

Annual report and financial statements 2024



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MANAGEMENT REPORT

2024 at a glance

The Dutch rental housing market recovered in 2024 from the significant value decline in 2023. The 7% value decline in 2023 was compensated by an equally large value increase in 2024. However, the large difference of approximately 25% between the market value of a rented house and the same house in vacant condition remains.

At the European level, inflation seems to have been curbed, resulting in a downward trend in the ECB's policy rate in 2024. This development is expected to continue in 2025.

For the Dutch situation, institutional housing investors perceive the investment climate as unfavorable. The government seems to prioritize short-term affordability over long-term availability (of affordable housing). This choice is confirmed by the regulatory drive of municipalities and the national government to limit the rent and its increase of private sector rental homes. This is done in the form of municipal regulations and through the Affordable Rent Act, which came into effect on July 1st. Although the need to reduce the large housing shortage by building more homes is felt, the government still remains stuck with good intentions. The Housing Summit organized by Minister Keijzer on December 11th is a good example of this. Unfortunately, the conclusion remains that the large shortage of affordable housing persists and will not be resolved in the short or medium term.

For BPD Woningfonds, 2024 is a year in which accelerated growth is also clearly visible in financial terms. The theoretical rental income in 2024 amounts to € 20.8 million, an increase of 38% compared to 2023 (€ 15.2 million). The vacancy rate is only 0.5% and the operating costs amounted to 18.5% (of the theoretical rental income) while 20% was budgeted. The net rental income in 2024 amounts to € 17 million, while € 16 million was budgeted.

An important point of attention is acquiring enough new housing projects to maintain the pipeline. For 2024, although 1,300 new homes were budgeted in the pipeline, BPD Woningfonds acquired 644 homes. The decline is caused by various market conditions (change in legislation, spatial planning procedures and the low vacancy ratio. Extra attention and acquisition capacity are needed to acquire enough homes in the coming years to achieve the ambition of 15,000 homes in operation by 2032.

Important milestones in 2024 include obtaining the AIFMD license and increasing Rabobank's capital commitment from € 1 billion to € 2 billion. The completion of two large projects (De Mix in Utrecht and De Caai (Fresh tower) in Eindhoven) on the same day, totaling 302 homes, should also be mentioned.

The last but not least milestone is, of course, that on December 13, 2024, BPD Woningfonds celebrated its 1st lustrum.

For 2025, we expect the positive price development of Dutch rental homes to continue. Important factors for this are the persistent housing shortage of affordable rental homes and the declining interest rate. However, the current market for new rental homes remains challenging. In 2025, it will also be a challenge to make the business cases for contractor, developer, and investor simultaneously viable.

In 2025, we will focus on increasing acquisition power, acquiring more care homes for seniors, and standardizing and digitizing our business processes and customer journey. We will also further define

and consider the “total cost of housing” approach in our investment and purchase strategy for new housing projects.

Market developments

Economy

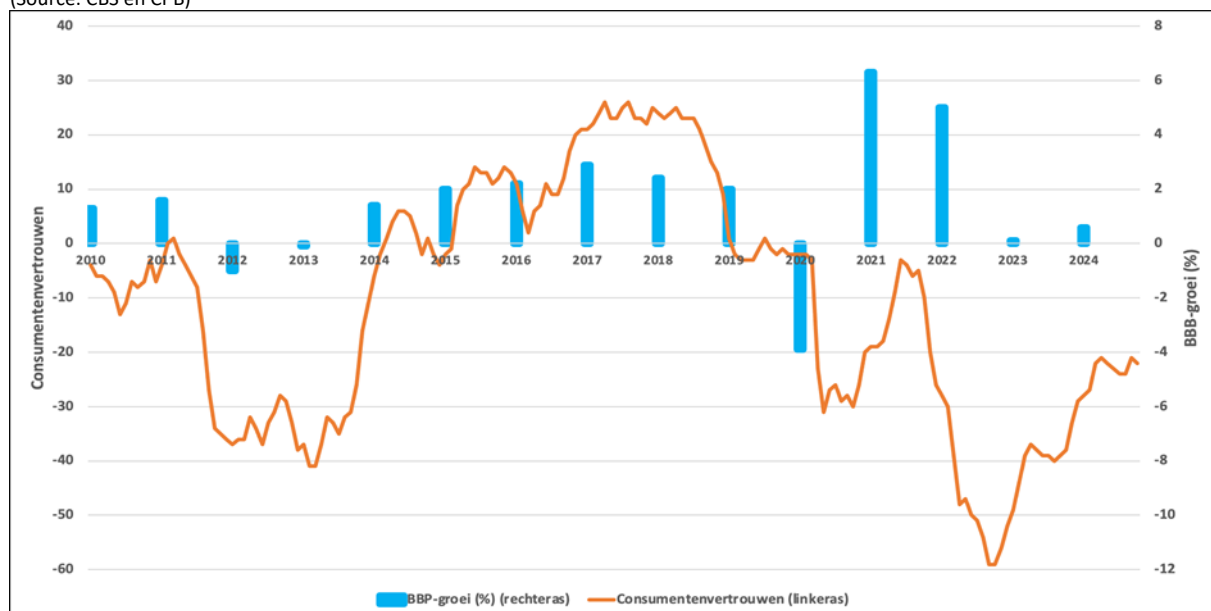
Economic development: slight growth in 2024 and 2025

Since the third quarter of 2022, the economic situation has been characterized by stagnation or slight decline. With 0.1%, there was minimal growth throughout 2023, and in the first three quarters of that year, there was even a slight recession. Only in the second quarter of 2024 was there a somewhat strong GDP growth of 1.0% after seven consecutive quarters where economic growth was more often just below than above 0%. The increase in the second quarter of 2024 is mainly attributed to goods exports; investments and government consumption also contributed positively to the growth. According to CBS, there has been a stable (slightly) negative economic outlook for almost half a year.

The CPB forecasts economic growth of 0.6% and 1.5% for 2024 and 2025, respectively. The central bank of the Netherlands (De Nederlandsche Bank) and the three major banks come up with growth figures for 2024 and next year that marginally differ from this and thus show the same picture of slight economic growth. Rabobank indicates that household and government consumption mainly drive the growth; the growth prospects for the Dutch economy are moderated by the tight labor market and low productivity growth.

The aforementioned forecasts do not yet take into account the upcoming Trump administration. The expectation is that geopolitical uncertainty will increase and have a negative impact on the global economy.

Figure 1: (Blue) Development of economic growth (2024: expectation) and (orange) consumer confidence (until October 2024)
(Source: CBS en CPB)



Consumer Confidence: consumers have been pessimistic since 2020

The Central Bureau of Statistics measures consumer sentiment every month and represents it through the consumer confidence indicator, which can take a value between -100 and 100. When the consumer confidence index is at 0, there is a balance between the number of people who have a positive and a negative view of economic developments.

A value below 0 indicates a situation where the number of people with a negative view on this outweighs the positive. Confidence has been at a (very) low level for several years. Due to the war in Ukraine, the energy crisis, and high inflation, consumer confidence fell to -59 in October 2022, the lowest level ever since the measurement began in 1986. Since the end of 2022, there has been an upward trend, but consumer confidence is still low, with values fluctuating between -20 and -25 in recent months. This means that confidence is well below the average of the past twenty years (-10).

Unemployment: still low in 2025

The unemployment rate has been fluctuating between 3.4% and 3.8% for over two years, remaining consistently low. In September 2024, 377,000 people were unemployed (3.7% of the labor force). However, there is relatively high youth unemployment; in the age category of 15 to 25 years, 8.9% of young people were unemployed in August 2024. The labor market remains highly strained, with significant tightness. In the second quarter of 2024, the number of employed persons increased by 15,000 to over 9.8 million. The number of jobs increased by 22,000 in the second quarter of 2024 to over 11.6 million. The number of job vacancies decreased by 10,000 in the second quarter of 2024 to 401,000; two years ago, a record number of 461,000 job vacancies were registered. The number of job vacancies per 100 unemployed persons slightly decreased to 108 in the second quarter of 2024; in the second quarter of 2022, it was 142. The wage increase in response to high inflation in 2022 and 2023 and the significant labor market tightness is high; for several quarters in a row, the collective labor agreement wage increase has been more than 6%. Between 2020 and the third quarter of 2024, collective labor agreement wages increased the most in the government sector (21.9%); in companies, wages increased by 20.2% during that period. For 2024, the CPB expects an unemployment rate of 3.7%, and for 2025, the CPB expects an unemployment rate of 3.8% (equivalent to approximately 390,000 unemployed persons) and a collective labor agreement wage increase of 4.3% in companies.

Inflation: remains stubbornly higher than the rest of the EU, even in 2025

After the extremely high inflation in 2022, inflation returned to more normal values. Since the peak in September 2022, with an inflation rate of 14.5%, a decline has set in, and in the fall of 2023, there was low inflation between -0.4% and 1.6%. Last September 2024, consumer goods and services were 3.5% more expensive than a year earlier. For the whole of 2024, the CPB expects an inflation rate of 3.6%, and for 2025, the CPB forecasts an inflation rate of 3.2%.

