date, the Executive Board members received an individual salary increment, where appropriate, in addition to the general increase, where there was still scope for progression within the salary scale.

Variable remuneration
Besides the fixed salary, the Executive Board members' normal remuneration package includes variable remuneration. The variable remuneration percentage is capped at 20% of the fixed annual remuneration. Achmea's Executive Board decides on the award of variable remuneration in the year following the performance year, where necessary in consultation with the Remuneration Committee of Achmea B.V.'s Supervisory Board. If awarded, half of the variable remuneration is deferred for five years. Following the adoption of the 2023 financial statements in 2024, variable remuneration was awarded to the directors under the articles of association for the 2023 performance year. This amounted to €35,000 in total.

Pension
The pension scheme that applies to CLA employees and to senior management/Executive Board members employed by Achmea Interne Diensten N.V. applies to Achmea Real Estate's Executive Board. This is a collective defined contribution (CDC) pension scheme with an average earnings ambition and a maximum contribution of 40% of the pension basis (based on the CLA for 2023–2025), including the following characteristics as at 1 January 2024:
- Maximum pensionable salary: €137,800
- Accrual: 1.875% per year, if the contribution suffices

- Deductible: € 17,545
- Retirement age: first day of the month in which the age of 68 is reached
- Surviving dependant's pension
- Continuation of non-contributory pension accrual in case of partial or total incapacity for work
- Conditional indexation
- Standard personal contribution: 3.25% of the pension basis.

This pension scheme is administered by Stichting Pensioenfonds Achmea.

Pension above the tax threshold
Since 1 January 2015, there has been a cap on income eligible for tax-facilitated pension accrual. In 2024, this threshold was €137,800.

Since 1 January 2015, arrangements have been made in the CLA for a different form of pension accrual for employees whose income exceeds this tax threshold. Each year, Achmea determines the total compensation budget for this group. This budget is a percentage of the pensionable salary above the tax threshold, equal to the employer's share of the pension contribution earmarked for pension accrual below the tax threshold. These arrangements also apply to Achmea Real Estate's Executive Board.

The employer's contribution consists of the following two components:
- an age-dependent employer contribution that employees can use (after tax) to participate in a net pension insurance for pension accrual above the tax threshold (referred to in Table 4 below as the gross 'net pension contribution'). The age-dependent contribution is calculated using the maximum tax graduated scale set by the Ministry of Finance;
- what is known as a gross 'pension wage supplement'. If any portion of the employer's share of the pension contribution remains, a standardised percentage supplement will be calculated for all employees with pensionable income above €137,800. In 2024, this supplement amounts to 8% of the pensionable salary above the tax threshold. Willis Towers Watson calculates it in January.

Table 4: Overview of the regular remuneration of Achmea Real Estate's Executive Board in the 2024 reporting year

This includes a comparison with 2023 at the overall level.

	Annual Salary	Variable remuneration awarded (short-term employee benefits)	Variable remuneration awarded (long-term employee benefits)	Pension up to €137,800*	Contribution to net pension above €137,800	Pension wage supplement in excess of €137,800	Total
Total for 2024	715	not yet known*	not yet known*	127	61	24	927
Total for 2023	721	17**	17**	119	68	28	936
	Average number of active directors under the articles of association in 2024: 3						
	Average number of active directors under the articles of association in 2023: 3						

* Not yet known. At the time of signing the financial statements, no resolution had yet been adopted concerning the award of variable remuneration for 2024. If it is resolved to award it, this will be published in Achmea's 2024 Remuneration Report, which is expected to be released by early June 2025 on www.achmea.nl. A reserve of €0.2 million is already included in the total personnel expenses.

** At the time of the 2023 financial statements, the award of variable remuneration for the 2023 performance year was not yet known. This is now listed in the table.

Clawbacks

In 2024, no adjustments or clawbacks were made with regard to remuneration awarded in previous years to the Executive Board members. This also did not happen in 2023.

Loans

In 2023 and 2024, the members of Achmea Real Estate's Executive Board did not receive any loans from, nor did they have any outstanding loans with, entities affiliated with Achmea.

Supervisory Board’s remuneration

A separate Supervisory Board has been established for Achmea Real Estate. In 2024, the Supervisory Board members received the following remuneration (excluding VAT) for their activities.

Remuneration of Achmea Real Estate B.V.’s Supervisory Board *(in €)*

	Fixed remuneration
Total for 2024*	102,583
Total for 2023*	116,000

* See page 58 for the composition of the Supervisory Board. One supervisory director, Daphne de Kluis, is also a member of Achmea B.V.’s Executive Board. She does not receive separate remuneration for her position on Achmea Real Estate’s Supervisory Board.

Loans

In 2023 and 2024, the members of Achmea Real Estate’s Supervisory Board did not receive any loans from, nor did they have any outstanding loans with, entities affiliated with Achmea.

Corporate social responsibility

Achmea Real Estate stands for ‘Sustainable Living Together’.

Real estate
We engage in meaningful investing, focusing on people, the environment and society, guided by concrete objectives. For us, investing in sustainable real estate is the way to achieve long-term stable financial returns and social impact for our clients, while minimising risks. A sustainable investment strategy forms a key part of our ESG policy. Through this, we help our clients build a sound financial foundation and create attractive living environments.

In 2024, Achmea Real Estate published its first Climate Report, outlining the steps we are taking to limit climate change through our own actions.

We also published three ESG Magazines again in 2024, featuring inspiring interviews with professionals and thought leaders in the field of sustainability and social impact.

Pilot project with biobased insulation material
Over the past year, we have conducted a pilot project growing hemp (without the psychoactive substance THC) as the basis for biobased insulation material. We launched this pilot through our land bank portfolio, sowing the hemp on behalf of a major client – the pension fund, BPL Pensioen. The aim of this project is to process hemp into insulation materials that can be used in construction, both for new developments and sustainability initiatives.

We start by working closely with the tenant farmer cultivating the land. We signed the lease and cultivation agreements together at the family’s kitchen table. The harvest took place at the end of August, and we are pleased to report it was a strong yield. We look forward to the next steps in this project and to exploring the potential of using hemp as an insulation material in the construction industry.

Global Real Estate Sustainability Benchmark (GRESB)
In 2024, Achmea Real Estate participated in the international GRESB sustainability benchmark with seven Dutch funds and portfolios. Our average score fell from 91 to 89 points (the maximum score is 100). This drop was largely due to changes that GRESB made to its scoring methodology. As a result, the 2024 scores are not directly comparable to those from previous years.

In addition to points, GRESBassessments also include a star rating system, with five stars being the highest possible rating. Our three in-house funds earned the top rating of five stars. The Achmea Dutch Health Care Property Fund was once again named Global Sector Leader, making it the best-performing healthcare real estate fund in the world. Two of the four separate accounts also achieved the highest rating of five stars; the remaining two earned four stars.

CO_2 reduction

Under the Climate Agreement, the Netherlands has committed to cutting CO_2 emissions by 95%, compared to 1990 levels, by 2050. Achmea Real Estate supports this goal and is working towards a carbon-neutral real estate portfolio by 2050. We have developed CO_2 reduction roadmaps for our real estate portfolios, providing insights into ways to reduce emissions.

Actual CO_2 emissions are tracked using the CO_2 dashboard. In autumn 2024, the dashboard was updated to include the following data for 2023:

CO_2-dashboard *(in € X 1,000)*

Sector	Portfolio ARE (kg CO_2 per m² 2023)	Benchmark (CCREM) (kg CO_2 per m² 2023)	Data coverage
Residential	15.8	23.1	92.2%
Retail	48.0	63.2	66.5%
Healthcare	21.4	46.0	82.9%

Dashboard explanation

The dashboard shows that CO_2 emissions from ARE's portfolio are lower than the benchmark across the residential, retail and healthcare sectors. Energy consumption for residential, retail and healthcare real estate is sourced from grid managers, tenants and property managers, or obtained from smart meters. This energy data is then converted into CO_2 emissions. Both CO_2 emissions and energy consumption are recorded in the CO_2 dashboard, which is updated annually in the autumn based on data from the previous year. Much of the energy data comes from national grid managers.

Standard Annual Consumption (SAC) is also used for this purpose. This is the expected annual consumption for a normalised year based on actual consumption. SAC data is generally clustered at property level. CO_2 emissions are calculated using conversion factors for electricity, gas and heat. CO_2 emissions in the residential portfolio are 64% lower than in the 1990 reference year.

Sustainability upgrades

Properties are made more sustainable on a continuous basis, both small-scale and large-scale. This results in reduced CO_2 emissions, reduced energy expenses and a higher energy label.

In one of our portfolios, we have also developed a plan to sustainably upgrade around 500 homes using circular and biobased methods. After an initial pilot with a circular sustainability project for this portfolio in autumn 2022, the scope has since been expanded. The development of biobased insulation and circular maintenance materials has accelerated in the meantime. Implementation of this plan is expected to begin in the second half of 2025.

Climate adaptation
Reducing CO_2 emissions from buildings helps to combat climate change. However, buildings are unfortunately already vulnerable to the effects of climate change, such as heat stress, extreme rainfall, drought or flooding. Achmea Real Estate is participating in the development of the Framework for Climate Adaptive Buildings – an initiative by the Dutch Green Building Council (DGBC) aimed at creating a uniform methodology for assessing climate risks in Dutch real estate. The framework consists of three components:

1. Environmental score
2. Building score
3. Area and building measures

Environmental risks (part 1) in Achmea Real Estate's portfolio are assessed annually.

Part 2 of the framework, which takes building characteristics into account, was completed in 2023. Achmea Real Estate partnered with Sweco in 2024 to conduct a pilot project across eleven properties to determine their building scores. This requires collecting relevant building data, such as the presence of sunblinds or the height of a building's entrance. In most cases, actual risks appear lower once building characteristics are factored into the assessment. Achmea Real Estate has decided to apply part 2 of the framework in 2025 – again in cooperation with Sweco – to residential properties with high or very high environmental risks.

After this analysis, it will be possible to assess whether improvement measures are needed (part 3 of the framework).

Social Impact Monitor
In 2022, Achmea Real Estate launched a Social Impact Monitor – a tool that can be used to quantify the social return on investments in real estate. After the initial measurement in 2022, we further refined and optimised the monitor, culminating in a new round of measurements at the end of 2023 for all residential portfolios within Achmea Real Estate. Over the past year, client teams for each residential portfolio, as well as the residential fund ADRF, have been working with the results of that latest measurement. We have identified improvement measures for the lowest-scoring properties that will be implemented in 2025.

The next measurement will be at the end of 2026, after which it will become clear whether the adjustments have led to a higher score.

Sustainability and non-financial legislation
In 2024, Achmea Real Estate reported EU taxonomy alignment for the first time for all property funds and portfolios. The EU taxonomy, developed by the European Commission, provides a common language to define the criteria that an activity or investment must meet in order to be classified as sustainable.

In 2023, the Dutch Authority for the Financial Markets (AFM) requested a self-assessment from Achmea, among others, regarding the implementation of the Sustainable Finance Disclosure Regulation (SFDR). In its 2024 feedback, the AFM concluded that Achmea Real Estate was fully compliant with the SFDR requirements.

In 2024, we also drafted and implemented the first version of Achmea Real Estate's ESG policy. This policy includes the implementation of the ESG strategy objectives, the implementation of sustainability-related laws and regulations and the governance of sustainability and social topics.

Finally, in 2024, all divisions of the Achmea Group began working on the requirements arising from the Corporate Sustainability Reporting Directive (CSRD): a double materiality assessment was carried out, identifying several themes that are material to Achmea's operations. IRO (Impact, Risk, Opportunity) templates were then completed for each of these themes.

Although the Dutch government had not yet transposed the CSRD into national law by early January 2025 (the EU-wide deadline was 6 July 2024), the Achmea Group will finalise and publish its consolidated CSRD report. As a subsidiary of Achmea B.V., Achmea Real Estate B.V. is exempt from CSRD reporting obligations because Achmea B.V. consolidates its financial statements. For further details, please refer to the Achmeaannual report[2].

Outlook for 2025

Biodiversity, reducing embodied carbon and 'the core is the chain'

Three key topics are planned for implementation next year: biodiversity, a roadmap for the reduction of material-related CO_2 emissions (embodied carbon) and the development of a value chain approach.

For biodiversity, we will establish frameworks and policies in 2025 to enhance biodiversity around our investment properties. As part of this effort, a project was launched in late 2024 to work with other investors, municipalities and experts – including an ecologist – to make residential neighbourhoods greener. The first two greening actions are set to begin in 2025.

The second topic, reducing embodied carbon, involves introducing a phased standard for limiting CO_2 emissions from construction materials in new developments. This standard will be comparable to the CRREM pathways (Carbon Risk Real Estate Monitor) already in use across all portfolios for energy reduction . This reduction pathway for material-related emissions is currently being developed in partnership with other institutional investors and several advisers.

2. https://www.achmea.nl/investors/publicaties?sc_lang=en

The last topic is ‘the core is the chain’. As an investor on behalf of pension funds, we bear significant responsibility for the value chain in which our activities take place. The decisions we make affect not only our investments, but also society and the environment. For this reason, we enter into agreements with parties in the chain on sustainability targets and social factors – including working conditions in factories that produce building materials, systems and sustainability products such as solar panels.

Through this approach, we aim not only to invest responsibly, but also to make a positive impact on the communities and environment in which we operate.

Governance

Corporate Governance Code

Listed companies report annually on their compliance with the requirements of the Dutch Corporate Governance Code on a 'comply or explain' basis. Although Achmea and its subsidiaries are not listed, Achmea voluntarily adheres to these rules. Most of the principles are included in its governance structure. Where applicable, Achmea largely complies with the Code's principles and best practices. For further details on Corporate Governance and compliance with the Corporate Governance Code, we refer you to the Achmea Annual Report[3].

Executive Board

As from 31 December 2024, the Executive Board under the articles of association has three members: Toon Sweens (Co-Chief Executive as from 1 October 2024), Boris van der Gijp (Co-Chief Executive as from 1 October 2024) and Astrid Langeveld-Vos (Finance Director). Mascha Hendrickx and Hikmet Sevdican left Achmea Real Estate on 4 November 2024 and 30 September 2024, respectively.

Composition of the board of directors

Toon Sweens

Co-Chief Executive and Operations Director as from 1 October 2024

Toon Sweens (born 1971) has extensive executive experience. Previously at Achmea, he served as CEO of InAdmin RiskCo and as Finance and Operations Director of Achmea Pension Services. Before that, Toon worked for the Fortis/ASR group where he started his career. He held several executive roles there, including Commercial Director at De Europeesche, Operations Director at Fortis Investments and Director at GroeiVermogen. Toon is also a member of the OARP management team at Achmea. He is educated as a business economist and a qualified Chartered Controller.

