

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Achmea Dutch Mortgage Fund  
**Legal entity identifier:** non applicable

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

**Yes**                         **No**

<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective:</b> ___%</p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



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

The Fund encourages customers in making their homes more sustainable and taking energy-saving measures in order to have mortgages in its portfolio that relate to energy-efficient homes. In addition, the Fund aims to achieve a financially sustainable housing situation for its mortgage customers. This is done by offering support to customers in the event of major changes in their financial situation.

No benchmark has been designated for achieving the environmental or social characteristics promoted by the Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

To measure the extent to which mortgages on energy-efficient homes have been achieved within the Fund, the following indicators will be reported on:

- The distribution of energy labels
- The average CO<sub>2</sub> emissions per home

To measure the social characteristics of the Fund, the following indicator will be reported on:

- The number of clients assisted with challenges in financial situation broken down by use of a job coach, budget coach or under the guidance from the Special Management Department

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives***

Not applicable

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

- ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Not applicable

***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

Not applicable

**Does this financial product consider principal adverse impacts on sustainability factors?**



- ✘ Yes

The two main adverse effects on sustainability factors applied from mortgage legislation are energy efficiency (measured by energy labels for properties built before 2021 and the BENG2 standard for properties built after 2021) and exposure to fossil fuel activities. CO<sub>2</sub> emissions are also taken into account.



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

### **Fossil fuel activities.**

Mortgages invested relate to residential properties. Residential properties are not involved in fossil fuel activities, such as the extraction, mining and storage of fossil fuels. Therefore, the Fund's exposure to such activities is limited.

### **Energy efficiency and carbon emissions.**

Energy efficiency is one of the most important and measurable sustainability issues on which the portfolio is managed. For example, a large proportion of mortgage brokers include sustainability (opportunities to make the home more sustainable or by implementing energy-saving measures) when talking to consumers. Customers can also co-finance sustainability in their mortgage. This is intended to increase the energy efficiency of homes covered by the mortgages and to reduce CO<sub>2</sub> emissions. The Fund's annual report will include information on how these adverse effects on sustainability factors have been taken into account.

### **What investment strategy does this financial product follow?**

Achmea Mortgages opts for investments with financial and social returns. For us, investing in mortgages is the best way to achieve stable financial returns over the long term, combined with social impact for our clients and minimal risks. Our ESG policy is an important part of our long-term strategy. Together with our stakeholders, we are working towards a sustainable future.

The ESG policy is aimed at encouraging sustainability in the mortgage portfolio. We enter into dialogue with consumers to encourage them to make their homes more sustainable. We do this by informing consumers about co-financing sustainability in the mortgage. In this way we contribute to reducing climate risks, achieving the goals of the climate agreement and limiting global warming.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

We also have an eye for the social aspect. In case of arrears, we help the customer to find a structural solution and act in the customer's interest where home preservation is the goal. This gives the customer insight and grip on

his/her financial situation and financial future. We make efforts to prevent payment problems through analysis and preventive customer contact based on the AFM guideline. For example, it is possible to offer a client interest rate mediation in order to meet mortgage payments and prevent foreclosure or to restructure the mortgage. We also offer the possibility of using a budget or job coach. The goal is as much home preservation as possible.

No

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

No binding elements apply to the Fund. Various activities are undertaken to encourage customers to become more sustainable (including the possibility for customers to be able to co-finance the sustainability of the home in the mortgage) and all customers can take advantage of guidance from a coach on changes in their financial situation.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