Figure 2: (Blue) Development of capital market interest rates and (orange) inflation (until October 2024)
(Source: DNB en CBS)



Deposit rate: decline in 2024 and 2025

After years of negative interest rates, the ECB decided in September 2022 to gradually increase the interest rate to curb high inflation. In ten steps, the ECB raised the deposit rate to 4.0% in September 2023. Last June, September, and October, the interest rate was lowered in three steps to 3.25% and ended at 3% at the end of 2024. Further reductions in the ECB rate are very likely now that inflation has subsided. Economists expect the rate to be 2.25% in December 2025. The ECB expects inflation in the Eurozone to be 2.5% in 2024, 2.3% in 2025, and inflation is expected to reach the target figure of 2% in 2026. As a result, mortgage rates may also fall further.

Housing market

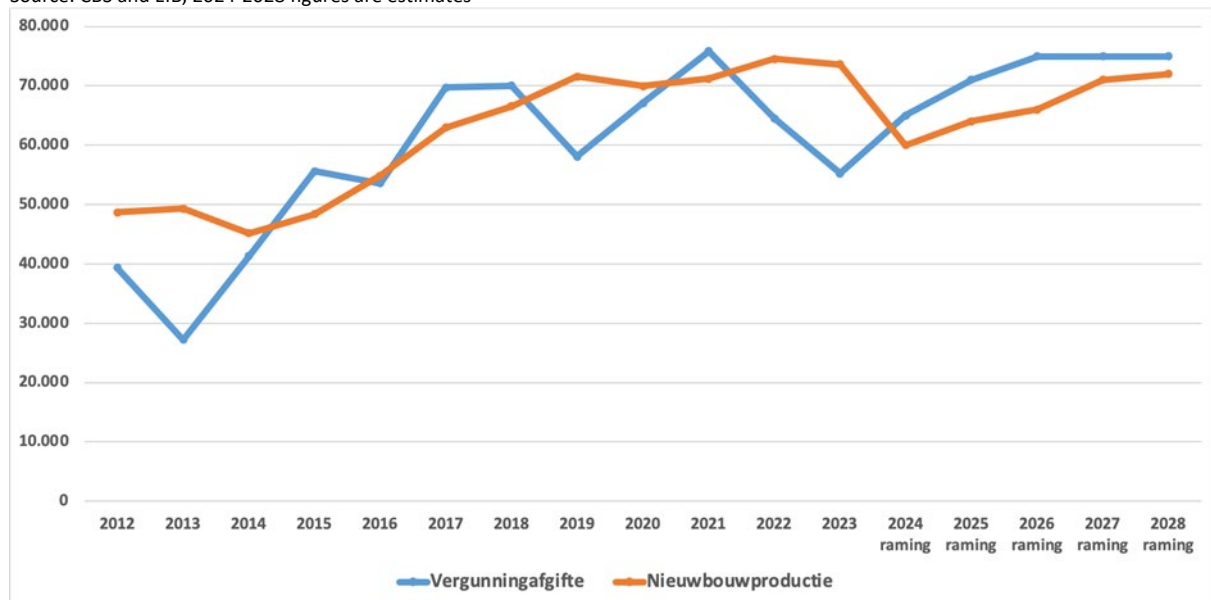
Housing shortage: over 400,000 homes needed in the coming years

In 2024, there is a shortage of 401,000 homes, which corresponds to 4.9% of the housing stock. The shortage is seen as an indicator of tension in the housing market: the higher the shortage, the greater the tension. The national government aims for a shortage of 2%, which is considered a measure of acceptable tension in the housing market. The housing shortage is particularly significant in metropolitan areas. In the Corop regions of Delft and Westland (-8.1%), Greater Amsterdam (-7.6%), The Hague Agglomeration (-6.5%), Flevoland (-6.4%), and Southwest Gelderland (-6.3%), the shortage is relatively large. However, even in peripheral areas such as Other Zeeland (-2.2%), South Limburg (-2.1%), Southwest Friesland (-1.8%), Delfzijl and surroundings (-1.1%) there are shortages; with 0%, Zeeuws-Vlaanderen is in 'market equilibrium'.

Due to the decreased issuance of building permits in recent years, it is expected that the tension in the housing market will increase slightly in the coming years; from 2028, the housing shortage may slowly decrease.

Figure 3: (Orange) Building permits and (yellow) new-build production homes

Source: CBS and EIB, 2024-2028 figures are estimates



New Construction: higher building permit issuance in 2024 but a dip in housing completions

To address the housing shortage, it is necessary for housing production to increase. The government aims for the period from 2022 to 2030 to build 981,000 homes (through new construction and transformation), which corresponds to an average annual production of 109,000 homes (the policy ambition was previously to add 100,000 new homes to the housing stock per year). In 2022 and 2023, 98,500 and 94,500 homes were added to the stock through new construction and

transformation, respectively, but in 2024 and in 2025, new construction is expected to be lower due to the lower permit issuance in 2022 and 2023. For example, in 2023, permits were issued for the construction of 55,250 homes (in 2022, it was still 64,500 homes). The EIB concluded that without additional policy, it will not be possible to achieve the goal of adding 100,000 new homes to the stock. The construction market recovered in 2024; in the first seven months of this year, permit issuance increased by a quarter compared to the same period in 2023. And up to and including the third quarter of 2024, 50% more new owner-occupied homes were sold.

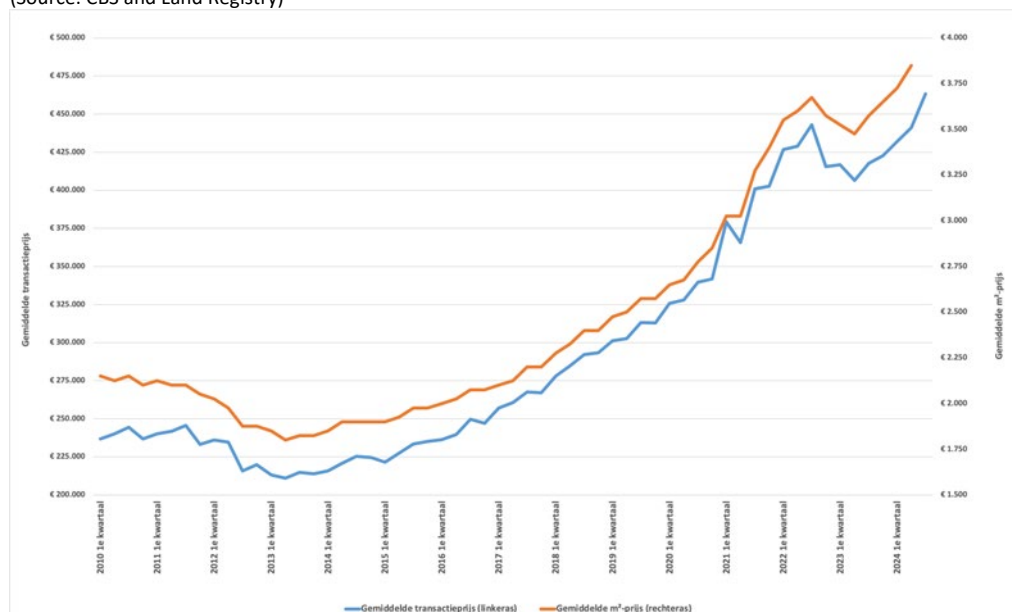
Owner-occupied housing market

Purchase Price Development: Significant Increases in 2024 and 2025

With a decrease of 2.9%, 2023 temporarily ended the rising house prices that had been ongoing since 2014. In 2021 and 2022, prices of existing owner-occupied homes increased by 15.2% and 13.6%, respectively. In 2024, house prices are rising again. The average purchase price in September 2024 was €466,890 (+11.4% compared to August 2023). The rapid price recovery and high price increase can be explained by the sharply increased incomes, the slight decrease in mortgage rates at the beginning of 2024, the increased confidence in the housing market, the housing shortage, and the limited housing supply. Rabobank expects that prices of existing owner-occupied homes will rise by 9.1% in 2024 and by an average of 10.7% in 2025; the bank expects 197,000 transactions in 2024 and 186,000 transactions in 2025. In 2023, 182,403 existing owner-occupied homes changed hands. The bank also assumes that the affordability of owner-occupied homes will gradually deteriorate further. The fact that the market for owner-occupied homes is doing much better again is also evident from the Market Indicator of the Homeowners Association (VEH). With this instrument, VEH measures consumer confidence in the housing market every month and expresses it with a value between 0 and 200, where the value 100 represents a 'neutral sentiment' value. At the beginning of 2021, the indicator recorded the fairly high value of 106.81.

From March 2022, the value of the indicator quickly dropped to 70.4 in June 2023. Since then, consumer confidence has been steadily increasing, and last October, the market indicator recorded a value of 99.12.