3. https://www.achmea.nl/investors/publicaties?sc_lang=en

Boris van der Gijp

Co-Chief Executive and Investments Director

Boris van der Gijp (born 1971) has been a director at Achmea Real Estate since 17 September 2021. He has almost 30 years' experience in real estate. He has worked at Achmea Real Estate for the past 12.5 years, initially as Strategy & Research Director and then as the lead asset manager for Commercial Real Estate asset management and real estate administration. Boris used to be a director at ASR Vastgoed Ontwikkeling, where he was responsible for selling the projects developed by ASR. His career began as a valuer appointed under the Valuation of Immovable Property Act, after which he also worked for several years as a policy officer at Neprom, the umbrella organisation of professional project developers Boris is a board member at Stichting HomePlan, a member of the Amsterdam School of Real Estate's Supervisory Board and chairman of Kern, the platform aimed at improving inner cities.

Astrid Langeveld-Vos

Finance Director as from 4 November 2024.

Astrid Langeveld-Vos (born 1970) has been Achmea Real Estate's Finance Director since 4 November 2024. Prior to this, she worked at Achmea from 2014 as Group Director of Internal Audit, responsible for managing audit activities across Achmea's Dutch and international entities. She also previously held various roles in Internal Audit, both as an auditor and IT auditor, covering all areas of Achmea, including management positions. She was also active at the NBA (Netherlands Institute of Chartered Accountants) as a member of the insurance and pensions sector committee and as a board member of the professional organisations for Internal Audit in the Netherlands (IIA NL) and Europe (ECIIA). Astrid has extensive expertise in risk management, governance, internal control of operational and financial processes, compliance and audit/IT audit.

Supervisory Board
The Supervisory Board consists of four members with a balanced diversity of professional backgrounds and competencies. Since the end of 2024, the Supervisory Board members have been Leen Meijaard (Chair), Petri Hofsté, Hein Brand and Daphne de Kluis. The Supervisory Board's report provides a detailed description of its committees and their composition.

Client Council
The Client Council is made up of representatives of clients for whom Achmea Real Estate manages both discretionary and fund investments. This is a combined council for both real estate and mortgage clients. Its primary task is to provide solicited and unsolicited advice on decisions regarding several strategic themes.

The Manager
Achmea Real Estate manages real estate portfolios through funds or discretionary investments. Decision-making by the manager is structured by granting delegated authorities to senior management, in addition to the Executive Board, based on their position and role.

The Depositary
BNP Paribas is the depositary for the Alternative Investment Funds (AIFs) managed by Achmea Real Estate.

The depositary has three core activities:

- Safekeeping
- Cash flow monitoring
- Oversight Duties including Investment Compliance

Relevant bodies of the Achmea Real Estate investment funds

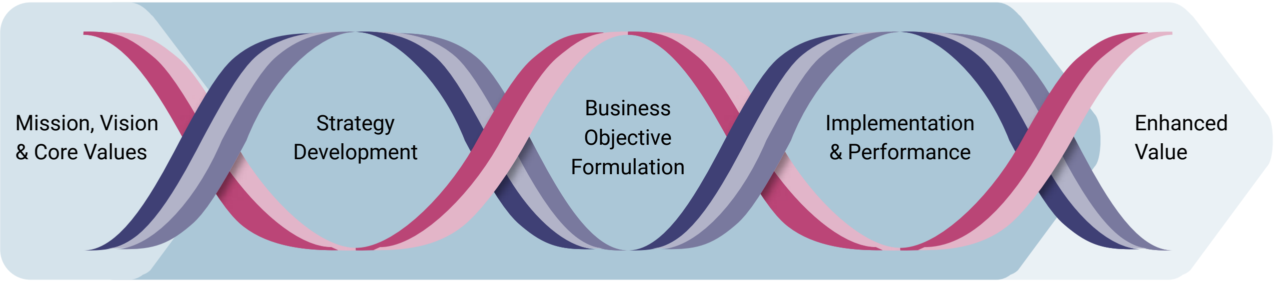
Meetings of Participants
The participants gather in the meetings of participants, which are held at least once per year, with due observance of the fund's conditions. The participants approve amendments to the fund's conditions, changes to portfolio plans, and appointments of members to the Supervisory Board or Advisory Boards. They also approve the financial statements of the investment funds and grant discharge to the manager and the depositary.

Advisory board of the real estate funds
Requests for advice on acquisitions and disposals, strategy and the portfolio plan are discussed in the Advisory Board meetings of each fund. The Advisory Boards include representatives of the participants and external members. Advisory Board meetings of the real estate funds are routinely attended by the Investment Management Director.

Risk management

Risk framework
Achmea Real Estate has implemented a risk management framework to be able to ensure the quality of the services provided to its clients. Alignment with the Coso Enterprise Risk Management Framework was created for this purpose. The risk management system is evaluated annually on the basis of internal and external developments..

Enterprise Risk Management



Governance & Culture

1. Exercises Board Risk Oversight
2. Establishes Operating Structures
3. Defines Desired Culture
4. Demonstrates Commitment to Core Values

Strategy & Objective-Setting

6. Analyzes Business Context
7. Defines Risk Appetite
8. Evaluates Alternative Strategies
9. Formulates Business Objectives

Performance

10. Identifies Risk
11. Assesses Severity of Risk
12. Prioritizes Risks
13. Implements Risk Responses
14. Develops Portfolio View

Review & Revision

15. Assesses Substantial Change
16. Reviews Risk and Performance
17. Pursues Improvement in Enterprise Risk Management

Information, Communication & Reporting

18. Leverages Information and Technology
19. Communicates Risk Information
20. Reports on Risk, Culture and Performance

The organisation structure and culture set the tone and determine the course of the organisation. Responsibilities are defined and supervision is set up so that risk management can occur. The organisational culture relates to Achmea Real Estate's standards and values. Achmea Real Estate applies the 'Three Lines model'.

The first line is primarily responsible for risk control within the processes under its remit, and with this for the correct, full and timely performance of the business operations. This means that in daily decision-making and implementation, first-line management is responsible for determining whether sufficient safeguards exist to remain within the risk appetite boundaries.

Three Lines model

Three Lines	Organization	Responsibility
First Line	• Line Management	The management of operational risks and accountability therefor.
Second Line	Risk Management: • Operational Risk • Financial Risk • Compliance • Information Security	Identify, monitor, advise, and report on risk management from an independent position.
Third Line	• Internal Audit	From an independent position, the assessment of the effectiveness of internal controls and the functioning of the first and second lines.

Compliance and Risk Management

The compliance function at Achmea Real Estate has been outsourced to Achmea B.V. For the risk management function at Achmea Real Estate, a distinction is made between the risk management function of Achmea Real Estate B.V. and the risk management function of the Alternative Investment Funds. The risk management function of Achmea Real Estate has been outsourced to Achmea B.V. These activities are assigned to the Risk Management staff department. The risk management function of the Alternative Investment Funds is not outsourced and is directed both functionally and hierarchically by Achmea Real Estate's Executive Board.

The Risk Management and Compliance functions form the independent second line and are responsible for establishing internal policy frameworks for risk control and for continuously monitoring compliance with them. They report directly to Achmea Real Estate's Executive Board and Audit & Risk Committee.

Achmea Internal Audit

From an independent position, the third line periodically assesses the effectiveness of the controls adopted by the first and second lines. Achmea Real Estate has outsourced the internal audit function to Achmea B.V. Achmea Internal Audit reports to Achmea Real Estate's Executive Board and to its Audit & Risk Committee and Supervisory Board.

Risk appetite

Risk appetite is the maximum risk that Achmea Real Estate is willing to accept when implementing its chosen strategy and objectives. Risk appetite consists of several guiding principles as part of the risk strategy, along with an in-depth analysis in qualitative statements and corresponding key risk indicators (KRIs), which are used to monitor whether the risk profile remains within the boundaries of the risk appetite. Achmea Real Estate reviews and, where necessary, revises its risk appetite at least annually, in coordination with the risk appetite of its shareholder, Achmea B.V.

To manage risks, periodic risk assessments are carried out and key controls are implemented for key risks. These controls are tested quarterly within the control framework by line management. The second line monitors the controls and reports accordingly.

Internal culture

Achmea Real Estate's culture is closely aligned with that of Achmea. The cooperative philosophy that underpins the Sustainable Living Together strategy is also a key principle for Achmea Real Estate in its day-to-day conduct. This is how we create sustainable value for our clients, our employees, our business and society as a whole. Culture includes the organisation's risk attitude and how it is applied in practice. We work from one Achmea, from shared values (enthusiastic, contemporary, ambitious, proud and decisive). A leadership programme was also launched in 2024 to further strengthen the leadership culture.

The Achmea Code of Conduct sets out what is expected from every employee in their daily work and what they can be held accountable for. It covers topics such as:

- interacting with each other;
- using business assets and information resources;
- handling conflicts of interest;
- dealing with incidents;
- handling complaints.

Employees are screened for integrity before and during their employment (PES and IES). Achmea Real Estate does this to reduce the risk of employing individuals who pose an integrity risk.

Every employee at Achmea Real Estate has taken the Achmea oath or made a solemn affirmation (the financial sector oath or solemn affirmation). Onboarding sessions are held for new employees, during which the standards and values of Achmea Real Estate and its clients are explained. Personal development is encouraged, not only through training (the ‘all-you-can-learn’ concept and role-specific mandatory training), but also through programmes such as ‘TOP’ (Talent, Develop, Perform), which focuses on and places employees’ personal development in their own hands. Awareness sessions on integrity are held regularly. The Executive Board and management play an important role in mitigating risks through support and leading by example (‘tone at the top’). The Executive Board and management acknowledge this and actively promote the importance of integrity throughout the organisation.

Risk description

Achmea Real Estate categorises its risks into three groups: financial risks, non-financial risks (operational and strategic) and risks related to laws and regulations. The table below outlines the risk types, key risk indicators and the associated risk appetite.

Risk type	Underlying risks	Key Risk Indicators	Risk appetite
Financial The risk that the equity is insufficient to be able to meet the liabilities.	Return and earnings risk Liquidity risk Credit and counterparty risk Market risk (currency and interest-rate risk) Solvency and capital management	1. ICARAP-ratio 2. Available liquidity in going concern for the next 12 months	1. >115% 2. > required AIFMD capital
Non-financial: strategic This risk relates to issues that could threaten the organisation's objectives.	Strategic risk Concentration risk Climate risk	1. Internal requirement for client satisfaction 2. MBO score[4] 3. Agreements relating to GRESB score	1. >6 2. >7 3. >70%
Non-financial: operational This relates to the risk of financial loss due to internal fraud, external fraud, process implementation, outsourcing, product regulation and rules of conduct, business disruption, damage to physical assets or HR policy and safety.	Operational risk	1. Net financial loss due to operational risks 2. Degree to which 'very urgent' issues are resolved within the set timeframe 3. % of working key controls in Control Framework 4. Number of BCC[5] failures (per quarter)	1. ≤ 250k euros 2. Resolved within the set timeframe or reduced to 'urgent' 3. >95% 4. No failures
Compliance & Integrity The risk of legal or administrative sanctions, material financial loss or reputational damage as a result of non-compliance with laws and regulations.	Compliance risk Integrity risk	1. Number of material breaches of law and regulations per year 2. Number of material integrity breaches 3. Degree to which new/amended material laws and regulations are implemented in time 4. Percentage of employees who pass mandatory e-learning	1. Zero breaches 2. Zero breaches 3. Timely implementation 4. >95% behaald

4. Employee satisfaction survey
5. Business-critical chain

The company aims to foster a disciplined and constructive control environment through its standards and procedures, ensuring that all employees understand their roles and responsibilities.

Below is a further explanation of the key risks, how we have structured their management and any areas of concern.

Financial risks

Return and earnings risk
Achmea Real Estate aims to remain consistently profitable and to generate an adequate average annual return over the medium term (three to five years). A lack of adequate returns and earnings puts medium and long-term continuity under pressure. This risk is managed through continuous monitoring and periodic reporting. Achmea Real Estate's income largely depends on the assets under management on behalf of clients. The development of AuM is thus an important indicator.

Liquidity risk
Liquidity risk is the risk that Achmea Real Estate may face difficulty in meeting its financial obligations. This is monitored by preparing and assessing a 12-month rolling liquidity forecast each month, using the ICARAP liquidity requirement as an absolute minimum.

Credit and counterparty risk
Credit risk is the risk of financial loss if a client or counterparty to a financial instrument fails to meet its contractual obligations. This mainly relates to Achmea Real Estate's receivables from clients and banks.

Achmea Real Estate is exposed to a credit risk on its cash and cash equivalents and recorded receivables.

The risk is limited by:
- spreading the cash and cash equivalents across two banks;
- using only systemically important banks; and
- using only banks with at least an Investment Grade Credit Rating.

The credit risk on recorded receivables is managed by working on the instructions of parties that are subject to prior creditworthiness checks.

Market risk
Achmea Real Estate invests at the expense and risk of its clients and does not incur any direct market risk.

(i) Currency risk
Achmea Real Estate is not exposed to currency risks. The last remaining AREA fund ('Asia') was liquidated on 30 April 2024.

(ii) Interest-rate risk
Achmea Real Estate is exposed to an interest-rate risk on bank balances held with Rabobank and ING. This limited risk is not hedged.

Solvency risk and capital management
Solvency risk is the risk that Achmea Real Estate's equity may be insufficient to meet its legal obligations in the short and long term. Achmea Real Estate is subject to prudential capital requirements under the Dutch Financial Supervision Act (Wft). In this regard, Achmea Real Estate must comply with the Investment Firms Regulation (IFR), the Investment Firms Directive (IFD), the Internal Capital (and Liquidity) Adequacy Risk Assessment Process (ICARAP) and the Alternative Investment Fund Managers Directive (AIFMD).

The ICARAP report provides insight into and an assessment of the development of the risk profile, solvency and liquidity during the planning period, under both normal and stressed conditions. This report is available to the external regulator.

Stress scenarios and other factors are used to examine whether the calculated capital will suffice to absorb exceptional, yet plausible events and risks. Achmea Real Estate takes account of Achmea's Capital Adequacy Policy which states that companies subject to supervision are independently responsible for complying with the minimum capital requirements.

Non-financial risks (strategic)

Strategic risk
Strategic risks are risks that could compromise the organisation's objectives. Each year, the Strategic Risk Analysis provides insight into these risks. If the assessment shows an elevated level of risk, additional measures are implemented. For Achmea Real Estate, a strategic risk is that clients may terminate their asset management mandates, or that market conditions may adversely affect real estate investment or development. This risk is mitigated by continuing to develop new products, attract new clients and maintain high client satisfaction, with regular testing and adjustments as needed.

Concentration risk
This is the risk that a large part of the portfolio is concentrated in a limited number of products and clients. Achmea Real Estate mitigates this risk by seeking to broaden both the range and type of its products and client base.

