



Policy on Human Rights



Information sheet and version management

Informatiesheet

Title Policy on Human Rights
Department Legal and Compliance
Document owner General Counsel

Approved by Management Board

Version 1.0
Date 18-12-2023

Related documents
To Vesteda – all

Versietabel

Version	Notes	Date	Drafted by	Discussed with
1.0				



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Preface

Vesteda Investment Management B.V. ("Vesteda") is the manager of Vesteda Residential Fund (the "Fund"). In managing the Fund, Vesteda impacts the lives of many, be it our tenants, our employees, the communities in which our properties are located, our suppliers and contractors and (indirectly) pensioners whose money is invested in the Fund.

For several years now, Vesteda is a frontrunner in the Dutch residential real estate market when it comes to setting and achieving ambitious ESG targets. This has resulted in Vesteda being GRESB Global Sector Leader Residential in 2023. GRESB Sector Leaders embody the industry's champions, leading the change towards a net-zero future and propelling the sector forward.

Although Vesteda's business is of modest size in relation to the Dutch housing market, and active in The Netherlands only, Vesteda is committed to do business with respect for human rights in line with international standards. Respecting human rights is instrumental for Vesteda to reach its overall ESG-target goals.

Furthermore, Vesteda is, pursuant to the Sustainable Finance Disclosure Regulation, obliged to disclose the alignment of its real estate portfolio with the EU Taxonomy¹. Part of the assessment relates to applying minimum safeguards, i.e. the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

This statement sets out our (current and future) commitments, responsibilities and key actions of Vesteda with regard to Human Rights.

Management Board Vesteda

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088



Chapter 1

International and Company Standards

Guiding Principles and Guidelines

States bear the primary duty to protect and respect human rights. Their efforts to advance business respect for human rights are critical to achieve responsible business conduct and the effective remediation of adverse human rights impacts. In addition to states' duty to protect human rights, businesses have a responsibility to respect human rights.

Human rights are rights we have simply because we exist as human beings – they are not granted by any state. These universal rights are inherent to us all, regardless of nationality, sex, national or ethnic origin, color, religion, language, or any other status. They range from the most fundamental – the right to life – to those that make life worth living, such as the rights to food, education, work, health, and liberty.

We base our Human Rights Policy on two core international standards: the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, as well as the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Vesteda is committed to working to meet the expectations set by these guiding principles and standards and expects the same from our participants, suppliers and other business partners. This Human Rights Policy describes what Vesteda's goals are in respect of human rights and how we want to achieve them.

Code of Conduct

The Vesteda Code of Conduct makes clear that in doing business, Vesteda focuses on acting with integrity and in line with its social responsibility. As the largest residential investor in the Netherlands, all employees at Vesteda must be aware of Vesteda's social role and responsibilities every day. Vesteda's reputation as a trustworthy and reliable residential investor and landlord is of the utmost importance and is fundamental to its right to exist.



Chapter 2

Policy

Human Rights Goals

Vesteda is committed to achieving the following goals:

- To respect all internationally recognized human rights throughout our operations.
- To follow the higher standard where national law and international human rights standards differ.
- To place specific efforts of those rights (salient human rights issues) that are at risk of the most severe negative impact through our activities and business.
- Pay special attention to vulnerable groups, to the extent relevant to our business.
- Have an ongoing human rights due diligence process to identify, prevent, mitigate and account for how we address our impacts on human rights.
- To expect all our suppliers and business partners to adhere to business principles consistent with our own, including respecting all internationally recognized human rights.
- Avoid causing or contributing to adverse human rights impacts, and address such impacts when they occur.
- Seek to prevent or mitigate adverse human rights impacts that are directly linked to our operations.
- Provide for, or cooperate in, the remediation of adverse impacts on human rights should they occur.
- Have, or participate in, effective grievance mechanisms for individuals (including workers) and communities who may be adversely impacted.
- Be transparent about how we fulfil our responsibility to respect human rights.
- Ensure that human rights governance is led from the top, overseen by the management board.



Chapter 3

Salient Human Rights Issues

Defining Vesteda's salient human rights issues

Vesteda's business is of modest size in relation to the Dutch housing market, and limited to residential real estate in The Netherlands only. Nevertheless, Vesteda impacts may impact the lives of many, be it our tenants, our employees, the communities in which our properties are located, our suppliers and contractors and (indirectly) pensioners whose money is invested in the Fund. For Vesteda to focus its efforts on the most severe impacts on people, it is adamant to identify the most salient human rights issues.