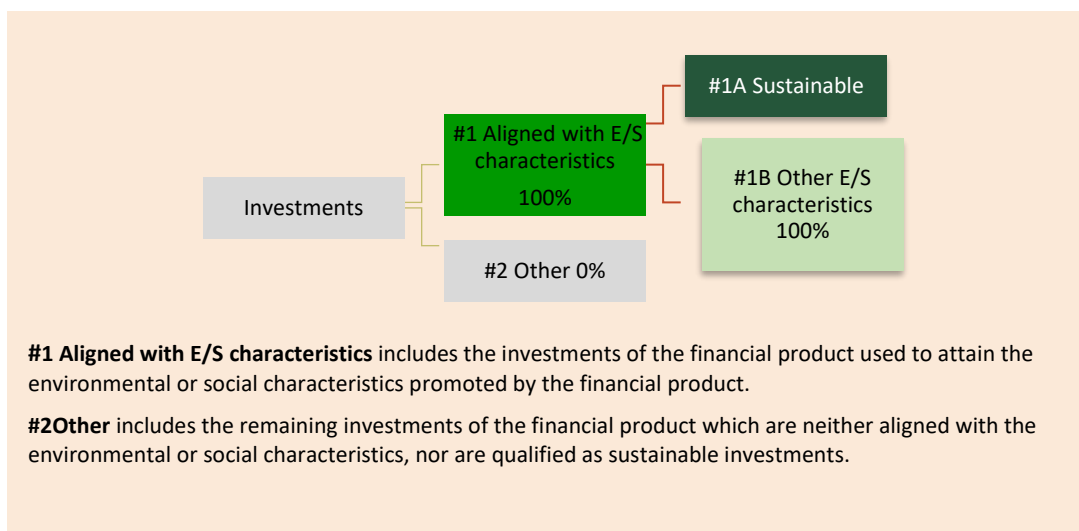
- ***What is the policy to assess good governance practices of the investee companies?***

Good corporate governance is particularly relevant when investing in companies. The Fund invests in mortgages. Therefore, this question is not applicable.

### **What asset allocation is planned for this financial product**

Portfolio investments consist exclusively of mortgages. The properties fall into one of the two categories below:

- #1 Aligned with E/S characteristics includes the investments of the financial product used to meet the ecological or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy.
- #2 Other includes the other investments of the financial product that are not aligned with



the ecological or social characteristics and also do not qualify as a sustainable investment.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Not applicable, no derivatives are used.



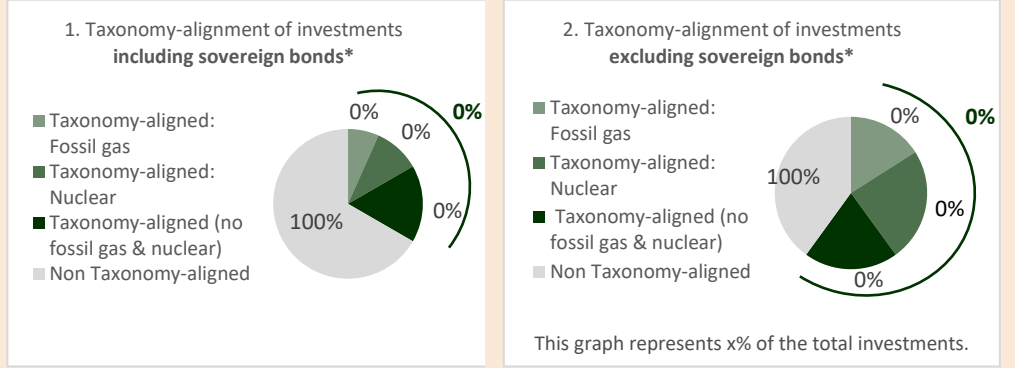
- **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

0% of investments are aligned with the EU taxonomy. In particular, the requirements of the EU taxonomy address home energy efficiency and climate adaptation measures.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What is the minimum share of investments in transitional and enabling activities?**
- Not applicable



- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

This question is not applicable as the percentage of investments aligned with the EU taxonomy is 0%.



- **What is the minimum share of socially sustainable investments?**
- Not applicable, no socially sustainable investments were made.



Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The environmental and social characteristics apply to all mortgages in the Fund, therefore no investments are included in the Other category



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social**

Not applicable



**Where can I find more product specific information online?**

More specific information about this product can be found on this website:

[Achmea Dutch Mortgage Fund](#)

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.