Climate risk
Climate risk refers to the risk posed to individuals, businesses and society by climate change and the related necessary transition to a climate-neutral economy. These risks can directly impact our real estate and mortgage investments, leading to return-related risks. We invest in the world of tomorrow by reducing the impact of the built environment on climate change.

Non-financial risks (operational)

Operational risk
This relates to the risk of financial loss due to internal fraud, external fraud, process implementation, outsourcing, product regulation and rules of conduct, business disruption, damage to physical assets or HR policy and safety. The operational risk is the main risk for Achmea Real Estate as a manager.

To manage this risk, the organisation continually aims to raise the quality of its internal controls and thereby reduce the likelihood of operational errors. In accordance with Achmea policy, Achmea Real Estate has therefore set up a robust management system: periodic risk assessments and an integrated control framework, in which key risks and key controls are included for all themes relating to operational risks. In addition, an external auditor tests the effectiveness of the operational risk controls annually for our clients through the ISAE 3402 Type II certification. An ISAE Type I report has also been prepared for the processes affected by the phase I implementation of Yardi. Lastly, an organisation-wide systematic issue and incident management process has also been set up.

Statutory provisions

Compliance risks
Achmea Real Estate's compliance policy describes how the compliance risk is managed. Additional policy and schemes are available for specific compliance components such as the integrity and fraud policy, Customer Due Diligence policy, privacy policy, competition policy and the insider trading rules.

To reduce this risk, Achmea Real Estate continuously strives to raise the quality of its controls, thus making any failure to comply with laws and regulations less likely to occur. Achmea Compliance monitors legal and regulatory compliance through the integrated control framework, with second-line monitoring of its effectiveness on a quarterly basis.

The Legislation & Regulatory Committee identifies and tracks new or amended legislation throughout the year and assesses the impact on the organisation. If there is significant impact on Achmea Real Estate, the committee advises Achmea Real Estate's Executive Board to initiate an implementation project. Achmea Compliance monitors the timely and correct implementation of laws and regulations.

Integrity risk and the Systematic Integrity Risk Assessment (SIRA)
Under Article 10 of the Prudential Rules (Financial Supervision Act) Decree, insurers, pension funds and others must arrange for a Systematic Integrity Risk Assessment (SIRA). Achmea Real Estate performs this analysis each year. If this shows that residual risks are being inadequately reduced, additional controls are implemented. As the SIRA is also linked to the control framework, key risks and key controls are tightened where necessary.

Other

Customer Due Diligence
As an asset manager, Achmea Real Estate must have a clear understanding of the parties it does business with and thus contribute to the broader societal interest of preventing money laundering and the financing of terrorism.

Following internal findings of deficiencies, Achmea Real Estate runs a CDD programme to ensure the company complies with CDD laws and regulations. In 2024, this programme again resulted in a strengthened CDD policy, improvements to the design of the CDD application used for performing and documenting CDD activities and enhanced implementation of the SIRA.

To control CDD risks, it is necessary to monitor the client for as long as the relationship or cooperation continues. The following activities are performed in this regard:
- conducting a client survey before services commence;
- monitoring transactions for incoming payments,
- performing a PEP and sanctions list screening when establishing a new client relationship and with respect to outgoing payments;
- performing regular PEP and sanctions list screening of existing clients;
- conducting a periodic and 'Event Driven' review of existing clients.

Achmea Real Estate tests compliance with the rules on the basis of the CDD Control Framework. In this framework, key controls have been defined under the 'Know Your Client' theme. These are used to assess whether Achmea Real Estate's internal controls are adequate to ensure compliance with CDD laws and regulations. Achmea Real Estate monitors progress on areas for improvement identified through internal reviews, audits and AFM inspections.

Privacy

Achmea Real Estate processes personal data on a daily basis, for example to manage property letting administration, to send marketing emails both to existing and potential clients or to issue proposals. To protect the privacy of all involved, personal data is processed carefully and in compliance with laws and regulations on the protection of personal data.

Achmea Real Estate tests compliance with the rules on the basis of the Privacy Control Framework and its defined key controls. Improvements were made to demonstrable control in 2024. This will continue in 2025, with a particular challenge being data from unstructured environments and properly documenting the effectiveness of controls in work programmes.

ISAE 3402

Each year, Risk Management & Compliance (first line) assesses whether the ISAE control matrix still aligns sufficiently with Achmea Real Estate's activities and clients' wishes. The independent external auditor issued assurance reports to the ISAE 3402 Type II reports for 2024, assessing the design, existence and effective operation of controls for processes outsourced to Achmea Real Estate. An ISAE Type I report was also prepared for the processes affected by the phase I implementation of Yardi.

Compliance with the rent increase clause

The Supreme Court of the Netherlands has now ruled on a legal matter of importance to the real estate sector regarding the tenability of rent increase clauses in deregulated tenancy agreements. It assessed whether the clauses under review were contrary to the 1993 EU Directive on unfair terms in consumer contracts. The Court held this was not so in the tested case, which concerned a rent increase of CPI + 3%. As further proceedings at the CJEU in Luxembourg are still theoretically possible, Achmea Real Estate is monitoring any developments.

Outlook

Outlook for 2025

Introduction

Achmea Real Estate is a leading real estate asset manager in the Netherlands, offering a broad range of products. The Executive Board wants to continue expanding its position in real estate in 2025.

Market trends

The macroeconomic outlook for the Netherlands presents a mixed picture. Economic growth is expected to rise slightly in 2025, from 0.3% to 1%. At the same time, inflation is falling due to a series of interest-rate hikes by the European Central Bank. As expected, wages in 2024 rose faster than inflation, partly due to persistent staff shortages across many sectors. These shortages are partly caused by an ageing population. As a result, purchasing power remains steady and households continue to spend. House prices are rising again, driven by the structural shortage of housing.

The Dutch economy has traditionally been heavily dependent on international developments. Global interest-rate hikes are slowing economic growth, and world trade is expected to barely grow in the years ahead. The wars in Ukraine and the Middle East, as well as rising trade barriers, are putting further pressure on trade. This is dampening Dutch exports and, in turn, affecting prosperity. Ongoing uncertainty surrounding international conflicts

may also influence real estate values. In addition, the outcomes of the US and European elections add further uncertainty to the economic outlook.

Residential

Demand for housing in the Netherlands will remain high for decades to come. Nationwide, the housing shortage stands at around 5%, but in regions in and around the Randstad conurbation, this figure is several percentage points higher. Population forecasts indicate that the shortage will persist for several decades to come. Despite additional central government incentives, the annual target of 100,000 new homes is still far from being achieved. Accelerating developments through shorter planning processes and faster construction using industrialised methods is essential. Procedures also need to be completed more quickly. Although these ambitions are widely supported – including at the 2024 Housing Summit – their effect is not yet visible in new-build figures. According to forecasts by ABF Research, the 100,000 mark will only be reached in 2027. A nationwide housing shortage of 2.2%, just above the target level of 2%, is therefore still expected in 2040.

One consequence of the shortage is that demand for rental housing remains very strong. This has led vacancy rates for Dutch institutional residential property to fall to around 1.5% in 2024 (MSCI). As a result, the risk of properties remaining unlet is very low, as seen in the high number of applicants for new developments – sometimes as many as twenty times the number of available homes. The persistent shortage is also pushing up market rents, which continues to drive investment values higher. Tight conditions are also evident in the owner-occupied market, where house prices hit record highs in early 2024. As a result, the ratio between the rented value and the 'bricks and mortar' value – i.e. the value with vacant possession ratio – has dropped to around 70%. Selling individual rental units from a complex has therefore become an alternative strategy for institutional investors to achieve additional returns. However, declining tenant churn in the rental market means this strategy is highly time-intensive.

Achmea Real Estate is well positioned to benefit from the further improvement expected in the residential investment market in 2025, along with increased demand for this product from our clients. It manages a relatively young and sustainable portfolio (largely new-build homes with energy label A), which is considered attractive by institutional clients. In addition, Achmea Real Estate took the first steps in 2024 towards launching a new fund focused on sustainability upgrades for older rental properties. The AFM approved this fund at the end of 2024, and it was launched in January 2025.

With this complete offering and the anticipated recovery of the residential investor market, the assets under management are expected to increase again over time.

Healthcare real estate

Healthcare real estate remains attractive to institutional investors due to its relatively low risk and solid returns. It also supports ESG objectives in relation to sustainability and social structures, especially in light of the ageing population. Rental income is stable, with limited sensitivity to economic fluctuations and a low vacancy risk. However, the financial pressures many healthcare institutions face – especially when combined with the sustainability challenge – require attention. The political focus on living at home for longer and decentralised primary care ensures long-term stability. At the same time, there is growing attention for housing for the elderly, although this has yet to lead to a sufficient number of development sites. For now, investors must take account of limited transaction volumes, also because supply and demand remain out of step due to high construction costs and increased requirements for returns.

ESG

Beyond financial returns, social impact is becoming increasingly important. Investments are assessed against ESG criteria and themes such as social impact, climate adaptation, biodiversity and – in addition to CO_2 reduction – circularity. Demonstrating the impact of making real estate investments will become even more important in the years ahead. Changing laws and regulations means that institutional investors will have to report more uniformly on ESG and improve transparency. With these changes and additional reporting requirements, the European Union encourages investors to accelerate sustainability upgrades to their investment portfolios.

In 2024, the Council of the European Union approved the Energy Performance Building Directive IV (EPBD IV). This includes standards for average primary energy use at Member State level, and measures to address the worst-polluting buildings. EU Member States have until May 2026 to implement EPBD IV. The Dutch government will also need to develop policies in response, which will affect the built environment and the pace of its sustainability upgrades.

Retail

The retail sector experienced a turbulent year, marked by several high-profile bankruptcies (Blokker, BCC and Scotch & Soda). Nevertheless, prime retail locations continued to prove their value in 2024. This was driven by increased demand from retail chains, partly prompted by the strong rebound in high street footfall. Consumers also had more disposable income in 2024. However, the performance gap between the chains is significant. Alongside strongly performing retail chains, some retailers' results are under pressure due to rising operating costs, higher financing charges, tax debts and declining retail volumes. Bankruptcies may leave less attractive retail locations empty for extended periods. It is therefore crucial to invest in the winning segments of the retail market. We expect uncertainty within these segments of the retail market to ease in 2025, with the investment market in these areas stabilising first. Our main focus therefore remains on proven prime locations in the inner cities of the five largest municipalities, and on district shopping centres with a strong food component.

Sustainable business practices remain important and may require short-term investment to adapt buildings. Nearly all properties in the Achmea Dutch Retail Property Fund already hold a green energy label, which limits the transition risk for the portfolio managed by Achmea Real Estate.

Client-centric business operations

The client is central to our approach and is represented in various bodies: the client council, advisory boards, and through communication in one-on-one client relationships. To better align portfolio composition and performance with our clients' needs, working in multidisciplinary client teams is essential to delivering added value. Improvements in returns – both social and financial – help strengthen client relationships and lead to higher levels of client satisfaction. The 2024 client satisfaction survey has shown that we maintain a strong foundation, with a score of 7.7 for Real Estate (2023: 8.0).

Organisational development

Our employees make the difference for our clients. Staying ahead requires an innovative business environment. The challenge lies in encouraging entrepreneurship without losing sight of checks and balances. Changes on the client's side require a proactive, innovative culture that challenges employees to improve both themselves and their services.

In 2025, we will also continue to invest in our culture, competencies (training, new talent) and structure (including lean & mean and countervailing power). Training budgets at Achmea are unlimited. Strengthening our employees' skills and expertise will remain a key priority in the years ahead. Being an attractive employer is essential, especially given the tight labour market. Through our change programme 'We ARE ahead', we are strengthening the organisation's adaptability, increasing proactivity and enhancing cooperation. This programme aligns with Achmea's leadership programme: 'Good to Great'.

Financial

Our major change programmes form the basis for improved results and earnings, including over the medium term. They support portfolio growth and more efficient business operations, thus helping to reduce operational costs.

Real ConneQt

The Real ConneQt programme started in 2023. Its aim is to future-proof our real estate activities through continued digitalisation and improving our data infrastructure, leading to more effective and efficient processes. In this way, the programme supports the strategic objectives of the real estate division, including its growth ambitions. Over the coming years, we will work towards a flexible organisation that can best respond to client needs and real estate market developments. Under Real ConneQt, the real estate processes of Achmea Real Estate and the external property managers are being integrated in the Yardi system. The programme roadmap includes eight phases, with portfolio migrations and functionalities going live in phases. In 2024, Phase 1 was completed, and the first part of the Retail Portfolio went live. In 2025, the remaining part of the Retail Portfolio will go live (Phase 2), additional property and asset management functionalities will be implemented (Phase 3) and the implementation of the Investment Modules will begin (Phase 4). From 2026, the residential and healthcare portfolios will go live (phases 5 to 8). The programme will continue until 2027.

Events after the balance sheet date

For events after the balance sheet date, we refer you to the notes on other provisions.

In Control statement

Responsibility

As Achmea Real Estate's Executive Board, we are responsible for designing and maintaining effective internal risk management and control systems in our organisation. These systems are intended to manage the significant risks to which Achmea Real Estate is exposed. However, no such system can provide absolute assurance regarding the achievement of our objectives, nor can it entirely prevent all material misstatements, losses, fraud or breaches of laws and regulations.

Assessment

In order to fulfil our responsibility, we systematically analysed and evaluated the relevant risks and the control environment of our organisation for the 2024 reporting year. Where necessary, we have taken additional actions. In doing so, we have relied on the Achmea Integrated Risk Management Framework (IRMF), together with evaluations and reports from the second line, the internal audit function and the external auditor. These evaluations resulted in improvement actions, some of which have already been implemented, while others are still in progress. Full implementation will result in more demonstrable and efficient control of our business operations. For risks that can directly lead to a material misstatement in the financial reporting, we have assessed the effective operation of the risk management and control systems.

Opinion

Achmea Real Estate's Executive Board is of the opinion that our risk management and internal control systems, along with the Risk Management & Compliance reports for the first to fourth quarters of 2024, provide sufficient insight into the main net risks and the effective operation of the internal control system at Achmea Real Estate.

Amsterdam, 28 March 2025

Achmea Real Estate B.V.'s Executive Board

Boris van der Gijp, Toon Sweens and Astrid Langeveld-Vos

SUPERVISORY BOARD

Report Of The Supervisory Board

Composition of the Supervisory Board

As from 10 November 2024, the Supervisory Board ('the SB') comprises Leen Meijaard (Chair), Petri Hofsté, Hein Brand and Daphne de Kluis. Daniëlle Melis joined the SB on 1 March 2025. Until 10 November 2024, the SB comprised Hans Snijders (Chair), Fieke van der Lecq (until 1 October 2024), Hein Brand and Daphne de Kluis.