Figure 4: Price development of existing owner-occupied homes (until September 2024) (orange = per m2)
(Source: CBS and Land Registry)



Rental housing market

National Policy (1): housing management stuck at good intentions

The national housing market policy is outlined in the National Housing and Construction Agenda. This agenda outlines the objectives and programmatic approach for the coming years. The government has set the following three goals with the agenda: accelerating housing construction to realize 981,000 homes by 2030, ensuring affordable housing, and providing perspective for vulnerable areas. The government aims for 2/3 of housing production to consist of affordable rental and owner-occupied homes from 2025 onwards. This involves the realization of 250,000 new social rental homes and 50,000 mid-priced rental homes commissioned by housing corporations, 300,000 mid-priced rental homes and affordable owner-occupied homes commissioned by market parties, and 300,000 homes in the "free sector" category. The intention is for housing corporations and market parties to jointly build 100,000 mid-priced rental homes. The concrete implementation is done through the 16 NOVEX areas and the 35 Housing Deals.

The new cabinet continues the housing market policy of the previous cabinet. Some important points from the new cabinet's main agreement to stimulate housing construction include designating new areas for large-scale housing construction, organizing a Housing Summit (held on December 11, 2024) where 'market' and 'government' make enforceable agreements to structurally increase housing construction, and ensuring more affordable building land is available. The cabinet is allocating € 5 billion until 2029 to support the construction of 100,000 homes per year.

National Policy (2): Affordable Rent Act in force

To increase the affordability of private sector rental homes, the Affordable Rent Act was adopted and came into effect on July 1, 2024. This law aims to provide more affordable rental homes and better protection for tenants by linking the maximum rent of a home to the number of WWS (Housing Valuation System) points (quality indication) of the same home. It is expected that this expansion of rent regulation to the mid-rental segment will result in approximately 300,000 existing rental homes having a lower rent in the long term. Smaller and older rental homes with poor energy labels will be particularly affected. In the WWS, the capping of the WOZ value applies from 187 points, meaning that for homes above this threshold, the WOZ value can account for a maximum of 33 percent of the total number of WWS points. This prevents homes from being liberalized solely due to a high WOZ value (read: overheated housing market areas). The law further values energy labels more heavily: good labels are valued higher, and poor labels E, F, and G receive penalty points. The presence of outdoor space is also valued higher. Rent protection based on the WWS has become mandatory; landlords must adhere to the maximum rents prescribed by the WWS.

Municipal Policy: additional requirements from municipalities on top of national policy

In addition to national legislation, municipalities also implement their own policies regarding mid-rental housing. An inventory shows that 42% of municipalities have local regulations concerning mid-rental housing in new construction projects, and 31% are considering or investigating this. For example, municipalities can allocate mid-rental housing to specific target groups. The Affordable Rent Act stipulates that municipalities must justify in the preparation of the housing ordinance why they do or do not designate mid-priced rental homes. Only house seekers with a middle income can obtain a housing permit for these homes. Other examples of local regulation include setting a minimum operating period for rental homes, a self-occupancy obligation for new construction, and purchase protection for existing homes. Municipal regulations still need to be harmonized with the Affordable Rent Act, especially in cases where the municipal ordinance is stricter than the Affordable Rent Act regarding rent and/or rent indexation.

Dutch rental housing market as an investment: a deteriorated investment climate and impact investing

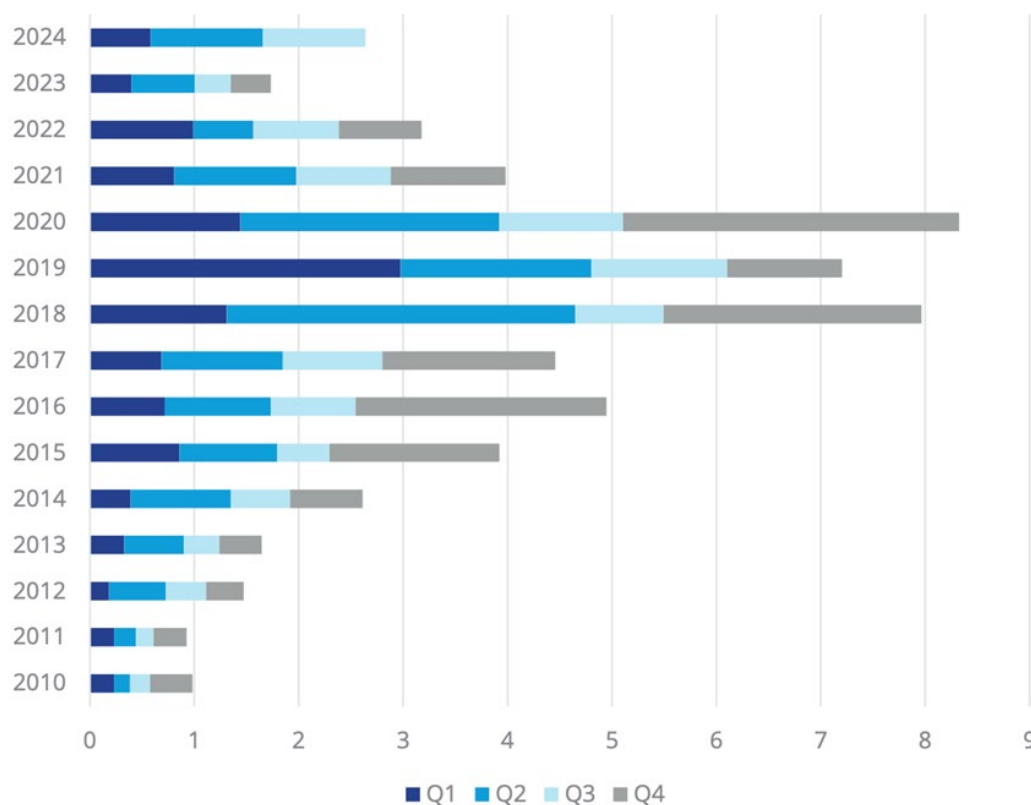
Investors in Dutch rental housing experience a deteriorated investment climate. The Affordable Rent Act limits the rental growth potential of rental homes, and various fiscal measures regarding transfer tax, corporate tax, and box 3 of income tax lead to a worsening of the return profile. Particularly private and foreign investors have become cautious or are divesting their housing portfolios. It appears that private housing investors are selling off their portfolios on a large scale, and foreign investors are holding back. Essentially, the current low empty value ratio (market value of rented house/market value of the same house in vacant condition) reflects this sentiment.

In contrast to this deteriorated investment climate, investing in new sustainable mid-rental homes is increasingly seen as impact investing. Particularly Dutch institutional investors hold this view. For instance, ABP has announced an investment of € 5 billion in affordable rental homes in the Netherlands. The Pension Fund for Housing Corporations (SPW) has decided to build its own Dutch rental housing portfolio at the expense of its international real estate investments. The main driver for this is the significant social impact these investments have on Dutch society.

Of course, these investors also see that the long-term fundamentals are favorable. Population growth, a large and persistent demand for affordable rental housing, and a housing shortage that cannot be contained are factors that are favorable for sustainable long-term value growth.

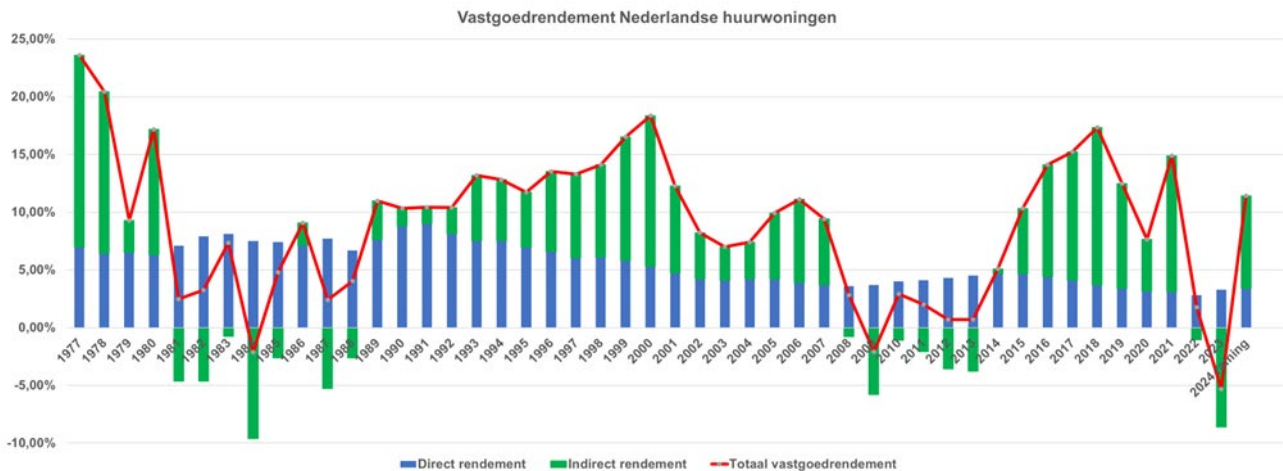
The following figure shows the volume of Dutch housing investment transactions. It can be seen that since the boom period of 2018-2020, the annual volume has dropped significantly, reaching a low point in 2023 of less than € 2 billion. It appears that in 2024 the trend is pointing upwards again, but from a historical perspective, only the crisis years of 2010-2013 performed worse.