A company's salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company's activities or business relationships.

The concept of salience uses the lens of risk to people, not the business, as the starting point, while recognizing that where risks to people's human rights are greatest, there is strong convergence with risk to the business. The emphasis of salience lies on those impacts that are:

- Most severe: based on how grave and how widespread the impact would be and how hard it would be to put right the resulting harm.
- Potential: meaning those impacts that have some likelihood of occurring in the future, recognizing that these are often, though not limited to, those impacts that have occurred in the past;
- Negative: placing the focus on the avoidance of harm to human rights rather than unrelated initiatives to support or promote human rights;
- Impacts on human rights: placing the focus on risk to people, rather than on risk to the business.

Impacts that carry this level of severity can be seen to converge strongly with risk to the business, possibly leading to litigation, reputation-damaging campaigns, disruption and delays to operations, increased costs of managing conflict and other costs or loss in value to the business.

By analysing our business operations, suppliers and our investments, Vesteda will, together with our internal and external stakeholders, identify which human rights are most salient. The list of salient issues will not be static. Vesteda will conduct periodic reviews to take into account developments in our own business and in the world around us.



Chapter 4

Human Rights Due Diligence Process

Assessing risks and impacts on people

Embedding a due diligence process is at the core of the UN Guiding Principles. Understanding how our operations, products and services may be, or are, affecting human rights is key. This is true in a range of activities, from acquiring real estate assets to developing an automated selection mechanism to allocate rental homes. We need to review our specific risks and impacts at regular intervals.

Human rights due diligence is a process for identifying, preventing, mitigating, and accounting for human rights impacts. This includes both actual impacts occurring in the present and potential impacts that could occur in the future..

Vesteda is to develop a due diligence process that helps us identify and assess human rights risks and impacts, on which Vesteda is to engage and communicate.

The process will include four core components:

- identifying and assessing actual or potential adverse human rights impacts that the company may cause, contribute to, or be directly linked to;
- taking appropriate action and integrating findings from impact assessments across relevant company processes;
- tracking the effectiveness of measures in order to assess whether they are working; and
- communicating with stakeholders about how impacts are being addressed and showing stakeholders that there are adequate policies and processes in place.

We recognize we have more work to do to identify specific risk areas, engage with stakeholders, and act on findings and structure actions that can address them. This will facilitate our mechanism for self-improvement and will enable us to build more systematic due diligence processes.



Chapter 6

Actions

Short term commitments

Whilst Vesteda is committed to respect human rights in doing business, and does not have, at the date hereof, i) any indication to the contrary, ii) any pending human rights claims or issues or iii) any human rights related (past) convictions, Vesteda shall take further measures to ensure that safeguarding human rights is embedded in its policies and business processes. Its will do so by doing the following:

- identifying Vesteda's most salient human rights issues by following a due and structured process;
- including a human rights assessment in our investment process;
- updating the Vesteda Code of Conduct to reflect Vesteda's commitment to respect human rights when doing business;
- introducing a Supplier Code of Conduct which includes Vesteda's expectations of its suppliers and other business partners
- conducting a stakeholder analysis.



Chapter 5

Remedy

Grievance mechanism

Vesteda promotes an open culture to discuss and address integrity issues and violations of the Vesteda Code of Conduct, which may include concerns relating to respect for human rights. The SpeakUp! grievance mechanism offers our employees, business partners and the general public a confidential environment in which they can raise concerns relating to breaches of our Code of Conduct, including the human rights which will be reflected therein. With the launch of the renewed Code of Conduct, the availability of the SpeakUp! process to raise concerns will be widely communicated within the company. The results are reported every year and can be found in the Compliance chapter of our annual report.



Chapter 7

Governance

Responsibility

Our commitment is led from the top. Our Management Board is responsible for ensuring that Vesteda operates in line with our core values of integrity, safety and sustainability, including our commitment to respect human rights. Our Chief Executive Officer is directly responsible for sustainability as part of our strategy. The Management Board is accountable to the Participants of the Fund and periodically reports to the Supervisory Committee.

Transparency

Vesteda will report on its commitment to respect human rights whilst doing business in its annual report.

Approval

This Policy on Human Rights is approved by the Management Board and shall be reviewed on an annual basis.