Duties

Meetings with the Executive Board

Last year, the SB met several times in the presence of the Executive Board or a delegation from it. Before each regular quarterly meeting, the SB held a closed session. After each meeting, it conducted an evaluation, reflecting on the meeting process, the content, the meeting dynamics and the effectiveness of its own contribution.

Strategy of Syntrus Achmea and Achmea Real Estate

The SB held in-depth discussions with the Executive Board on strategic decisions with significant implications for the future of Syntrus Achmea and Achmea Real Estate. The most important strategic decision in 2024 was the operational split of Syntrus Achmea, in line with Achmea's 1OARP strategy. In keeping with Achmea's 'The Sum of Us' strategy and in line with the objective of 'Sustainable Living Together', Achmea has explored ways to strengthen the commercial focus of its various business units, among other initiatives.

Following decision-making within Achmea's Executive Board and the conclusion of the employee consultation process, Achmea resolved at the end of 2022 to separate the existing Syntrus Achmea structure. Real Estate now operates as a standalone cluster, while Mortgages has been combined with Achmea Bank to form the new Mortgages & Financial Services cluster.

In August 2024, the Dutch Authority for the Financial Markets (AFM) granted an AIFMD authorisation for part of the mortgage business, under the name Achmea Mortgage Fund. The split was operationally implemented on 1 October.

The SB also approved the launch of the Achmea Dutch Residential Impact Fund. This fund aims to improve the energy efficiency of affordable rental housing with an energy label of D or lower, thereby contributing towards climate targets. The product aligns well with the 'Meaningful Investing' strategy and builds on Achmea Real Estate's experience in making homes more sustainable.

Mortgages

In its meetings with the Executive Board, the SB considered the impact of macroeconomic developments on the business, including supply and demand for products and the wage-price spiral. These trends have once again driven high inflation and, in turn, rising house prices. With mortgage rates stabilising, assets under management (AUM) have remained steady. The fund has been able to accommodate both new entrants and exiting participants, enabling the Particulieren Hypothekenfonds (PHF) to provide liquidity while continuing to support the required level of mortgage origination.

In its meetings with the Executive Board, the SB also noted the milestone that the investment solution of Pensioenfonds Zorg & Welzijn under the Attens brand has passed the five billion euros mark. Lastly, the SB considered the governance of Achmea Mortgage Funds, which as from 1 October 2024 manages the AMIP investment solution in Centraal Beheer Leef mortgage receivables. The brand also continues to grow steadily here. The SB concludes that these investment solutions are well aligned with the growth strategy of Achmea Mortgage Funds as fund manager, and of Achmea Bank, which is responsible for granting and managing mortgage loans.

Real estate

In its discussions with the Executive Board, the SB addressed the impact of inflation and interest rates on the real estate business. Falling share prices have led some institutional investors to become overweight in illiquid investments. High construction costs are also limiting acquisition and development. The combination of rising construction costs, increased interest rates and the nitrogen issue continues to pose a challenge for the launch and completion of new construction projects.

The SB also discussed Real ConneQt, the long-term programme for further digitalisation and optimisation of the real estate business, in several meetings with the Executive Board. Future-proofing real estate operations through effective and efficient processes, and facilitating strategic objectives, including growth, requires an overhaul of the current IT systems used by Achmea Real Estate through the Real ConneQt program. Syntrus Achmea began implementing this program in 2023, and the first part of the portfolio went live in the new IT landscape on 1 July 2024. This marks an important step towards building a distinctive organisation with data-driven services.

CDD and privacy

The SB again paid close attention to the CDD programme and privacy-related matters in 2024. In additional meetings, the SB discussed the AFM's investigation reports on CDD and the resultant improvement actions in detail.

Monitoring strategy

The SB monitored progress on strategy. In addition to the topics mentioned earlier, fund performance in both real estate and mortgages was a recurring theme in the meetings. The Real ConneQt program also featured prominently in the meetings, as did the launch of the Achmea Dutch Residential Impact Fund. As outlined earlier, the decision to split Syntrus Achmea was the key strategic theme of 2024.

Interaction with the shareholder

Coordination between the SB and Achmea runs primarily through Daphne de Kluis, who, in addition to her role as a supervisory director of Achmea Real Estate, also serves on the Achmea's Executive Board. She fulfils this dual role with due care. These short lines of communication contribute to a constructive and productive relationship between the SB and the shareholder.

Client Council

The SB member appointed on the nomination of the Client Council, Fieke van der Lecq, attended at least one meeting of the Client Council each year. Fieke van der Lecq stepped down as a supervisory director of Achmea Real Estate on 1 October. Daniëlle Melis was appointed to the SB on the nomination of the Client Council on 1 March 2025.

Consultation with the external auditor

In 2024, the full SB met once in the presence of the external auditor. The company's financial statements, the independent auditor's audit option and the audit report for Syntrus Achmea were discussed during this meeting. The external auditor also regularly attended meetings of the Audit & Risk Committee and there is an annual meeting exclusively with the committee members. The SB looks back on a constructive working relationship.

Committees

Until 1 October 2024, the SB had four standing committees: the Nomination & Remuneration Committee, the Audit & Risk Committee, the Real Estate Committee and a Mortgages Committee. As from 1 October, the Real Estate Committee and the Mortgages Committee were discontinued due to the separation of the mortgages and real estate businesses, and the Nomination & Remuneration Committee was integrated into the regular SB meetings.

The Nomination & Remuneration Committee consisted of Hein Brand (Chair) and Hans Snijders (Member) until November 2024. During the reporting year, the committee met twice in the Chief Executive's presence. Topics discussed included remuneration policy, strategic personnel planning (including the filling of vacancies) and the impact of laws and regulations on employees. The Nomination and Remuneration Committee was discontinued in October 2024.

The Audit & Risk Committee consisted of Fieke van der Lecq (Chair) and Daphne de Kluis (member) until October 2024. As from 10 November, the committee is formed by Petri Hofsté (Chair), Leen Meijaard (member), Hein Brand (member), Daphne de Kluis (member) and Daniëlle Melis (member as from 1 March 2025). In the reporting year, the committee met five times in the presence of the Acting Chief Executive and Finance Director (until November 2024), the full Executive Board (as from November 2024), the Risk & Compliance Manager, the Compliance Officer and representatives of Achmea's Internal Audit. The external auditor also attended periodically. Topics discussed in committee meetings included financial quarterly reports, quarterly Risk & Compliance reports, Privacy, CDD, the dividend proposal, rolling forecast and audit reports.

The Real Estate Committee consisted of Hein Brand (Chair) and Hans Snijders (member). During the reporting year, the committee met once in the presence of the Acting Chief Executive and Finance Director and the Investments Director. This meeting allowed for an in-depth discussion of real estate topics, such as market developments, portfolio plans, foreign investors, major change projects including Real ConneQt, the launch of the Achmea Dutch Residential Impact Fund and the impact of the operational split of Syntrus Achmea on the real estate business. The Real Estate Committee was discontinued in November 2024.

The Mortgages Committee consisted of Hein Brand (Chair) and Hans Snijders (member). During the reporting year, the committee met once in the presence of the Acting Chief Executive and Finance Director and the

Mortgages Director. This meeting allowed for an in-depth discussion on mortgage-related topics such as market developments, the Achmea Mortgage Investment Platform and the impact of the operational split of Syntrus Achmea on the mortgages business. The Mortgages Committee was discontinued in October 2024.

Performance

Continuing education

In addition to the substantive topics discussed during its regular meetings, the SB also participated in two in-company knowledge sessions in 2024, held in the presence of the Executive Board: the first on the impact of the Future of Pensions Act and the second on CDD and DORA.

Self-assessment

At the end of 2024, the SB, in its renewed composition, conducted a self-assessment. The quality of the procedural and relational aspects of the team's functioning, effectiveness and cooperation with each other were discussed. As part of this process, the SB updated its working arrangements. Among other things, it decided to retain only the Audit & Risk Committee, with all other committee topics integrated into regular SB meetings. The SB also evaluated the implementation of roles within the SB, as well as its cooperation and relationship with the Executive Board. On the whole, the SB functions efficiently and effectively. The SB subsequently shared the main findings and conclusions with the Executive Board.

2024 financial statements

The SB requests special attention for the 2024 results as set out below. First, significant investment was made in CDD, and the Executive Board followed up on the associated improvement plans with the highest priority.

The financial results for 2024 were lower than expected. This was mainly due to adverse market conditions, which led to lower revenue from both reduced mortgage lending and development real estate, largely offset by cost savings achieved through greater operational flexibility.

The operational split of Syntrus Achmea also marked an important milestone. With this step, the real estate business can now focus fully on delivering its strategy as an independent entity.

The SB is also proud that part of the portfolio went live in the Yardi IT landscape. This step in the further professionalisation of real estate activities lays an important foundation for future growth and success. The SB further welcomes the launch of the Achmea Dutch Residential Impact Fund, which enables Achmea Real Estate to contribute to sustainability objectives.

The year ended with a pre-tax result of €6.3 million. The SB is satisfied with the investments made in 2024. These have strengthened the foundation of Achmea Real Estate and create confidence for 2025.

In line with the Audit & Risk Committee's recommendation, the SB advises the shareholder to adopt the 2024 financial statements as prepared by the Executive Board.

A word of thanks

The SB thanks Mascha Hendrickx, who left Achmea Real Estate on 4 November 2024, for her energy, commitment and the results achieved for Syntrus Achmea over the past five years. It wishes Mascha every success in her new role.

The SB also thanks Hikmet Sevdican for acting as Mortgages Director from 11 December 2023 to 1 October 2024 and wishes him all the best in his role as Chief Executive of Achmea Mortgage Funds. There were also several changes to the SB during the year. The SB thanks Fieke van der Lecq and Hans Snijders for their long-standing commitment as member and Chair, respectively. The SB further thanks the clients of Achmea Real Estate for their trust.

Lastly, the SB thanks the Executive Board, the management and all employees of Achmea Real Estate for their efforts over the past year.

Amsterdam, 28 March 2025

Achmea Real Estate B.V.'s Supervisory Board
Leen Meijaard, Petri Hofsté, Hein Brand, Daniëlle Melis and Daphne de Kluis

Composition of the Supervisory Board[6]

The Supervisory Board has five members.

Name	Nationality	Gender	Position	Term	Year of first appointment	Current term
Hans Snijders	*Dutch*	*Male*	*Chair*	*3rd*	*2014*	*Until 10-11-2024*
*Fieke van der Lecq**	*Dutch*	*Female*	*Member*	*3rd*	*2015*	*Until 01-10-2024*
Leen Meijaard	Dutch	Male	Chair	1st	2024	2024–2028
Petri Hofsté **	Dutch	Female	Member	1st	2024	2024–2028 ***
Hein Brand	Dutch	Male	Member	3rd	2015	2024–2025
Daniëlle Melis*	Dutch	Female	Member	1st	2025	2025-2029
Daphne de Kluis****	Dutch	Female	Member	1st	2021	2021–2025

* Nominated by Achmea Real Estate's client council
** Also a member of Achmea's SB
*** Term ends when Achmea SB's term ends on 15 April 2025
**** Also a member of Achmea's Executive Board

6. The reference date for the overview of ancillary and other positions is 28 March 2025.

Leen Meijaard

Chair of the Supervisory Board as from 10 November 2024
Member of the Audit & Risk Committee as from 10 November 2024

Leen Meijaard (born 1961) has broad international experience in asset management. He worked for BlackRock from 2002 to 2017, the last ten years of which were in London as an Executive Board member for Europe, Middle East and Africa. Before that, he worked at Fidelity, Robeco and the Ministry of Finance. Leen is now Chair of the Supervisory Board at Achmea Investment Management, Anthos Fund and Asset Management, and a member of Obam's Supervisory Board. He is also an Advisory Board member of Pensioenfonds Detailhandel and Het Cultuurfonds.

Petri Hofsté

Member of the Supervisory Board as from 10 November 2024
Chair of the Audit & Risk Committee as from 10 November 2024

Petri Hofsté (born 1961) is a chartered accountant and started her career in accountancy. She then served as group controller and deputy CFO of ABN Amro Group, divisional director of banking supervision at De Nederlandsche Bank (DNB) and CFRO of APG, among other roles. Petri is also a Supervisory Board member of Achmea B.V., Achmea Schadeverzekeringen N.V., Achmea Pensioen- en Levensverzekeringen N.V., Achmea Investment Management B.V., Pon Holdings B.V. and Koninklijke FrieslandCampina N.V. and chairs the boards of Stichting Nyenrode, Vereniging Hendrick de Keyser and Stichting Capital Amsterdam. She also became an Oranjefonds' board member on 1 January 2025.

Hein Brand

Member of the Supervisory Board
Member of the Audit & Risk Committee as from 10 November 2024
Chair of the Nomination and Remuneration Committee until 1 October 2024
Chair of the Real Estate Committee and Mortgage Committee until 1 October 2024

Hein Brand (born 1955) has broad international experience in the real estate sector. He held various positions during his career at ING, most recently as CEO of ING Real Estate. Hein is also a member of Wereldhave's Supervisory Board, a member of Cocon Vastgoed B.V.'s Supervisory Board, a member of Nieuwgeluk Beheer B.V.'s Advisory Board and, until 1 December 2024, was also a member of Scheybeeck Groep's Advisory Board

Danielle Melis

Member of the Supervisory Board as from 1 March 2025
Member of the Audit & Risk Committee as from 1 March 2025

Danielle Melis (born 1972) is a director and regulator in the financial sector. She is a Supervisory Board member of Achmea Investment Management B.V., Triodos Bank and PGGM Vermogensbeheer, as well as a member of Stichting Dutch Securities Institute's Advisory Board. She also serves on the boards of Stichting Algemeen Pensioenfonds Stap and Stichting Hanarthfonds. Danielle is also a Senior Fellow at the International Centre for Financial Law and Governance (ICFG), a guest lecturer for Board & Governance Programmes and serves on the Corporate Governance Code Monitoring Committee. She previously worked at MeesPierson, NIBC and Rabobank, held supervisory positions at Kempen Capital Management Beleggingsfondsen and Stichting Pensioenfonds voor Medisch Specialisten, and chaired the Nyenrode Corporate Governance Institute.

Daphne de Kluis

Member of the Supervisory Board
Member of the Audit- & Risk Committee

Daphne de Kluis (born 1969) was appointed as a member of Achmea's Executive Board in October 2021. She studied Labour and Organisational Psychology at the University of Amsterdam She joined ABN Amro in 1998. After holding various positions within Commercial Clients and Corporate & Institutional Banking, Daphne became Global Head of Debt Solutions in 2009 and Global Head of Financial Restructuring & Recovery in 2013. She was appointed as CEO of Commercial Banking in 2017 and became a member of the ABN Amro Executive Committee. Daphne has been responsible for the Pension & Life division, the Achmea Pension Services division, Achmea Investment Management, Achmea Bank and Syntrus Achmea since 12 October 2021. And on 12 October 2021, she became a Supervisory Board member of Achmea Bank N.V, a Supervisory Board member of Achmea Real Estate B.V and a Supervisory Board member of Achmea Investment Management B.V. Lastly, she is also a director of Achmea Pensioen- en Levensverzekeringen N.V.