Figure 5: Investment volume of Dutch investors in rental homes (Source: Colliers; amounts in billion euros)



The long-term real estate return on Dutch rental homes is shown in the following figure.

Figure 6: Real estate returns on Dutch rental properties
(Source: BPD Woningfonds, ROZ, IPD and MSCI)

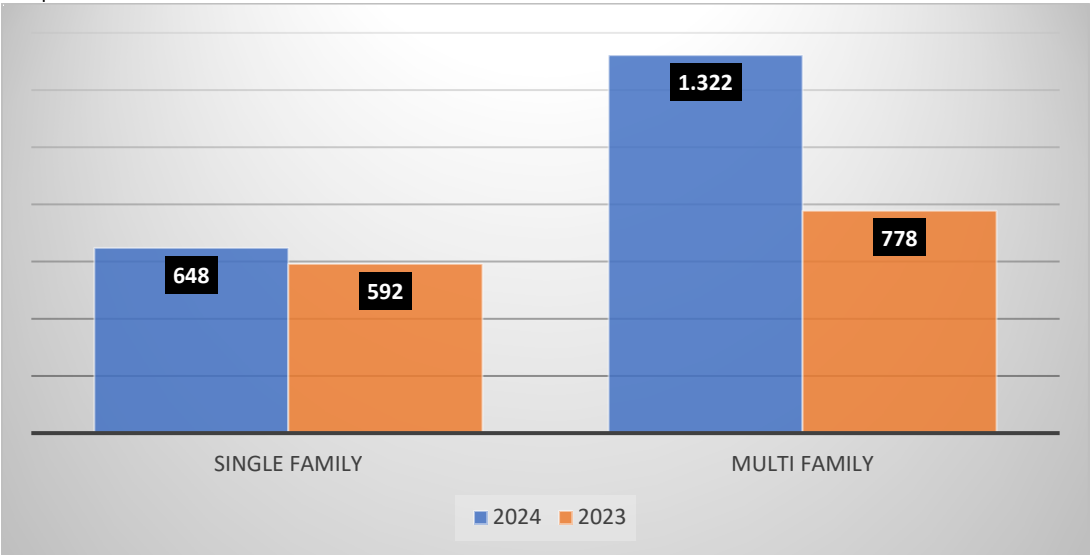


In the above figure, the realized real estate return figures for Dutch rental homes for the years 1977-2023 are shown. The 2024 figures are an estimate.

Portfolio composition and dynamics

Standing portfolio consisted at the end of 2024 of 1,970 homes (2023: 1,370) with a total book value of € 625 million (2023: € 418 million). In 2024, 8 newly completed complexes were added, consisting of 600 new-build homes.

Figure 7: Investment property (standing investments) by RESIDENTIAL TYPE
Composition in residential units



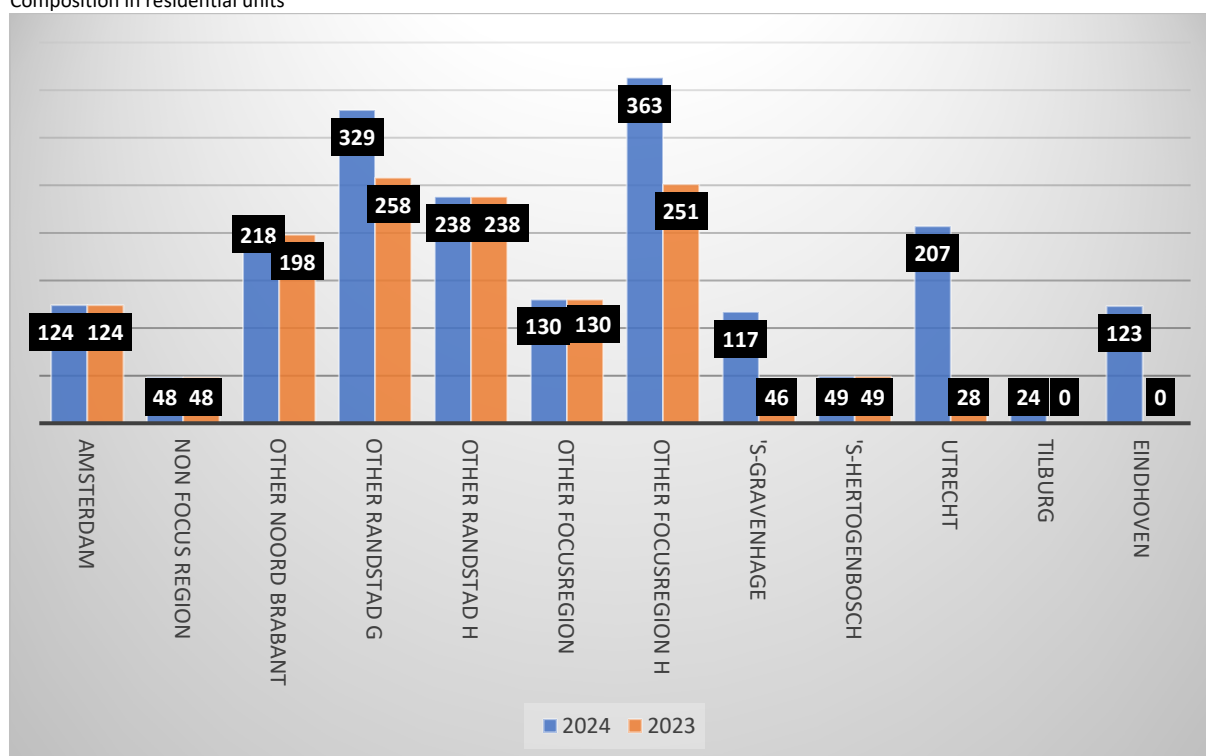
Multi-family homes in the portfolio make up to 67,1% (2023: 56,8%) of the portfolio, while single-family homes make up 32,9% (2023: 43,2%) of the portfolio, based on residential units.

In 2024, the BPD Woningfonds portfolio expanded through the completion of various projects. All projects were fully rented upon completion:

1. On January 23, the 35 apartments in Waddinxveen Triangel G3 were delivered by contractor De Vries en Verburg.
2. On March 1, the remaining 4 apartments in Arnhem Gashouderskwartier were delivered by Kuiper Bouw.
3. On June 6, the 24 apartments in Tilburg Willemsbuiten were delivered by contractor Nico de Bont.
4. On 8 July, the 71 apartments in Block W2 in The Hague in the Erasmusveld project were delivered by contractor Van Wijnen.
5. Furthermore, on 29 August, 36 single-family homes in the Waddinxveen Parkrijk phase 4 project were delivered by Ouwehand Bouw.
6. On October 17, the 108 apartments in the Talent project on the Oosterhamrikkade in Groningen were delivered by Plegt-Vos.
7. On October 22, the 20 single-family homes in Uden in the De Ruiter project were delivered by contractor Hendriks Coppelmans.
8. Finally, two deliveries took place on December 13, namely the delivery by Van Wijnen of the 179 apartments in Utrecht (Project De Mix) and the delivery by Huybrechts Relou in Eindhoven of Tower Fresh (123 homes) in the De Caai project.

This resulted in the following composition by regions of our portfolio in 2024 compared to 2023.

Figure 8: Investment property (standing investments) by REGION
Composition in residential units



In 2024, the number of rental properties have expanded across multiple regions in the Netherlands. Significant growth in the cities of Utrecht, The Hague, Eindhoven, Tilburg and Groningen. In addition, places located between large cities such as Waddinxveen and Uden.

All assets in our portfolio have energy label A or higher, of which 41% (2023: 33%) has an energy label of A+++ or higher.

Figure 9: Investment property (standing investments) by ENERGY LABEL
Composition in residential units