Equitable distribution of Supervisory Board composition

Achmea Real Estate strives for an equitable distribution of men and women on the Supervisory Board. The customary target is at least 30% male and at least 30% female. The Supervisory Board is currently 40% male and 60% female.

achmea
Real Estate

FINANCIAL STATEMENTS

2024 Consolidated Financial Statements

2024 Consolidated Financial Statements

Consolidated balance sheet as at 31 December 2024
for appropriation of profit for the financial year *(amounts x €1,000)*

	Notes	31-12-2024	31-12-2023
Assets			
Fixed assets			
Intangible fixed assets			
Software investments	1	199	398
Current assets			
Receivables, prepayments and accrued income			
Trade receivables	2	457	588
Fees to be invoiced	3	3,976	9,731
Receivables from group companies	4	781	3,301
Other receivables	5	309	2,448
		5,523	16,068
Cash and cash equivalents	6	54,766	60,003
Total		**60,488**	**76,469**

	Notes	31-12-2024	31-12-2023
Equity			
Group equity			
Paid-up and called-up share capital	7	18	18
Share premium	8	20	20
Other reserves	9	47,044	53,921
Unappropriated profit for the financial year	10	4,425	6,723
		51,507	**60,682**
Liabilities			
Provisions			
Other provisions	11	1,700	0
		1,700	**0**
Current liabilities			
Payables to group companies	12	1,364	5,221
Taxes	13	2,789	980
Fees invoiced in advance	14	1,962	2,579
Accruals and deferred income	15	1,166	7,007
		7,281	**15,787**
Total		**60,488**	**76,469**

Consolidated income statement for 2024 *(amounts x €1,000)*

	Notes	2024	2023
Real estate management fees		42,159	41,727
Mortgages management fees		35,911	45,962
Group companies management fees		31,397	41,123
Development fees		1,384	3,217
International real estate management fees		3,944	5,209
Acquisition and disposal fees		569	54
Fees discount		-2,697	-2,288
Total revenue	16	**112,667**	**135,004**
Employee expenses	17	-49,229	-61,197
General administrative expenses	18	-58,952	-66,120
Total expenses		**-108,181**	**-127,317**
Operating result		**4,486**	**7,687**
Interest expenses		1,787	1,402
Profit before tax		**6,273**	**9,089**
Corporate income tax	19	-1,848	-2,366
Profit after tax		**4,425**	**6,723**
Total profit		**4,425**	**6,723**

Consolidated cash flow statement for 2024 *(amounts x €1,000)*

	Notes	2024	2023
Cash flow from operating activities			
Operating result		4,486	7,687
Adjusted for:			
Depreciation/amortisation costs	1	199	1,408
		4,685	**9,095**
Changes in operating capital:			
Change in receivables		10,545	-5,715
Change in current liabilities		-8,506	2,890
		2,039	**-2,825**
Change in provisions		1,700	-626
Corporate income tax	19	-1,848	-2,366
Cash flow from business operations		**6,576**	**3,278**
Interest income		1,787	1,402
Cash flow from operating activities		**8,363**	**4,680**

	Notes	2024	2023
Cash flow from financing activities			
Distribution to shareholder		-13,600	0
Cash flow from financing activities		**-13,600**	**0**
Change in cash and cash equivalents		**-5,237**	**4,680**
Cash and cash equivalents as at 1 January	6	60,003	55,323
Cash and cash equivalents as at 31 December	6	54,766	60,003
Change in cash and cash equivalents		**-5,237**	**4,680**

Movement Schedule Of Consolidated Equity *(Amounts x €1,000)*

	Accruing to shareholders				
	Share capital	Share premium	Other	Undistributed profit	Total
Balance as at 1 January 2023	**18**	**20**	**46,909**	**7,012**	**53,959**
Addition to 2022 result	0	0	7,012	-7,012	0
2023 result	0	0	0	6,723	6,723
Balance as at 31 December 2023	**18**	**20**	**53,921**	**6,723**	**60,682**
Addition to 2023 result	0	0	6,723	-6,723	0
Distribution to shareholder in 2024	0	0	-13,600	0	-13,600
2024 result	0	0	0	4,425	4,425
Balance as at 31 December 2024	**18**	**20**	**47,044**	**4,425**	**51,507**

Notes to the consolidated financial statements

General information

Reporting entity
Achmea Real Estate B.V ('the company' – previously called Syntrus Achmea Real Estate & Finance B.V), with its registered office in Amsterdam, was incorporated on 31 December 1998 (Chamber of Commerce no. 33306313). The company's object is to invest the funds entrusted to it, at the expense and risk of third parties, in real estate (directly and indirectly) and, until end September 2024, in mortgage loans. The company's place of business is MediArena 5-8, Amsterdam-Duivendrecht.

The company is part of the Achmea Group, headed by Achmea B.V. As the group head, Achmea B.V. has fully included the company's figures in its consolidated financial statements. Achmea B.V. holds 100% of the shares in the company.

The company holds 100% of the shares in Syntrus Achmea Verzekeringsdiensten B.V. ('SAV') and held 100% of the shares in Syntrus Achmea Hypotheekdiensten B.V. ('SAH') until 1 October 2024. SAH holds 100% of the shares in Attens Hypotheken B.V. ('Attens') and Achmea Hypotheken B.V. ('AH'). The company is the group head of both subsidiaries and subsubsidiaries, has included the figures of SAH in its consolidated financial statements for the entire year, and has included the figures of SAV, Attens and AH in its consolidated financial statements until end September 2024. Unless stated otherwise, the financial statements are presented in thousands of euros.

The operational split of the mortgage activities as of 1 October 2024 has been structured through a share transaction for the transfer of SAH (and its subsidiaries) to Achmea Bank, and through an asset-liability transaction for the transfer from Achmea Real Estate to Achmea Mortgage Funds.

Reporting period
The financial year ran from 1 January to 31 December 2024.

Continuity
The financial statements have been prepared on a going-concern basis.

General accounting principles

Reporting requirements applied
The company's Executive Board has prepared the 2024 consolidated financial statements, including the comparative figures for 2023, in conformity with the International Financial Reporting Standards, including the International Accounting Standards and Interpretations endorsed by the European Union ('EU-IFRS'), and in accordance with Part 9, Book 2 of the Dutch Civil Code.

Accounting policies used to prepare the financial statements
Unless stated otherwise, items in the financial statements are measured at historical cost.

Functional currency and presentation currency
Items in the company's financial statements are shown using the currency of the primary economic environment in which the entity operates (the 'functional currency'). To determine the functional currency, the currency of the entity's main cash flows is taken into account. On this basis, the euro has been used as the functional currency. The financial statements are shown in euros. The presentation currency is the same as the company's functional currency.

Foreign currency
Transactions in foreign currencies are converted at the exchange rate applicable on the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted on the balance-sheet date to the functional currency at the exchange rates applicable on that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are converted to the functional currency at the exchange rates that applied on the dates when the fair values were determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are not converted again. Exchange rate differences are recognised in the income statement.

Estimates and underlying assumptions
In preparing these consolidated financial statements, the company uses assumptions and estimates that affect the application of accounting policies and the reported value of assets, liabilities, revenue and expenses. This considers the probability that future transactions or events with a certain financial consequence will occur within a certain period. There is no absolute certainty that actual results will not differ materially from these estimates. Complex models or subjective decisions increase the estimation uncertainty, especially in relation to intangible fixed assets, provisions, variable remuneration and invoices to be received.

Changes in accounting policies
The company has consistently applied the accounting policies set out in the section 'Accounting Policies' for all periods included in these consolidated financial statements.

Other standards
As a subsidiary of Achmea B.V., Achmea Real Estate B.V. is exempt from CSRD reporting obligations because Achmea B.V. consolidates its financial statements. For further details, we refer you to the Achmeaannual report[7].
No changes to standards apply as from 2025.

7. https://www.achmea.nl/investors/publicaties?sc_lang=en

Accounting policies

A. Consolidation principles
The consolidation includes the financial data of the company, its subsidiaries and other legal entities over which it can exercise dominant control or it does exercise central management. Subsidiaries and other legal entities over which it can exercise dominant control or it does exercise central management are included in the consolidation at 100% (full consolidation method).

The companies included in the consolidation are:
- Syntrus Achmea Verzekeringsdiensten B.V., Amsterdam (100%)
- Syntrus Achmea Hypotheekdiensten B.V., Amsterdam (100%) until 1 October 2024
- Attens Hypotheken B.V., Amsterdam (100%) until 1 October 2024
- Achmea Hypotheken B.V., Amsterdam (100%) until 1 October 2024

Subsidiaries are included in the consolidated financial statements from the date that control or significant influence starts until the date on which it ends. The results of the companies Syntrus Achmea Hypotheekdiensten B.V., Attens Hypotheken B.V. and Achmea Hypotheken B.V. are included in the consolidation until 30 September 2024. These companies were transferred to Achmea Bank N.V. on 1 October 2024.

Intra-group items and any unrealised gains or losses on these transactions are eliminated when the consolidated financial statements are prepared.

B. Intangible fixed assets
Development costs directly attributable to designing and testing identifiable and unique software products controlled by the company are recognised as intangible fixed assets if the following conditions are met:
- it is technically feasible to complete the software so that it is available for use;
- there is a possibility to use or sell the software;
- it can be shown that the software products are likely to generate future economic benefits.
- adequate technical, financial and other resources are available to use the software products; and
- the costs attributable to the software products can be reliably determined.

Attributable costs include the purchased software made ready for use by internal or external personnel. Where applicable, the work already performed and still to be invoiced by suppliers will be estimated. Other development costs are accounted for in profit or loss when incurred.

After initial recognition, intangible fixed assets are measured at cost less accumulated amortisation and impairments. Costs related to software maintenance are accounted for as an expense when incurred.

Software is recognised as an asset and depreciated on a straight-line basis over its useful life of up to five years. When determining the useful life, it is estimated that the software could be used for five years and then replaced by a new system.

C. Property, plant and equipment

Property, plant and equipment are stated at cost (including directly attributable costs) less accumulated depreciation and impairments. If property, plant and equipment consist of major components that have different economic lives, these components are accounted for separately. A gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs are capitalised only if it is probable that the future economic benefits associated with those costs will accrue to the group.

Depreciation is charged on a straight-line basis to the income statement.

Unless it is reasonably certain that the company will take ownership of the leased assets at the end of the lease term, leased assets are depreciated over the shorter of the lease term or their useful lives. The depreciation method and economic life of parts of property, plant and equipment are reviewed annually and adjusted if circumstances or expectations have changed significantly. Any adjustments are accounted for as changes in accounting estimates by adjusting the depreciation charges for current and future periods.

D. Impairments

If there are indications of an impairment, the carrying amount of a fixed asset is tested against its realisable value. The realisable value is the higher of the net realisable value and the value in use. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Value in use is the present value of estimated future cash flows expected to arise from the continued use of an asset and its disposal at the end of its useful life.

E. Financial instruments

Recognition and initial measurement

Trade receivables and debt instruments are initially recognised when they arise. All other financial assets and financial liabilities are initially recognised when the group becomes a party to the contractual provisions of the instrument.

A financial asset (unless a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an instrument not measured at FVTPL (fair value through profit and loss), transaction costs directly attributable to the acquisition or issue of the instrument. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as also being measured at amortised cost, fair value with changes in value in equity (other comprehensive income) or fair value with changes in value in the income statement. The company has only financial fixed assets classified as also being measured at amortised cost. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as also measured at fair value through profit and loss (FVTPL):

- it is held within a business model whose purpose is holding assets to collect contractual cash flows; and
- its contractual conditions result in cash flows at specified dates that are solely payments of principal and interest on the outstanding principal.

Business model assessment
The group assesses the purpose of the business model in which a financial asset is held. This reflects the way the company is managed and also how information is reported to management. The company holds the financial instruments to collect the contractual cash flows.

Assessment of whether the contractual cash flows are solely payments of principal and interest. To assess whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual provisions of the instrument. This includes assessing whether the financial asset has a contractual term that could change the timing or amount of the contractual cash flows such that it would not meet this condition. Based on this assessment, the financial fixed assets qualify as contractual cash flows held solely for payments of principal and interest.

Financial fixed assets measured at amortised cost
Accounts receivable and fees yet to be invoiced are valued at amortised cost using the effective interest method, less provisions for any bad debts.

To determine the provision for bad debts, the simplified approach is applied, with the company taking account of lifetime expected credit loss. The company assesses the collectability of each outstanding debt individually, considering the creditworthiness and age of the receivable. The company generally considers accounts receivable in excess of 90 days to be in default. Because the clients are internally and externally managed pension and investment funds with solid liquidity and solvency, the company considers the risk of them failing to comply with their contractual payment obligations as very low. Based on these circumstances, and in the absence of any current and future developments indicating the contrary, the risk of non-payment is estimated to be very low. These are the aspects that the company considers when determining whether there is a low credit risk.

Other receivables and receivables from group companies are valued at amortised cost using the effective interest method, less provisions for any bad debts. The general approach is applied to these assets, with the company taking account of lifetime expected credit loss.

Financial liabilities

Financial liabilities are classified as being measured at amortised cost or FVTPL. A financial liability is classified as being measured at FVTPL if it is classified as 'held for trading', is a derivative or is designated as such on initial recognition. The company does not hold any financial liabilities under the FVTPL classification. Other financial liabilities are measured after initial recognition at amortised cost using the effective interest method. Interest charges and exchange differences are accounted for in profit or loss.

Given the often short term of these items, their fair value and amortised cost are generally close to the nominal value.

Trade payables concern purchase invoices received and recorded. Taxes are the amounts of corporate income tax and turnover tax that the company expects to pay.

The pre-invoiced fee concerns amounts to be settled with clients if the company expects that the final settlement, based on the contractual arrangements and the underlying figures at year-end, will be lower than the amount of the advance invoices sent.

Amounts owed to group companies concern debts between non-consolidated group companies for services provided. Amounts owed to group companies are current liabilities and are settled periodically.

Derecognition

Financial assets

The company derecognises a financial asset in the balance sheet if:

- the contractual rights to the cash flows from the asset expire;
- the company transfers the contractual rights to receive the cash flows through a transaction in which almost all the risks and benefits of owning the financial asset are transferred; or
- the company does not transfer or retain almost all the risks and rewards of ownership and does not retain control of the financial asset.

If the company retains or creates an interest in such transferred financial assets, this interest will be recognised separately as an asset or liability.

Financial assets and liabilities are offset and the resulting net amount is shown in the balance sheet only if the company has a legally enforceable right to this setoff and if it intends to settle on a net basis or to simultaneously realise the asset and pay the liability.