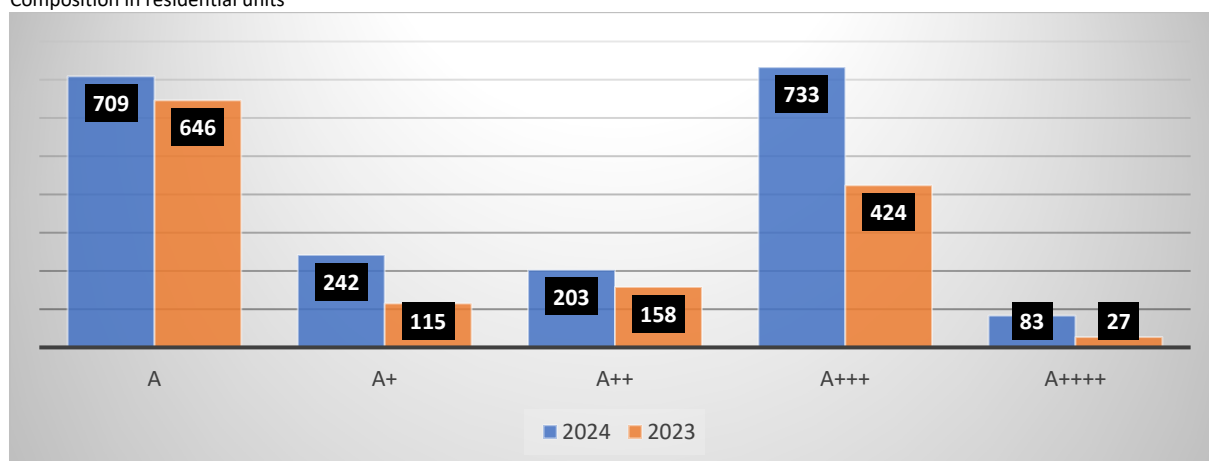
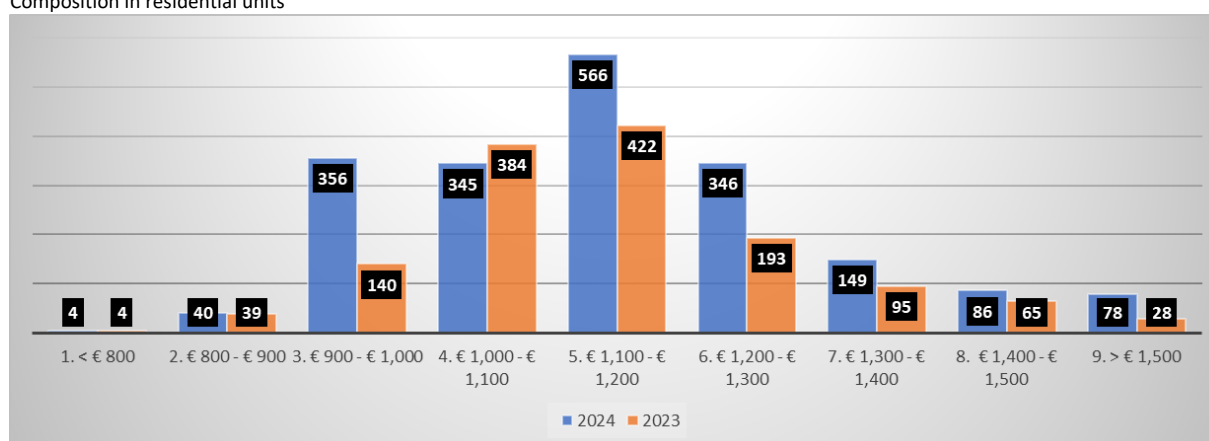


Figure 10: Investment property (standing investments) by RENTAL PRICE per month in euro's
Composition in residential units



BPD Woningfonds focuses on affordable and sustainable homes in the mid-range private rental sector. The mid-priced segment varies by region. On the low side, this segment starts at € 879.66 per month and the upper limit ranges from € 1,150 per month in the Overige focusregio's to € 1,400 per month in Amsterdam.

In 2024, BPD Woningfonds added 600 homes to the portfolio, of which 93% (2023: 84%) fall within the definition of mid-rental at the start date of rental, as used by BPD Woningfonds and that is above our target of 80%.

At end of 2024, the weighted average age of the portfolio was 2,3 years (2023: 2,3 years).

Pipeline

An important critical success factor for BPD Woningfonds is a smooth build-up of the pipeline with rental properties that are compliant with the acquisition frameworks. Projects are only counted as a "committed pipeline" if the project proposal has successfully completed the entire approval process.

In 2024, institutional real estate investors – and thus also BPD Woningfonds – in the Netherlands faced various challenges in contracting real estate objects. New legislation and regulations added extra complexity, and stricter municipal requirements necessitated adjustments to existing projects. The market value of rental homes had declined in 2022 and 2023, leading to uncertainty about pricing. Although there was a recovery in the second half of 2024, the market remained volatile, making it difficult to align the business cases of the project developer (seller) and the investor

(buyer). Additionally, the wage-price spiral caused ongoing inflationary pressure, resulting in increased purchase prices.

In 2024, obtaining commitment on projects further stagnated due to project delays caused by multiple external factors such as objections, business cases under pressure from sharply increased construction costs or additional municipal requirements, and limited administrative capacity for plan guidance. As a result, in 2024, we were able to add 641 homes to the committed pipeline, while 1,300 homes were projected. The majority of the non-committed homes (approximately 84%) have been postponed to 2025 and 2026. Some plans have been converted from affordable rental to affordable purchase or were found to be unfeasible. As a result of these shifts, the 15,000 homes in operation are expected to be realized only by 2032. For 2025, a special "task force" with BPD Development will be established, aiming to increase the influx of new projects.

The "soft" pipeline, i.e. projects that have already been allocated by the BPD Development B.V. regions as future propositions for BPD Woningfonds, currently amounts to more than 14,000 unweighted homes. Some projects relate to tenders, the outcome of which is of course uncertain. Moreover, many locations are (still) far back in time. Since BPD Development B.V. will continue to acquire a lot in the coming years, the size of the current pipeline offers sufficient comfort to achieve the portfolio target of 15,000 homes.

MSCI Netherlands Residential Annual Property index

The MSCI property index measures the returns on real estate properties and property portfolios. The MSCI all residential assets index measures the yield of all residential properties, including purchase and development activities.

Over 2024, the fund has achieved a total annual return 12,73% on its Standing Investments (benchmark: 11,91%). Income yield for 2024 was 3,85% (benchmark: 3,38%) and capital growth 8,58% (benchmark: 8,27%).

The BPD Woningfonds' income return outperforms the MSCI benchmark as a result of lower operating costs due to our young portfolio in terms of years of construction. The capital growth of the Fund also outperforms the MSCI benchmark and this is caused by our focus on only adding newly built, sustainable and affordable homes to the portfolio.

Because of our committed and soft pipeline, consisting of mainly BPD Development B.V. projects yet to be developed, we are well-positioned to achieve our ambitious growth objectives and to maintain our strong financial performance.

"Total cost of housing" approach

BPD Woningfonds focuses on investing in and renting affordable housing for middle-income households. The affordability of a rental home, from the tenant's perspective, is determined not only by the basic rent but also by the total financial burden they experience. In this context, the term "total cost of housing" is often used. This refers to the percentage of (disposable) income spent on housing costs.

According to the National Institute for Budget Information (NIBUD), the total housing costs (for rental or owner-occupied homes) include the following components:

1. The basic rent (or mortgage costs – repayment and interest)
2. Service charges (or VvE contribution)
3. Energy costs
4. Insurance

5. Municipal taxes and levies
6. Maintenance costs

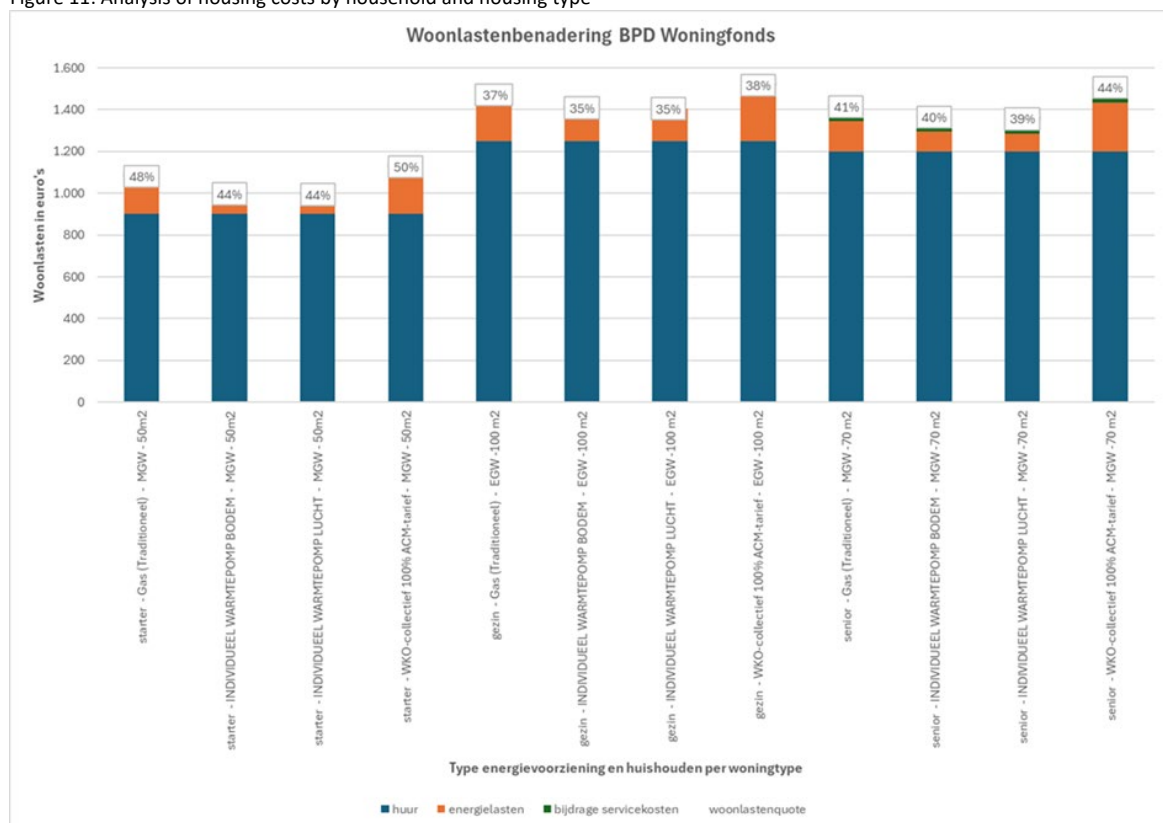
The majority of the housing costs for a tenant are the basic rent plus energy costs (and service charges if the home is an apartment). The remaining costs are often borne by the owner/landlord. NIBUD considers a total cost of housing of up to 30% acceptable, while at the European level (European Parliament), a total cost of housing above 40% is seen as problematic. BPD Woningfonds purchases homes within a rental ranges that are based on the assumption (used in the institutional rental sector) that a household may spend 25% of its gross income on the basic rent. With service charges and energy costs, this results in a total cost of housing of approximately 30%. This total cost of housing quickly decreases when the household income is between 1.5 and 2 times the median income.

The basic rent does not provide sufficient insight into the affordability of a home. Even in combination with a favorable energy label, the total housing cost can rise to an undesirable total cost of housing for the tenant. For example, energy costs can be excessively high in the case of district heating or a collective WKO installation at ACM rates.

Our total cost of housing approach ultimately aims to reduce the total housing costs for our tenants, provided that the investments required for this meet our return requirements. A significant hurdle we must overcome is convincing the national government and municipalities, as the Affordable Rent Act and municipal regulations consider the energy label but not the additional energy costs.

BPD Woningfonds will align its investment strategy with this housing cost approach. The choice of energy systems, in particular, has a significant impact on the total housing costs. The following figure presents and explains the results of our analysis of housing costs for three types of households:

Figure 11: Analysis of housing costs by household and housing type



The above, simplified, figure is the result of an extensive analysis of energy costs per type of housing, household, and heating system. The total housing costs (here consisting of the basic rent, energy costs, and any service charges) are compared to the net income. These total housing costs are within the influence of BPD Woningfonds. In this calculation, we have assumed the net income (not the disposable income) of our target groups: starters, seniors, and families. We have assumed the lowest possible income groups eligible for the mentioned rent. Households with the highest housing costs (large homes) often also have a higher income and therefore a lower total cost of housing. The total cost of housing for a starter with a slightly below-average income and a small home is high. It is therefore important to pay attention to the additional costs.

The analysis shows that a collective WKO installation at 100% ACM tariff (via an operator) is financially the most disadvantageous heat source for a resident. BPD Woningfonds has long seen this reflected in rental and operation and therefore owns a limited number of buildings where this situation applies. Where possible, BPD Woningfonds will purchase these installations itself and thus keep a grip on the total housing costs of the residents. The preference is always for an individual heat pump, both from the perspective of housing costs and sustainability (Paris Proof).

The above investment strategy always assumes a minimum IRR requirement of 6% and installations that meet the technical conditions resulting from our technical policy.

Fund structure and governance

BPD Woningfonds is structured as a (semi) closed fiscally transparent fund for joint account (FGR) currently with one investor: Coöperatieve Rabobank U.A. (Rabobank). As such, the economic title to the fund net assets is 100% held by Rabobank. BPD RCF Fundmanagement B.V. is the Fund Manager and BPD RCF Custodian B.V. is the custodian.

The start of BPD Woningfonds took place in the autumn of 2019 and since then 6,779 participation units have been issued to Rabobank.

The authorities and responsibilities of BPD Woningfonds are set out in the Fund's fund documents: the Private Placement Memorandum including the Terms and Conditions, the Fund Services Agreement, and the annual Portfolio Plan. These documents describe the parameters within which BPD RCF Fundmanagement B.V. is authorized to act as a Fund Manager. These parameters include the annual investment and divestment volume, required returns for new investments, and annual budgets.

The Fund's governance structure guarantees reliable, efficient, and professional advice and supervision by property experts and investors. The Fund Manager is responsible for both the overall portfolio and risk management of BPD Woningfonds.

The Fund Manager appoints members of the Industry Expert Committee and will seek advice from the Industry Expert Committee for specific decisions specified in the Terms and Conditions. This includes the development of the Portfolio Plan and decisions regarding larger acquisitions. The Industry Expert Committee consists of three independent members with expertise in development, investment management, and the Dutch residential market. The Industry Expert Committee and the Fund Manager held eight meetings in 2024.

The Advisory Board monitors the handling of conflicts of interest, approves risk management policies. The Advisory Board held five meetings in 2024.

One regular Investor Meetings were held in April 2024.

Partnership with BPD Ontwikkeling B.V.

BPD Ontwikkeling B.V. is the leading property developer in the Dutch residential market. BPD Ontwikkeling B.V. has extensive experience with integrated area development and complex co-development projects. Its expertise and links with longterm investment funds like BPD Woningfonds make BPD Ontwikkeling B.V. an attractive development partner for municipalities and public-private partnerships.

BPD Woningfonds has a Right of First Refusal (RoFR) agreement with BPD Ontwikkeling B.V.. This means that BPD Ontwikkeling B.V. has the obligation to offer all residential rental homes developed by BPD Ontwikkeling B.V. to BPD Woningfonds, granting BPD Woningfonds the right to acquire residential rental homes, in line with BPD Woningfonds investment strategy, on arm's length conditions.

Financial performance

Portfolio value (including assets under construction) increased by € 219 million (+35%) due to completion of various projects fully rented upon completion on the one hand and revaluations on the other. In 2023, as a result of the value declines in the residential real estate sector, a negative revaluation of € 30.9 million was realized. This almost recovered over 2024 with a positive revaluation of € 36.429 million (8.71%) for the standing investments (homes in operations).

The positive revaluations are tempered by the fact that in Q4, 392 homes were taken into construction, and additional projects under construction were also appraised, resulting in the buyer's costs (11.4%) being fully written off in this initial valuation. As of the end of 2024, BPD Woningfonds has valued its entire portfolio (from land delivery) at fair value.

For 2024, the total revaluation result amounts to € 7.0 million positive.

The direct return is 3.7% (2023: 3.3%), bringing the total return in 2024 to 12.4% (2023: -7.14%).

The total fund return for 2024, expressed as a percentage of the NAV based on the INREV Guidelines as of 1 January 2024, was 3.1% (2023: -5.4%). Income return made up 2.0% of the fund return and capital gains of 1.1% had a positive impact on the fund return.

The dividend yield, the operational result to be distributed as a percentage of the INREV NAV as of 1 January 2024, was 2.3% in 2023 (2023: 1.1%).

The average vacant possession value per home increased in 2024 compared to 2023 at € 428 thousand (2023: € 407 thousand). The vacant value ratio represents the ratio between the investment value of a let property and its vacant possession value. This ratio decreased from 74.7% in 2023 to 74.1% in 2024.

Gross initial yield stabilized in 2024 at 4.3% (2023: 4.3%)

The occupancy rate of BPD Woningfonds at the end of 2024 is 99.7% (2023: 99.3%).

These operational results resulted in a fund result at year-end of € 19.4 million positive (2023: € 26.4 million negative).

Rental income and operating costs

The theoretical rental income was € 21.1 million (2023: € 15.1 million) for the whole of 2024 and represents what the rental income would be at full occupancy. This increase is caused by the

expansion of the portfolio in 2024 and annual rent increase of an average of 4,63% (maximum was 5,5%).

The vacancy within the portfolio is limited. At the end of 2024, only 2 homes were vacant. We realized a vacancy rate of 0.3% in 2024 lies within our budget of 3%.

The operating costs in 2024 amounts to € 3.3 million, which is 16% of the theoretical rental income (budget: 20%). Net rental income amounts to € 17.6 million for the whole of 2024.

Changes in value of investment properties

The item “unrealized change in value” concerns the change in value of the book value (= market value) of the complexes in operation and the change in value of the market value of the complexes under construction, both compared to the initial market value of the period in question.

The valuation in 2024, as previously mentioned, resulted in a positive revaluation of € 7.0 million.

Management fee

Management fee consists of the fee owed by BPD Woningfonds to the Fund Manager in connection with the management and purchase and sale of rental housing complexes, as included in the Terms and Conditions.

The management fee (on an annual basis) amounts to 0.4% (excluding VAT) of the book value of the properties in operation on the last day of the previous quarter and is charged quarterly (= 0.1%) by the Fund Manager to BPD Woningfonds.

The acquisition and disposition fee is 1% (excluding VAT) of the transaction value of a complex. The acquisition fee will be charged as soon as a complex legal (notarial) has been delivered.

The disposition fee is due upon completion of the sale.

Other fund costs

The other fund costs amount to € 0.8 million in 2024 and concern costs of the fund are not covered by the management fee. This includes, among other things, the costs of supporting IT processes (Property and Customer Journey) and other (legal, tax, audits) advisors.

Financing costs

The financing costs in amount to € 0.05 million and consist of the interest paid on a loan of € 70.0 million and interest received due to credit bank balances.