Financial liabilities
The company derecognises a financial liability in the balance sheet if the contractual obligations are waived, cancelled or expire. When a financial liability is derecognised, the difference between the carrying amount and the amount paid (including non-cash assets transferred or liabilities assumed) is accounted for in profit or loss.

F. Prepayments and accrued income
Prepayments and accrued income are initially measured at fair value. The subsequent measurement is at amortised cost.

G. Cash and cash equivalents
Cash and cash equivalents are recognised and subsequently measured at nominal value and consist of cash and bank balances. Bank overdrafts payable on demand are included under loans in current liabilities on the balance sheet.

H. Equity

Share capital
Shares are classified as equity. The share capital comprises the nominal amounts paid on the issued shares.

Share premium
The share premium comprises amounts paid up on issued shares insofar as these payments exceed the nominal value of those shares.

Other reserves
Other reserves are at the shareholder's disposal.

Undistributed profit (or loss)
Undistributed profit (or loss) refers to the annual net earnings.

I. Accruals and deferred income
Accruals and deferred income are initially measured at fair value. The subsequent measurement is at amortised cost. At the end of the financial year, the amount relating to the financial year that will be paid in the following year is estimated. The nature of the item(s) and the payments already made in respect of the item(s) are taken into account for this purpose.

J. Provisions
Provisions are included in the balance sheet when a legal or constructive obligation, which can be reliably estimated, arises because of a past event and it is probable that an outflow of economic resources will be required to settle the obligation.

If the time frame is longer than one year, provisions are calculated by discounting the expected future cash flows at a market-based rate before tax that takes account of the time value of money and, if applicable, the specific risks attached to the obligation.

K. Determining fair value

Fair value is the amount for which an asset can be realised or a liability can be settled on the measurement date in an orderly transaction between well-informed parties in the principal market or, if this market does not exist, the most advantageous market available to the group on that date. The fair value of an obligation reflects the risk of non-performance.

Several of the group's accounting policies and disclosures require fair values to be determined for both financial and non-financial assets and liabilities.

If available, the company determines the fair value of a financial instrument by using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on a continuous basis.

If there is no price quotation in an active market, the company determines fair value by using valuation techniques that use as many relevant observable inputs and as few non-observable inputs as possible.

L. Revenue

The company's activities consist mainly of managing assets invested in real estate and mortgages. The payment that the company receives for this purpose is recognised under management fees. Revenue is recognised in the year in which it is earned. The revenue from management is based on the assets invested in the year and the rate as specified in the contract with the client.

The company supervises development projects for clients' portfolios and charges a development fee for this purpose. Supervision of development projects consists of four obligations to perform equal to the four phases of a project: 1) exploratory phase, 2) decision-making phase, 3) development phase and 4) reporting phase. Costs related to phase 1 are recognised directly in the income statement. Revenue and costs are allocated to phases 2, 3 and 4. The progress and realisation of the performance obligation is determined on the basis of time spent or registration.

The company also acquires and sells existing properties for clients' portfolios, for which an acquisition or disposal fee is charged. This amounts to a percentage of the purchase or sale price.

The net amounts yet to be invoiced on balance ('contract assets' under IFRS 15) are shown as a fee yet to be invoiced on the balance sheet. The amounts yet to be settled on balance (known as 'contract liabilities' in accordance with IFRS 15) are shown as a pre-invoiced fee on the balance sheet.

M. Employee and general expenses
These expenses consist of employee and general administration expenses. Expenses are allocated to the period to which they relate.

N. Corporate income tax
Corporate income tax consists of current taxes attributable to the reporting period and changes in deferred tax liabilities. Corporate income taxes are recognised in the income statement, except insofar as they relate to items directly recognised in the equity, in which case the taxes are accounted for in the equity.

The corporate income tax payable consists of the expected tax on the taxable income in the reporting year, calculated using applicable tax rates at the end of the reporting year and any adjustments to corporate income tax payable in respect of previous years. Adjustments to corporate income taxes from previous years are accounted for in the income statement in the line in which the adjustment has occurred.

O. Cash flow statement
The cash flow statement is prepared on the basis of the indirect method. The cash in the cash flow statement consists of the cash and cash equivalents. Interest income is included in cash flow from operating activities.

1. Intangible fixed assets

1. Intangible fixed assets	31-12-2024	31-12-2023
Software investments		
Balance as at 1 January	**398**	**1.806**
Investments		
Balance as at 1 January	18,694	18,694
Investments	0	0
Disposals	-17,701	0
Balance as at 31 December	**993**	**18,694**
Amortisation and impairments		
Balance as at 1 January	18,296	16,888
Amortisation	199	1,408
Disposals	-17,701	0
Impairments	0	0
Balance as at 31 December	**794**	**18,296**
Balance as at 31 December	**199**	**398**

Amortisation in 2024 was lower than in 2023. This is related to the accelerated amortisation of the Force application in 2023. In connection with the transition as of 1 October 2024, the software related to the mortgage activities has been divested. In 2024, amortisation relates solely to TMS. The carrying amount of the TMS application is €0.2 million at the end of 2024 (end of 2023: €0.4 million).

2. Trade receivables

2. Trade receivables	31-12-2024	31-12-2023
Accounts receivable	457	588
Provision for doubtful debts	0	0
Balance as at 31 December	**457**	**588**

All accounts receivable have been received in 2025. Part of this relates to the interest receivable.

3. Fees to be invoiced

3. Fees to be invoiced	31-12-2024	31-12-2023
Fees to be invoiced	3,976	9,731
Balance as at 31 December	**3,976**	**9,731**

The fees to be invoiced consist of acquisition, disposal, development and management fees. The development fees to be invoiced are the fees allocated to phases 2, 3 and 4 of the development projects. The management fees to be invoiced are based on the contractual arrangements with clients and the valuations of the underlying investments at financial year-end, less invoiced advance payments. The acquisition and disposal fees to be invoiced are a percentage of the purchase or sale price charged on acquisitions or disposals on behalf of clients.

4. Receivables from group companies	31-12-2024	31-12-2023
Achmea Bank N.V.	431	2,814
Syntrus Achmea Hypotheekdiensten B.V.	296	0
Achmea Pensioen en Levensverzekeringen N.V.	54	0
Achmea Interne Diensten N.V.	0	487
Balance as at 31 December	**781**	**3,301**

This relates to receivables from Achmea group companies for services rendered. These receivables are current assets and are settled periodically.

5. Other receivables	31-12-2024	31-12-2023
Other	309	2,448
Balance as at 31 December	**309**	**2,448**

The other receivables mainly relate to prepaid expenses for development projects. The costs presented under ‘Other receivables’ at the end of the previous year, which were yet to be charged to clients for property management, were invoiced during 2024.

6. Cash and cash equivalents	31-12-2024	31-12-2023
Current account at Coöperatieve Rabobank U.A.	49,042	54,279
ING Bank N.V.	5,724	5,724
Balance as at 31 December	**54,766**	**60,003**

Cash and cash equivalents are freely available, however the terms of the AIFMD authorisation include an obligation to hold at least €20.1 million (2023: €21.5 million) in liquid assets (or in assets that can be converted directly into cash in the short term).

7. Paid-up and called-up share capital

The company’s share capital consists of shares with a nominal value of €1. A total of 18,160 shares have been issued and fully paid up (2023: 18,160 shares).

8. Share premium

The share premium as at 31 December 2024 was €20,000 (2023: €20,000).

9. Other reserves	31-12-2024	31-12-2023
Balance as at 1 January	**53,921**	**46,909**
2022 result	0	7,012
2023 result	6,723	0
Distribution to shareholder	-13,600	0
Balance as at 31 December	**47,044**	**53,921**

On the Executive Board's proposal, the company's general meeting resolved on 15 April 2024 to credit the entire profit for 2023 to the other reserves and resolved on 16 December to pay a dividend of €13.6 million.

The company maintains a capital buffer to cover the risks to which it is exposed. This capital buffer complies with the ICARAP requirements.

10. Unappropriated profit for the financial year

The Executive Board proposes to the general meeting that the post-tax profit for 2024, amounting to €4.4 million, be added to the other reserves. This proposal has not yet been included in the financial statements.

11. Other provisions	31-12-2024	31-12-2023
Other provisions	1,700	0
Balance as at 31 December	**1,700**	**0**

The provision has a term of less than 1 year. The movement in the provision is as follows (the changes in 2023 related to a reorganisation provision):

Other provisions	2024	2023
Balance as at 1 January	**0**	**626**
Addition	1,700	0
Release	0	-412
Allocation	0	-214
Balance as at 31 December	**1,700**	**0**

Other provisions

Based on recent discussions with the AFM, we consider it more likely than not that a fine will be imposed in connection with the findings on late FIU notifications, which ARE will ultimately bear. The estimated range of the fine is between €0 and €2 million, with a best estimate of €1.7 million for which provided for.

12. Payables to group companies	31-12-2024	31-12-2023
Achmea Interne Diensten N.V.	1,364	5,221
Balance as at 31 December	**1,364**	**5,221**

This relates to amounts owed to Achmea group companies for services rendered. Amounts owed to group companies are current liabilities and are settled periodically.

13. Taxes	31-12-2024	31-12-2023
Corporate income tax	1,612	-350
Turnover tax	1,177	1,330
Balance as at 31 December	**2,789**	**980**

The amounts above relate to taxes still to be settled with Achmea B.V. because the company forms part of a tax entity with Achmea B.V. for both corporate income tax and turnover tax.

14. Fees invoiced in advance	31-12-2024	31-12-2023
Revenue invoiced in advance	1,962	2,579
Balance as at 31 December	**1,962**	**2,579**

The revenue invoiced in advance relates, first, to development projects where the invoicing dates differ from when the revenue is recognised. Second, it relates to amounts to be reconciled with clients, as the company expects the final settlement for some clients to be lower than the amount of the advance invoices issued.

15. Accruals and deferred income	31-12-2024	31-12-2023
Variable remuneration	774	1,231
Employee expenses to be paid	0	45
Other invoices to be received	392	5,731
Balance as at 31 December	**1,166**	**7,007**

The variable remuneration for 2024 is an estimate based on historical data and relevant information from both the company and Achmea. The invoices yet to be received represent the best possible quantification of services for which no invoice has yet been received in the reporting year. The decrease at the end of 2024 compared to the end of 2023 is due to the end of property management costs (2023: €4.1 million), which were settled during 2024.

16. Revenue

Revenue primarily consists of real estate and mortgage management fees and has decreased by €22.3 million compared to 2023 to €112.7 million in 2024 (2023: €135.0 million). This decrease is mainly due to the cessation of mortgage activities as from October 2024. The lower real estate management fees are largely attributed to the reduction of the indirect international portfolio (€1.3 million). In addition, acquisition, disposal and development fees were €1.3 million lower than last year, with the development fee being the main contributor to this decline.

Notes To The Consolidated Balance Sheet *(Amounts X €1,000)*

17. Employee expenses	2024	2023
Salaries and wages	27,166	33,583
External employee expenses	8,934	12,105
Pension charges	6,100	7,165
Social security contributions	2,039	2,331
Travel expenses	1,276	1,418
Healthcare insurance	1,272	1,562
Allowances	161	200
Training courses	489	747
Recruitment expenses	130	115
Other employee expenses	1,662	1,971
	49,229	**61,197**
Employee expenses excluding external hires (page 21 employee benefits)	40,295	49,092

Employee expenses

The decrease in salary and wage costs for 2024 compared to 2023 is primarily due to a reduction in the number of FTEs resulting from the relocation of activities within the Achmea group – for example, through the 1OARP (Old-Age Retirement Provision) restructuring, including the separation of mortgage activities – as well as various optimisations and lower pension charges due to CLA adjustments.

The Executive Board members' remuneration paid by the company was as follows:

	2024	2023
Salaries and wages	715	721
Pension charges	212	215
Balance as at 31 December	**927**	**936**

The costs have decreased slightly because the Executive Board's composition differed for part of 2024 compared to 2023. The above costs exclude the variable remuneration for both 2023 and 2024.

The number of internal employees expressed in FTEs, based on 34 hours, as at the end of the financial year-end was as follows:

(number of FTEs)	2024	2023
Mortgages	0	145
Real estate	152	112
Indirect/Staff	38	146
	190	**403**

All employees of the company, including the directors, are employed by Achmea Interne Diensten N.V., which is an Achmea B.V. operating company. The employee expenses and pension charges are passed on to Achmea B.V.'s various operating companies, including the company, on a self-financing basis. The pension scheme is a collective defined contribution (CDC) scheme. The transfer of the mortgage business explains the decrease in total FTEs.

Supervisory Board's remuneration

In 2024, the Supervisory Board members were remunerated for their activities. The Supervisory Board's remuneration amounted to €103,000 (2023: €116,000).

18. General administrative expenses	2024	2023
Project and automation costs	5,779	6,600
Mortgage provision costs	9,690	12,936
Costs relating to laws and regulations	292	1,031
Group costs passed on	39,827	40,000
Consultancy and information costs	2,042	3,784
Public relations	426	910
Contributions	416	348
Office expenses	61	99
Amortisation expenses on software	199	1.408
Other expenses	220	-996
	58,952	**66,120**

Project and automation costs

Project and automation costs in 2024 were €0.8 million lower than in 2023. Despite the end of the Max-1/1-Hypotheekstraat strategic project in 2023, project costs remained more or less level due to investments in the Real Estate primary system from the Real ConneQt strategic project.

Mortgage provision costs

Mortgage provision costs relate to the costs associated with outsourcing these activities. These costs have decreased due to the transition of mortgage operations as from 1 October 2024.

Costs relating to laws and regulations
The costs relating to laws and regulations are the costs relating to CDD (Customer Due Diligence) and GDPR projects.

Group costs passed on
The group charges from Achmea Interne Diensten N.V. were €0.2 million lower than in 2023, mainly due to the mortgage transition. This decrease was partly offset by higher costs for CDD activities carried out by the Achmea shared service centre KYC.

Consultancy and information costs
Consultancy costs decreased by €1.7m due to the transfer of CDD activities to Achmea KYC. Additional legal advice related to the proposed mortgage transition had an upward effect on costs in 2024.

Amortisation expenses on software
Amortisation charges fell by a further €1.2 million in 2024, due to the full accelerated write-off of the Force mortgage system at the end of February 2023 as a result of the 1-Hypotheekstraat project.

Other expenses
Other expenses include the settlement of costs with funds and clients, as well as the addition to ‘Other provisions’.

The following fees of the audit firm EY Accountants B.V. and other EY units were charged to the company:

Notes To The Consolidated Balance Sheet *(Amounts X €1,000)*

	2024	2023
Audit of the financial statements	102	105
Other non-audit services	5	19
Other audit services (particularly ISAE 3402)	309	304
	416	**428**

In 2024, €102,000 was accounted for in relation to the audit of the financial statements (2023: €105,000). This includes €20,000 for additional work (2023: €23,000) relating to the review of IT general controls (ITGCs).