Net result

The net result in 2024 amounted to € 19.4 million positive. The distributable result for 2024 amounts to € 12.4 million. This concerns the positive operating result (including sales result) excluding the unrealized negative revaluation and will be paid out.

Risk management and compliance

Risk management strategy of BPD Europe B.V.

The primary mission within the BPD organization is to develop and create affordable new living environments in the Netherlands, through BPD Ontwikkeling B.V., and in Germany. In addition, BPD, via BPD RCF Fundmanagement B.V., is active as the fund manager of the BPD Woningfonds.

BPD is 100% owned by a financial institution. The banking context in which BPD operates influences its risk appetite and the resulting risk-return profile.

In its risk strategy, BPD pursues the following objectives:

- Protection of profit and profit growth (including long-term value creation and continuity)
- Solid balance sheet ratios
- Protection of reputation

Since 2019, BPD RCF Fundmanagement B.V. has managed BPD Woningfonds. The current investor in BPD Woningfonds is Rabobank, which doubled its commitment to the fund in 2024. The risk of asset devaluation in the fund is borne by investor Rabobank. The risks for BPD as fund manager are mainly operational and limited.

These risks range from market risks (such as fluctuations in interest rates, construction cost inflation, changes in supply and demand for rental housing), credit and counterparty risks, liquidity risks, strategy and business risks (including reputation and regulatory risks), operational risks, and finally compliance risks.

Risk management strategy of the Fund

BPD RCF manages the portfolio of the BPD Woningfonds and focuses on the mid-market new-build (rental) sector in the major Randstad cities, North Brabant, and other urban areas. The homes in the Fund are less sensitive to economic cycles than rental homes in the higher and luxury segments, making them relatively safer investments. At the same time, this targets a demographic that aligns with the overall concept BPD RCF envisions.

From a risk management perspective, this combination of developing and renting homes within the BPD Europe B.V. organization provides a better competitive position in acquiring development locations and strengthens the triangle between municipality, developer, and investor.

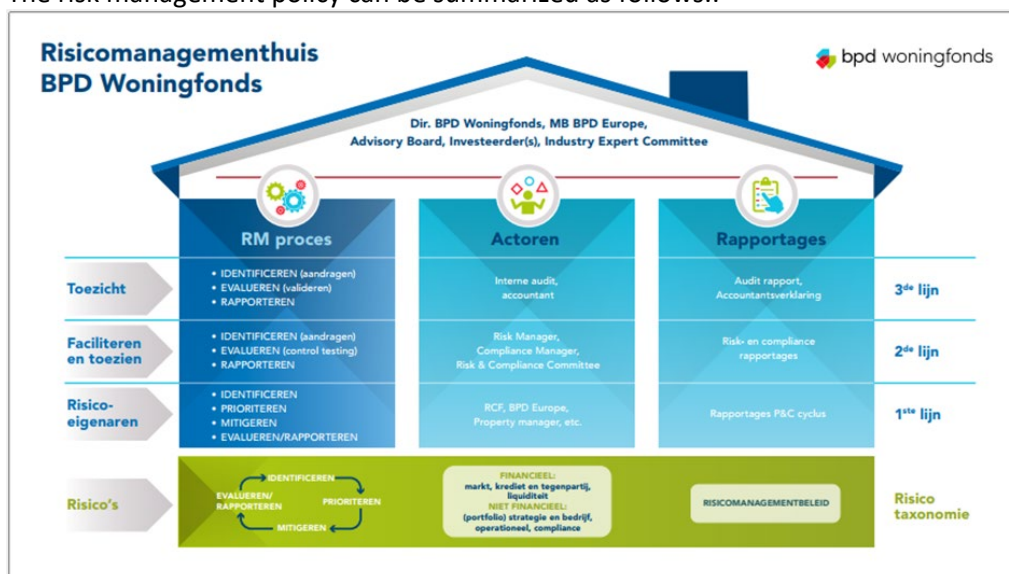
At the portfolio level, BPD RCF has set restrictions for the Fund to safeguard the risk-return profile, such as setting objectives for geographic and housing type diversification. Because BPD RCF is also involved in the development of the homes, through a right of first refusal agreement with BPD Ontwikkeling B.V., it can determine the quality of the living environment. In the long term, this can increase the value of the real estate in the Fund.

BPD RCF, through its management of the Fund, focuses on a specific segment of the Dutch housing market. The employees of BPD RCF have expertise and backgrounds in this segment, as well as in the Fund's core activities: risk management, portfolio management, asset management, valuations, controlling, and financial reporting.

Risk Management policy

On April 30, 2024, BPD RCF Fundmanagement B.V. (as fund manager of BPD Woningfonds) obtained the AIFMD license from the AFM. From that moment on, BPD RCF Fundmanagement B.V. must comply with all resulting obligations. A periodic (quarterly) report has now been submitted to both the AFM and DNB, and the risk manager is fully active for BPD Woningfonds to perform the second-line risk management role (including setting up and monitoring the risk management policy) and report on this (quarterly) to the management, the Risk & Compliance Committee (RCC) and the Advisory Board.

The risk management policy can be summarized as follows.:



Risk management process

BPD RCF uses a Risk Management process designed to mitigate all relevant risks as much as possible through controlled business operations and ensure compliance with laws and regulations. The risk management process consists of five components, namely;

- identification of risks;
- measuring risks;
- mitigating risks;
- monitoring risks; and
- reporting on the quality and progress of risk management

This process is completed at least annually in its entirety and sooner if signals indicate this.

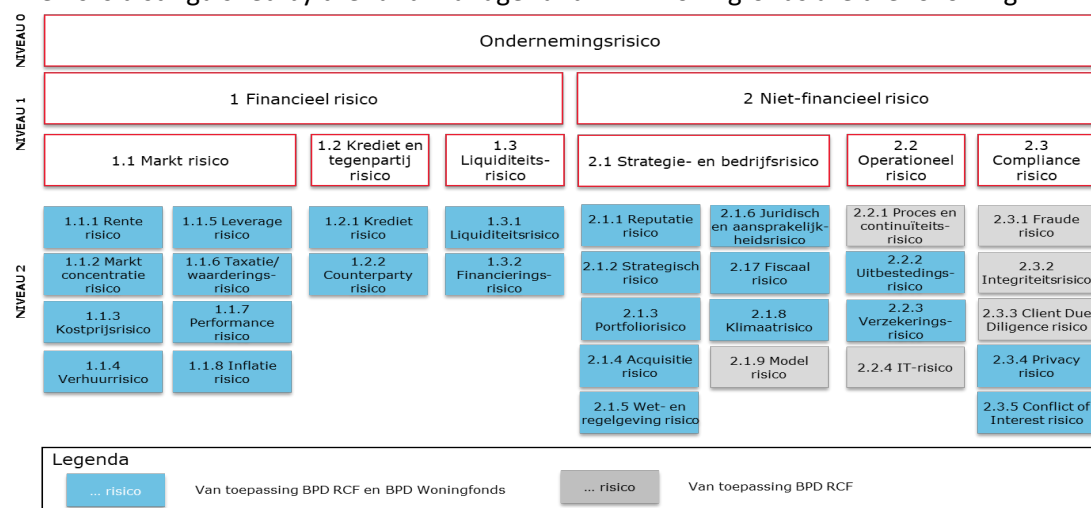
Risk Taxonomy

Essential for effective risk management is the identification of potential risks. All risk types that may play a role for BPD RCF as fund manager and for BPD Woningfonds must be identified and defined. To this end, a risk taxonomy has been established for BPD RCF.

Within the risk taxonomy, some of the risks apply to BPD RCF as fund manager (risks in scope) and some apply to BPD Woningfonds. For the risks in scope, it is assumed that these may affect the operations (and thus the continuity) of BPD RCF as fund manager and BPD Woningfonds. The classified risks may apply to both BPD RCF and BPD Woningfonds. The risk taxonomy of the Fund is being annually assessed with the Fund's management.

The universe of risks relevant to BPD RCF and BPD Woningfonds falls under enterprise risk (level 0). One level below (level 1), the risk types are subdivided based on the origin of the risk; a distinction is made between financial and non-financial risk. The level 2 risk types provide further refinement. The definitions of all risk types are included in the Taxonomy of Risk Types.

The risks distinguished by the fund manager and BPD Woningfonds are the following:



The Risk Management policy also sets the risk indicators, risk limits, and risk appetite for the defined risks.

Risk appetite

Assessment of the materiality of risk types in the taxonomy is needed to create focus; risk types that are present but not material are managed in a limited way.

The materiality of a risk type is determined by both the impact of risks associated with that risk type and the likelihood that risks underlying a risk type will occur. For estimating the likelihood and impact of risks, a distinction is made between the situation where no control measures have been implemented yet, the inherent risk, and the situation where the implemented control measures are functioning properly, the residual risk.

At least annually, or when there is a concrete reason to do so, the materiality of risk types is determined by the Risk & Compliance Committee (hereinafter: RCC).

The threshold for materiality is set at any risk type for which the combined score of likelihood (on a 5-point scale) and impact (on a 7-point scale) is 6 or higher.

The materiality of risk types is included in the taxonomy of risk types.