19. Corporate income tax

The corporate income tax expense has been calculated as follows:

Reconciliation of the effective tax rate

	2024	2023
Profit before tax	6.273	9.089
Applicable tax rate	25,8%	25,8%
Corporate income tax on the basis of the applicable CIT rate	1.618	2.345
Tax effects (of adjustments, non-deductible expenses, participation exemptions)	230	21
Effective tax amount	**1.848**	**2.366**
Effective tax rate	29,5%	26,0%
Corporate income tax in the income statement		
Current tax charges in this financial year	1.848	2.366
Effective tax amount	**1.848**	**2.366**

20. Financial risk management and financial instruments

In its normal course of business, the company is exposed to various risks. The company's financial risk management aims to identify and analyse the risks faced by the company, determine appropriate controls and monitor compliance with the controls. The risk management policies and systems are regularly evaluated and adjusted, as needed, to changes in market conditions and the company's activities.

Liquidity risk

Liquidity risk is the risk that the company will have difficulty meeting its financial obligations that are settled either through the delivery of cash or another financial asset.

The company's policy is to maintain sufficient liquidity to meet its obligations when they become due, both under normal and stressed conditions.

Liquidity risk is monitored by preparing and assessing a 12-month rolling liquidity forecast on a monthly basis.

All current liabilities at year-end 2024, totalling €6.8 million (2023: €16.3 million), fall due within three months of the balance sheet date. Sufficient funds are available in cash and cash equivalents (year-end 2024: €54.8 million; 2023: €60.0 million) and other current assets to meet these obligations on time.

Credit and counterparty risk

Credit risk is the risk that the company will suffer financial loss if a client or counterparty to a financial instrument fails to fulfil their contractual obligations and it arises mainly from the company's receivables from clients. The carrying amount of financial assets and contract assets represents the maximum credit exposure. Credit risk is limited to receivables from funds and discretionary clients.

The company is exposed to a credit risk on cash and cash equivalents and recorded receivables.

The risk in respect of cash and cash equivalents is mitigated because:

- The cash and cash equivalents are spread across several banks;
- Only systemically-important banks are used; and
- Only banks with at least an Investment Grade Credit Rating are used.

The cash and cash equivalents are held at Coöperatieve Rabobank U.A. (€49.0 million) and ING Bank N.V. (€5.7 million). In 2023, these amounts were €54.3 million and € 5.7 million, respectively. According to Moody's, the credit rating of Coöperatieve Rabobank U.A. is Aa2 and that of ING Bank N.V. is A1.

The credit risk on recorded receivables is managed by working on the instructions of parties subject to prior creditworthiness checks. In respect of accounts receivable and fees to be invoiced, the company works for various clients. Advance payments are also invoiced on a regular basis.

The frequency of invoicing is recorded in the contract with the client. A provision for the expected lifetime credit loss on accounts receivable is determined using the simplified approach based on a provision matrix. Previous write-offs of various account receivable balances, categorised in days, are taken into account for determining the expected credit loss.

The calculation of the impairments of trade receivables and fees to be invoiced at year-end was as follows:

Balance as at 31 December 2024	up to and including 30 days	31–60 days	61–120 days	>120 days	Total
Expected loss rate	0%	0%	0%	0%	0%
Trade receivables	425	32	-	-	457
Fees to be invoiced	3,976	-	-	-	3,976
Impairment	**0**	**0**	**0**	**0**	**0**

Balance as at 31 December 2023	up to and including 30 days	31–60 days	61–120 days	>120 days	Total
Expected loss rate	0%	0%	0%	0%	0%
Trade receivables	588	-	-	-	588
Fees to be invoiced	9,731	-	-	-	9,731
Impairment	**0**	**0**	**0**	**0**	**0**

There have been no previous material write-offs. The clients are internally and externally managed pension funds and investment funds with solid liquidity and solvency. Based on these circumstances, and in the absence of any current and future developments indicating the contrary, the risk of non-payment is estimated to be very low. Based on the analysis of accounts receivable outstanding for longer than 30 days, there is no indication of a need for a provision for outstanding items. The lifetime expected credit loss is assumed to be so small that it is immaterial. Given the nature of the clients' business, there is no indication that the risk profile of the accounts receivable will change in the future.

Market risk

The company is exposed to an indirect market risk because its revenue is based on its client's invested assets. The company is also exposed to the risk of clients terminating their asset management contract or of market conditions adversely affecting real estate development.

The company has conducted a sensitivity analysis on the management fee for the real estate and mortgage investments to determine the effect on the result. The value of the investments (AuM) has been taken as the starting point because the management fee is calculated on this variable. The figures in the 0% column correspond to the management fee for the 2024 financial year accounted for in the consolidated income statement.

Sensitivity Analysis Result For Changes In Aum *(Amounts X € Million)*

Change in AuM	-15%	-10%	-5%	0%	5%	10%	15%
Impact on real estate management fee	-6,9	-4,6	-2,3	46,1	2,3	4,6	6,9

The table above shows that Achmea Real Estate's total real estate management fees for the 2024 financial year (€46.1 million; 2023: €46.9 million) would decrease by €2.3 million if the volume of the investments on 31 December 2024 were to decline by 5% as at 1 January 2025. This calculation excludes fees from group entities. A 5% increase in investments as at 1 January 2025 would increase Achmea Real Estate's management fees for the 2024 financial year by approximately €2.3 million.

(i) Currency risk

Achmea Real Estate is not exposed to currency risks. The last remaining AREA fund ('Asia') was liquidated on 30 April 2024.

(ii) Interest-rate risk

The company earns variable interest on the balances held in bank accounts. The initial measurement is at fair value. Achmea Real Estate runs an interest-rate risk in respect of bank accounts held at Rabobank and ING. At the end of the financial year, the balance in the bank accounts was €54.8 million (2023: €60.0 million).

If there were an increase or decrease of 100 basis points in the interest earned, the profit before tax would increase or decrease by around €548.000.

Other risks: Customer Due Diligence

As an asset manager, it is important for ARE to have a clear understanding of the parties it does business with, thus contributing to a broader social interest: the prevention of money laundering and the financing of terrorism.

As a result of shortcomings identified internally, the Customer Due Diligence (CDD) programme was started in 2020 to ensure that ARE complies with the CDD laws and regulations. In 2021 and 2022, the programme outcomes included a recalibrated CDD policy and the set-up of a CDD application used to implement and document CDD activities. In 2023, the programme was continued, focused on further demonstrable control of CDD risks.

ARE tests compliance based on the CDD Control Framework. This Framework defines key controls within the theme of ‘Know Your Customer’ on the basis of which it is assessed whether ARE’s internal control for compliance with CDD laws and regulations is in order.

The AFM has conducted two investigations at Achmea Real Estate in the area of the Money Laundering and Terrorist Financing (Prevention) Act (Wwft) and the Sanctions Act (Sw). The first investigation concerned reports of unusual transactions made by the company to the Financial Intelligence Unit (FIU) for the period 2018–2022. In June 2024, the AFM notified the company that, based on the findings of this investigation, it had initiated a fine procedure on the grounds that reports may not have been made on time or that insufficient investigation was carried out in several cases. The company submitted its oral response in October 2024 and is awaiting the AFM’s final decision. In January 2025, the AFM gave notice of its decision to waive part of the fine. The part relating to alleged breaches of the Wwft in the company’s capacity as an investment firm ceases to apply. However, the AFM has not yet decided about the part of the investigation concerning the company’s role as a manager of investment institutions. The AFM will announce the outcome once all the associated procedural steps have been completed. Based on recent discussions with the AFM, we consider it more likely than not that a fine will be imposed on ARE. The estimated range of the fine is between €0 and €2 million, with a best estimate of €1.7 million. The amount of the potential fine has a material effect on Achmea Real Estate B.V.’s balance-sheet position and profit. We have reflected this in the 2024 financial statements of Achmea Real Estate B.V. For the second investigation into broader compliance with the Wwft and the Sanctions Act, the company received an informal warning from the AFM in September 2024. The AFM also expects the company to remedy several issues. Follow-up of the improvement measures has started in accordance with the action plan.

Financial instruments

The financial instruments are classified on the basis of their accounting policies as follows:

	Notes	31-12-2024	31-12-2023
Financial assets at amortised cost			
Trade receivables	2	457	588
Fees to be invoiced	3	3,976	9,731
Receivables from group companies	4	781	3,301
Cash and cash equivalents	6	54,766	60,003
Assets		**59,980**	**73,623**
Financial liabilities at amortised cost			
Payables to group companies	12	1,364	5,221
Fees invoiced in advance	14	1,962	2,579
Liabilities		**3,326**	**7,800**

The above statements show the financial instruments measured at amortised cost. It is assumed in relation to the financial assets and liabilities that amortised cost approximates fair value. Changes in financial instruments are recorded as at the moment the transaction occurs.

Off-balance sheet assets and liabilities

Contingent assets

In the case of new acquisitions, the company typically incurs costs before it is clear whether the acquisition will proceed and/or which client the costs relate to. These costs are initially charged to the company's profit or loss. If an acquisition proceeds, the related costs are then passed on to the relevant client.

By the end of 2024, 24 potential acquisitions had been registered, with €279,000 in associated costs (2023: 17 acquisitions, €210.000). These costs may be passed on if the acquisitions proceed.

Tax entity

As the company forms part of the tax entity with Achmea B.V. for both corporate income tax and turnover tax, it is jointly and severally liable for the tax liability of the tax entity as a whole.

Guarantees towards clients

If the Acquisition and Development business unit ends, the company will consult with the client to ensure that the development of its land and land holdings can continue.

Related parties

Identification of related parties
The company considers all legal entities within the Achmea Group to be related parties, as Achmea B.V. exercises direct or indirect control over all of them. Associates and joint ventures of the Achmea Group or one of its members arealso regarded as related parties. For an overview of the group companies in the Achmea Group and its associates and joint ventures, see the consolidated financial statements of Achmea B.V. As Rabobank exercises significant influence over Achmea B.V.'s operational and financial policy, it is regarded as a related party on this basis. As Stichting Pensioenfonds Achmea administers the pension scheme for the employees of the company and other members of the Achmea Group, it is regarded as a related party on this basis. The in-house funds that Achmea Real Estate manages (or managed until 1 October 2024) are also regarded as related parties:

- Achmea Dutch Health Care Property Fund
- Achmea Dutch Residential Fund
- Achmea Dutch Retail Property Fund
- Achmea Dutch Residential Impact Fund I
- Stichting PVF Particuliere Hypothekenfonds
- Stichting Tellius Hypothekenfonds,
- Achmea Dutch Mortgage Fund (NHG/Low LTV).

The directors (Executive Board members) and Supervisory Board members of Achmea and of the company are regarded as key management personnel of the company and its parent company.

Executive Board's remuneration
For an overview of the employee benefits granted to the company's Executive Board, see note 15 Employee expenses.

Transactions with Achmea's directors
No transactions have occurred with Achmea's executive directors, members of Achmea's Supervisory Board or their immediate family members. For an explanation of transactions with Achmea's executive directors, members of Achmea's Supervisory Board or their immediate family members, as referred to in IAS 24 section 19(f), see Achmea B.V.'s consolidated financial statements.

Transactions with group companies
As part of the Achmea Group, the company has various transactions with other group companies, mainly in relation to internal services (asset management, personnel through Achmea Interne Diensten, facility management and IT). The gross volume of transactions with Achmea group companies in 2024 amounted to €142.5 million (2023: € 170.6 million).

Achmea Balansmanagement

Achmea Balansmanagement has outsourced part of the asset management of Achmea Pensioen- en Levensverzekeringen N.V. to the company. In 2024, the management fee charged for this purpose was €6.7 million (2023: €8.5 million).

Achmea Bank

Until 1 October 2024, Achmea Bank largely outsourced the management of its mortgage portfolio to the company. In 2024, the management fee charged for this purpose was €24.0 million (2023: € 32.6 million).

Achmea Interne Diensten

Achmea Interne Diensten provides services that come under Central Services (including accounts payable) and Information Management & Information Technology. In 2024, these services amounted to €111.8 million (2023: €129.5 million) in total, including €75.3 million (2023: €95.8 million) in costs passed on.

Coöperatieve Rabobank U.A.

Rabobank is an important shareholder of Achmea B.V. The company uses Rabobank's banking services, among others, in its operational activities. All services and transactions with Rabobank are at arm's length. As at 31 December 2024, the company's current account balance at Rabobank was €49.0 million (31 December 2023: € 54.2 million).

Transactions with in-house funds

During the financial year, the company charged €40.5 million in management fees to the in-house funds (2023: €47.7 million).

Events after the balance sheet date

For events after the balance sheet date, we refer you to the notes on other provisions.

FINANCIAL STATEMENTS

2024 separate financial statements

2024 Separate Financial Statements

Separate Balance Sheet As At 31 December 2024 *(Amounts X €1,000)*

	Notes	31-12-2024	31-12-2023
Assets			
Fixed assets			
Intangible fixed assets			
Software investments	1	199	398
Financial assets			
Holdings in group companies	21	538	2.197
		737	**2.595**
Current assets			
Receivables, prepayments and accrued income			
Trade receivables	22	454	505
Fees to be invoiced	23	3,976	6,244
Receivables from group companies	24	790	7,758
Other receivables	25	309	2,419
		5,529	16,926
Cash and cash equivalents	26	54,229	49,097
Total		**60,495**	**68,618**

	Notes	31-12-2024	31-12-2023
Equity			
Group equity			
Paid-up and called-up share capital	7	18	18
Share premium	8	20	20
Other reserves	27	47,044	53,921
Unappropriated profit for the financial year	28	4,425	6,723
		51,507	**60,682**
Liabilities			
Provisions			
Other provisions	11	1,700	0
		1,700	**0**
Current liabilities			
Payables to group companies	29	1,380	915
Taxes	30	2,782	748
Fees invoiced in advance	31	1,962	239
Accruals and deferred income	32	1,164	6,034
		7,288	**7,936**
Total		**60,495**	**68,618**

Separate Income Statement For 2024 *(Amounts X €1,000)*

	Notes	2024	2023
Real estate management fees		42,159	41,727
Mortgages management fees		24,870	33,065
Intercompany and group companies management fees		3,206	3,438
Development fees		1,384	3,217
International real estate management fees		3,944	5,209
Acquisition and disposal fees		569	54
Fees discount		-2,697	-2,288
Total revenue	34	**73,435**	**84,422**
Employee expenses	35	-39,056	-44,761
General administrative expenses	36	-31,564	-33,022
Total expenses		**-70,620**	**-77,783**
Interest expenses		1,836	1,791
Profit before tax		**4,651**	**8,430**
Corporate income tax		-1,429	-2,196
Share in profit/loss of holdings	33	1,203	489
Profit after tax		**4,425**	**6,723**
Total profit		**4,425**	**6,723**

Notes to the separate financial statements

General information

The separate financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code. The option under Section 2:362, paragraph 8 of the Dutch Civil Code to apply the same accounting policies to the separate financial statements as those applied to the consolidated financial statements has been used.

Accounting policies

General

The accounting policies for the separate financial statements are the same as for the consolidated financial statements. If no further accounting policies are mentioned, see the accounting policies as explained in the notes to the consolidated financial statements.

Subsidiaries

Subsidiaries in which dominant control can be exercised or over which the company exercises central management are measured at net asset value. The net asset value is determined by valuing the assets, provisions and liabilities and calculating the result according to the principles used in the consolidated financial statements and deducting it from the current-account (intercompany) receivable from the subsidiary. If the share of losses exceeds the net asset value of the subsidiary, further losses are not recognised unless security has been provided on behalf of the subsidiaries, liabilities have been incurred or payments made on behalf of the subsidiaries. In that case, a provision is included for such liabilities.

Results on transactions with subsidiaries are eliminated in proportion to the interest in these subsidiaries insofar as these results are not realised through transactions with third parties. Losses are not eliminated if the transaction with a subsidiary demonstrates that an asset has been impaired.

Notes to the separate balance sheet and income statement

Insofar as items in the separate balance sheet and separate income statement are not explained in more detail below, see the notes to the consolidated balance sheet and consolidated income statement.

Notes To The Separate Balance Sheet *(Amounts X €1,000)*

21. Holdings in group companies	31-12-2024	31-12-2023
Holding in Syntrus Achmea Hypotheekdiensten B.V.	0	1.681
Holding in Syntrus Achmea Verzekeringsdiensten B.V.	538	516
Balance as at 31 December	**538**	**2.197**

Holding in Syntrus Achmea Hypotheekdiensten B.V.

Syntrus Achmea Hypotheekdiensten B.V. was incorporated in February 2015. Its activities mainly consist of offering, providing and managing mortgage loans.

This holding was sold to Achmea Bank N.V. on 1 October 2024 at net asset value as at 1 October 2024. As at 1 October 2024, the equity amounted to

€2.9 million (31 December 2023: €1.7 million). The profit of this holding until 1 October 2024 was €1.2 million (2023: €0.5 million).

Until 1 October 2024, Achmea Real Estate B.V. held 100% of the shares in Syntrus Achmea Hypotheekdiensten B.V. and the profit until 1 October 2024 was included in the consolidated financial statements.

Holding in Syntrus Achmea Verzekeringsdiensten B.V.
Syntrus Achmea Verzekeringsdiensten B.V.'s activities consist mainly of performing brokerage services.

The movement of the holding during the financial year can be specified as follows:

Notes To The Separate Balance Sheet *(Amounts X €1,000)*

	31-12-2024	31-12-2023
Balance as at 1 January	516	504
Share premium	0	0
Profit for financial year	22	12
Balance as at 31 December	**538**	**516**

As at 31 December 2024, Syntrus Achmea Verzekeringsdiensten B.V.'s net asset value was €538,000 (2023: €510,000). Achmea Real Estate B.V. holds 100% of the shares in the subsidiary Syntrus Achmea Verzekeringsdiensten B.V. and the subsidiary is included in the consolidated financial statements.

22. Trade receivables	31-12-2024	31-12-2023
Accounts receivable	454	505
Provision for doubtful debts	0	0
Balance as at 31 December	**454**	**505**

All accounts receivable have been received in 2025.

23. Fees to be invoiced	31-12-2024	31-12-2023
Fees to be invoiced	3.976	6.244
Balance as at 31 December	**3.976**	**6.244**

The fees to be invoiced consist of an acquisition, development and management fee. The development fee to be invoiced is the fee that may be invoiced once the decision-making phase has been reached. The management fees to be invoiced are based on the contractual arrangements with clients and the provisional valuations of the underlying investments at financial year-end, less invoiced advance payments. The acquisition fee to be invoiced is a percentage of the purchase price charged on acquisitions on behalf of clients.

24. Receivables from group companies	31-12-2024	31-12-2023
Syntrus Achmea Hypotheekdiensten B.V.	295	7.758
Achmea Bank N.V.	432	0
Achmea Pensioen en Levensverzekeringen N.V.	54	0
Syntrus Achmea Verzekeringsdiensten B.V.	9	0
Balance as at 31 December	**790**	**7.758**

The further details of the current-account (intercompany) facilities with Syntrus Achmea Verzekeringsdiensten B.V. are shown under the off-balance sheet assets and liabilities. Receivables from group companies are measured at amortised cost. This value approximates the fair value.

25. Other receivables	31-12-2024	31-12-2023
Other receivables	309	2.419
Balance as at 31 December	**309**	**2.419**

The other receivables relate to services rendered. These have a term of less than one year.

26. Cash and cash equivalents	31-12-2024	31-12-2023
Current account at Coöperatieve Rabobank U.A.	48,505	43,373
ING Bank N.V.	5,724	5,724
Balance as at 31 December	**54,229**	**49,097**

The company has an AIFMD authorisation and is required to hold the AIFMD capital in liquid assets (or in assets readily convertible to cash in the short term). At year-end 2024, the liquidity requirement under the AIFMD was €20.1 million (2023: € 21.5 million).

27. Other reserves	31-12-2024	31-12-2023
Balance as at 1 January	53,921	46,909
2022 result	0	7,012
2023 result	6,723	0
Distribution to shareholder in 2024	-13,600	0
Balance as at 31 December	**47,044**	**53,921**

On the Executive Board’s proposal, the company’s general meeting resolved on 15 April 2024 to credit the entire 2023 profit to other reserves. The company maintains a capital buffer to cover the business risks to which it is exposed. This capital buffer complies with the ICARAP requirements.

Statement of changes in separate equity

	Accruing to shareholders				
	Share capital	Share premium	Other reserves	Undistributed profit	Total
Balance as at 1 January 2023	**18**	**20**	**46,909**	**7,012**	**53,959**
Addition to 2022 result	0	0	7,012	-7,012	0
2023 result	0	0	0	6,723	6,723
Balance as at 31 December 2023	**18**	**20**	**53,921**	**6,723**	**60,682**
Addition to 2023 result	0	0	6,723	-6,723	0
Distribution to shareholder in 2024	0	0	-13,600	0	-13,600
2024 result	0	0	0	4,425	4,425
Balance as at 31 December 2024	**18**	**20**	**47,044**	**4,425**	**51,507**

28. Unappropriated profit for the financial year

The Executive Board proposes to the general meeting that the post-tax profit for 2024, amounting to €4.4 million be added to the other reserves. This proposal has not yet been included in the financial statements

Notes To The Separate Balance Sheet *(Amounts X €1,000)*

29. Payables to group companies	31-12-2024	31-12-2023
Achmea Interne Diensten N.V.	1,380	531
Achmea Pensioen- en Levensverzekeringen N.V.	0	10
Syntrus Achmea Verzekeringsdiensten B.V.	0	212
Achmea Hypotheken B.V.	0	161
Balance as at 31 December	**1,380**	**915**

These are the intercompany amounts owed to group companies for services rendered.

Amounts owed to group companies are current liabilities and are settled periodically.

30. Taxes	31-12-2024	31-12-2023
Corporate income tax	1,604	-583
Turnover tax	1,178	1,331
Balance as at 31 December	**2,782**	**748**

The above amounts are settled through Achmea B.V.

31. Fees invoiced in advance	31-12-2024	31-12-2023
Fees invoiced in advance	1,962	239
Balance as at 31 December	**1,962**	**239**

The revenue invoiced in advance relates, first, to development projects where the invoicing dates differ from when the revenue is recognised. Second, it relates to amounts to be reconciled with clients, as the company expects the final settlement for some clients to be lower than the amount of the advance invoices issued.

32. Accruals and deferred income	31-12-2024	31-12-2023
Invoices to be received	392	4,803
Variable remuneration	772	1,231
Balance as at 31 December	**1,164**	**6,034**

33. Share in profit/loss of holdings	2024	2023
Share in the profit of Syntrus Achmea Hypotheekdiensten B.V.	1,181	477
Share in the profit of Syntrus Achmea Verzekeringsdiensten B.V.	22	12
	1,203	**489**

34. Revenue

Revenue primarily consists of real estate and mortgage management fees and has decreased by €11.0 million compared to 2023 to €73.4 million in 2024 (2023: €84.4 million). This decrease is mainly due to the cessation of mortgage activities as from October 2024. The lower real estate management fees are largely attributed to the reduction of the indirect international portfolio (€1.3 million). In addition, acquisition, disposal and development fees were €1.3 million lower than last year, with the development fee being the main contributor to this decline.

35. Employee expenses	2024	2023
Salaries and wages	22,365	24,563
External employee expenses	5,883	8,854
Pension charges	5,023	5,241
Social security contributions	1,679	1,705
Travel expenses	1,051	1,037
Healthcare insurance	1,047	1,142
Allowances	132	146
Training courses	402	546
Recruitment expenses	105	84
Other employee expenses	1,369	1,442
	39,056	**44,761**

Employee expenses

The decrease in salary and wage costs for 2024 compared to 2023 is primarily due to a reduction in the number of FTEs resulting from the relocation of activities within the Achmea group because of 1OARP (Old-Age Retirement Provision), various optimisations within Achmea Real Estate and lower pension charges due to CLA adjustments.

Notes To The Separate Income Statement *(Amounts X €1,000)*

36. General administrative expenses	2024	2023
Project and automation costs	5,779	6,600
Costs relating to laws and regulations	292	1,031
Group costs passed on	24,076	23,976
Consultancy and information costs	1,730	2,127
Public relations	264	696
Contributions	265	269
Office expenses	40	73
Real estate acquisition	279	210
Amortisation expenses on software	199	1,408
Other expenses	-1,360	-3,367
	31,564	**33,022**

Project and automation costs

Project and automation costs in 2024 were €0.8 million lower than in 2023. Despite the end of the Max-1/1-Hypotheekstraat strategic project in 2023, project costs remained more or less level due to investments in the real estate primary system as part of the Real ConneQt strategic project.

Costs relating to laws and regulations

The costs relating to laws and regulations are the costs relating to CDD (Customer Due Diligence) and GDPR projects.

Group costs passed on

The group costs passed on from Achmea Interne Diensten N.V. were broadly in line with 2023. The increase in group costs, mainly related to KYC activities performed by the Achmea shared service centre KYC, was partly offset by a decrease resulting from the transition of the mortgage activities.

Consultancy and information costs

Consultancy costs decreased by €0.4 million, due to the transfer of CDD activities to the Achmea shared service centre KYC. Additional legal advice related to the proposed mortgage transition had an upward effect on costs in 2024.

Amortisation expenses on software

Amortisation charges fell sharply by €1.2 million in 2024, due to the full accelerated write-off of the Force mortgage system at the end of February 2023 as a result of the 1-Hypotheekstraat project.

Other expenses

The settlement of acquisition expenses is recognised under other expenses, along with the addition to 'Other provisions'.

Off-balance sheet assets and liabilities

Credit facility

The company has provided a credit facility to:

- Syntrus Achmea Verzekeringsdiensten B.V. capped at €0.5 million. This facility ends on 31 December 2027. The interest rate is the 12-month Euribor rate plus a spread of 1.5 percentage points.

Signature of the 2024 financial statements

Amsterdam, 28 March 2025

The Executive Board

A.H.M. Sweens
Co-Chief Executive and
Operations Director

B. van der Gijp
Co-Chief Executive and
Investments Director

A.A.A. Langeveld-Vos
Finance Director

The Supervisory Board

L. Meijaard
Chair

H.J.P.W. Brand

D.C. de Kluis

P.H.M Hofsté

Dr. D.A.M. Melis MBA

OTHER INFORMATION

Provisions in the articles of association on the appropriation of profit

Under Article 13, paragraph 1 of the articles of association, the General Meeting determines the appropriation of profit as established in the adopted financial statements, decides on the treatment of any deficit and resolves on any distributions from profit or reserves. Under Article 13, paragraph 2 of the articles of association, distributions from profit or reserves may be made only insofar as the company's equity exceeds the reserves required under Section 2:216, paragraph 1 of the Dutch Civil Code. A resolution to distribute is subject to the Executive Board's approval.

Audit opinion of the independent auditor

The audit opinion is included on the next page.

The following is an English translation of the independent auditor's report issued 28 March 2025

Audit opinion of the independent auditor

To: the shareholders and the supervisory board of Achmea Real Estate B.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the accompanying financial statements for the financial year ended 31 December 2024 of Achmea Real Estate B.V. based in Amsterdam.

The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Achmea Real Estate B.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS Accounting Standards) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Achmea Real Estate B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated balance sheet as at 31 December 2024
- The following statements for 2024: the consolidated income statement and movement schedule of consolidated equity
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:

- The separate balance sheet as at 31 December 2024
- The separate income statement for 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.

Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Achmea Real Estate B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes. We refer to the chapter Governance, risk management and compliance of the annual report for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in the financial statements such as Other provisions, Development fee and Variable remuneration. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions.

Furthermore, to address the identified risk that management may override controls related to the Management fees we performed additional procedures such as inspecting accruals and adjustment entries and specifically for the "Development fees" we performed additional procedures related to the moment of revenue recognition.

We considered available information and made enquiries of the management members, internal audit, legal, risk management & compliance department and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, inspection of reports of the internal audit and risk management & compliance department and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. We refer to note 11. Other provisions for which Achmea Real Estate B.V. has made a provision for non-compliance with laws and regulations which has an material impact on the financial statement. We have established whether Achmea Real Estate B.V. has an adequate process to evaluate the impact on her activities and financial reporting, and if applicable, whether Achmea Real Estate B.V. has taken measures to prevent recurrence. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in section Continuity of the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of Achmea Real Estate B.V. ability to continue as a going concern and to continue its operations for the foreseeable future.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a Achmea Real Estate B.V. to cease to continue as a going concern.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing Achmea Real Estate B.V.'s ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on Achmea Real Estate B.V.'s ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing Achmea Real Estate B.V.'s financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Achmea Real Estate B.V's internal control

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 28 March 2025

EY Accountants B.V.

J.C.J. Preijde

About Achmea Real Estate

Who are we?

- We are a specialist real estate asset manager.
- We manage approximately €12 billion in residential, retail and healthcare real estate.
- We work for more than 29 clients, pension funds and other institutional investors.
- We are part of the Achmea Group.
- We employ 207 people.

What is our mission?

- We choose sustainable investments that provide a solid financial future for our stakeholders in an attractive living environment.
- Financial and social returns go hand in hand.

How do we work?

- We develop transparent, well-reasoned and substantiated business cases.
- We connect based on the conviction that synergy leads to the best result.
- We innovate to help shape a sustainable living environment.
- We improve through reflection and self-awareness, which are essential to our ongoing adaptability.
- We maintain the highest standards in governance, compliance and risk management.

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