After identifying all possible and material risks for BPD RCF, it is important to determine to what extent BPD RCF is willing to accept a certain risk in order to achieve its strategic objectives.

In this section, for each risk type, the extent to which BPD RCF is willing to accept the residual risk is described.

The frameworks used in determining the risk appetite are described in the legend below.

Legenda kaders risicobereidheid				
Risk-Appetite	Financial impact		Impact on reputation	Impact on processes
	Fundmanager	BPD Woningfonds		
Very Low	<0,25% AuM	<0,25% AuM	Insignificant impact on trust and/or reputation	Insignificant influence on the process
Low	0,25%-1% AuM	0,25%-1% AuM	Limited impact on trust and/or reputation	No material impact on the process
Average	1% -2,5% AuM	1% -2,5% AuM	Reasonable effect on trust and/or reputation	Interruption of normal business operations with limited effect on the process
High	2,5% -5% AuM	2,5% -5% AuM	Strong impact on trust and/or reputation	Greatly reduced ability to perform the process
Very high	> 5% AuM	>5% AuM	Major impact on trust and/or reputation	There is no possibility to continue the work: the process is seriously disrupted

The risk appetite is determined by BPD RCF at level 1 of the taxonomy of risk types. These are the six risk types below:

- Market risk
- Credit and counterparty risk
- Liquidity risk
- Strategic and business risk
- Operational risk
- Compliance risk

For each of the above risk types, a qualitative description is given of what the residual risk appetite of BPD RCF is, for both BPD RCF as fund manager and for BPD Woningfonds.

1 Financieel risico			2 Niet-financieel risico		
Categorie	Risicobereidheid fondsmanager	Risicobereidheid BPD Woningfonds	Categorie	Risicobereidheid fondsmanager	Risicobereidheid BPD Woningfonds
1.1 Markt risico	Gemiddeld	Laag	2.1 Strategie- en bedrijfsrisico	Gemiddeld	Laag
1.2 Krediet en tegenpartij risico	Gemiddeld	Gemiddeld	2.2 Operationeel risico	Laag	Zeet laag
1.3 Liquiditeits- risico	Laag	Laag	2.3 Compliance risico	Laag	Zeet laag

Fund employs relatively low levels of leverage and has no exposure to real estate development. A significant and stable proportion of its returns are generated through rental income. Overall, Fund has a relatively low risk appetite.

For a description of our financial risk management objectives and policy, we refer to Chapter 4 of the 'Notes to the annual accounts', which describes the exposure to the following financial risks:

- market risk;
- interest rate risk;
- credit risk;
- liquidity risk (including funding risk).

Sustainability Risk

Sustainability risk is an environmental, social or governance event or circumstance that, if it occurs, could have an actual or potential material adverse effect on the value of the investment.

Sustainability risk is managed by the responsible investment policy and is included in the Taxonomy as climate risk under Strategic and business risk.

Risk indicators and controles

All risk types for which the sum of probability and impact together is equal to or higher than 6 are considered by BPD RCF to be 'material'. Despite the fact that the financial impact of compliance risks may not be high, the impact is still scored as 'high 1', which means that the risk type 'compliance risk' is de facto always material. The 'material risk types' are closely monitored by BPD RCF, both for the benefit of the Fund Manager and for BPD Woningfonds. In order to facilitate this monitoring, indicators must be defined for the material risk types. These indicators are demonstrable and measurable signals that BPD RCF can use to actively monitor the risk in question in a quarter. The indicators are as quantitative as possible, but also formulated qualitatively where necessary. The scoring of the indicators of the material risk types is discussed in the quarterly meeting of the RCC. If an indicator exceeds the 'early warning level' or even the 'Risk Appetite Limit', this consultation will decide to take appropriate measures to mitigate the risk.

For each risk type, the tables in the taxonomy also include the control measures to mitigate the probability and/or impact of the risk.

Fraud risks

Fraud risks are inseparable connected to risk management and are therefore integrated in the taxonomy and are part of compliance risk.

The definition of fraud risk used is the risk that employees of BPD RCF and/or third parties obtain an unlawful or illegal advantage through deliberate actions. For example, through fraudulent reporting or improper appropriation of assets.

The management of Fund is aware of the inherent risk of fraud that it faces, both internally and externally, in carrying out its activities.

External parties must be able to trust that Fund and BPD RCF's employees do business in a reliable, honest and careful manner. Therefore, BPD has drawn up a code of conduct that is signed by every employee at the start of their employment. The importance of the code of conduct and compliance is periodically emphasized and is subject of discussion between manager and employee. A confidential advisor and tipline, including whistleblower policy have been implemented where any abuses can be reported confidentially. The code of conduct is available on our website and is (therefore) also shared with our external relations.

Our financial processes are characterized by the presence of segregation of duties. This prevents only one person from initializing, authorizing, processing and settling transactions or liabilities and having access to assets in an uncontrolled manner.

Despite all internal control measures, there remains the risk of management or the board overriding internal controls and the risk of collusion between employees. Transparent decision-making, the governance structure, an open culture in which we dare to call each other to account, the presence of a confidential advisor to report non-ethical actions (anonymously), periodic internal and external audits on compliance with control measures must contribute to the instances of override of controls are detected.

The fraud risk analysis (and workshops) show that additional, better measures can be taken for the identified internal fraud risks. At the end of 2024, BPD has no indications of internal or external fraud that could lead to material deviations in the financial reporting. The results of the tests performed on the internal control measures are reported to the Risk Management Committee of BPD Europe B.V..

The total residual risk of internal fraud was assessed as 'medium-low' via the SIRA in 2024. This assessment is above the risk appetite that BPD itself aspires to, but within the risk appetite prescribed by the shareholder and investor. The total residual risk of external fraud has increased slightly compared to 2023, while maintaining the Fraud Risk Analysis, and was assessed as 'medium-low' via the SIRA in 2024. This falls within BPD's risk appetite. In recent years, there have been regular reports in the media about cyber-attacks, ransomware cases and data breaches. Given the activities of Fund, information security has a high priority from the perspectives of going concern, fraud and privacy and related reputation.

During daily business operations, checks are carried out to determine whether work is being done in accordance with the agreements made in this regard, including the various information security protocols. In addition, the security and privacy officer assesses the quality and compliance with the control measures taken. The controls of information security are periodically tested, internally through internal audits. Any points for improvement form the input for further tightening and/or compliance with the information security process.

The management of Fund is of the opinion that, with all procedures and control measures taken in account, the risk assessment provides a complete overview of the risks the company faces and that adequate procedures are in place to mitigate these risks.

Compliance: integrity and code of conduct

Integrity and customer due diligence are key elements of BPD's compliance program. In 2024, several policies were reviewed and updated following adjustments in internal procedures and relevant laws and regulations.

A complaints and reporting procedure is in place and BPD RCF maintains an incident reporting register that is reviewed by the Compliance Officer and the external auditor. This register is a recurring agenda item at the Management Team meetings of BPD RCF and in the Risk & Compliance Committee.

The committee includes the Fund Director, the Director of Finance, Risk & Operations, the Compliance Officer, the Risk Manager, the Legal Counsel, and – when needed – the Manager of Information and Control. The RCC is supported by the Fund Secretary.

Within the RCC, various policy documents that are updated (bi)annually are established, quarterly reports of the fund/the fund manager/compliance/risk are discussed, new legislation is addressed, and findings (from the accountant, depositary, internal audit, regulators) are monitored.

A new integrity measurement has been set up and consists of three dimensions: 'motivation and well-being', 'tools and structure' and 'inspiration and leadership'. Each dimension will be measured quarterly among colleagues from the end of 2024 on the basis of various statements.

In 2024, we paid attention to various integrity risks, such as culture and behavior, conflicts of interest, competition and fraud, through presentations, blogs and communication messages. We built on the results of previous integrity measurements, monitoring and trends around incidents. Incidents were handled according to existing procedures, with investigations of varying depth. The results and measures were reported to the shareholder/investor.

We continue to work on a common language and a shared framework for ethical conduct, which everyone supports and adheres to. New employees follow an e-learning course on compliance and privacy, among other things. To prevent BPD from doing business with business partners that could damage our reputation, we apply the Business Partner Due Diligence (BPDD) policy. The screening of business partners is carried out by a central, specialist team in the first line. This contributes to a uniform working method and improved quality of the BPDD tests. This has led to an increase in both the number and quality of the tests in 2024. New employees must follow and complete a BPDD e-learning upon joining.

BPD has its own privacy policy, retention policy and policy on data leaks, with various registers that meet the requirements of the General Data Protection Regulation (GDPR). Awareness of privacy-related topics has increased. Additional awareness training has contributed to this.

Code of conduct

In our Code of Conduct, which all BPD employees have signed, our standards and values are anchored in four ethical principles:

- We respect each other.
- We comply with the law.
- We behave ethically in all our actions.
- We dare to report irregularities.

BPD strives to be compliant by desire: the emphasis is on the intrinsic motivation for managing integrity risks and an organization that is demonstrably in control. Our Compliance department is constantly working to keep our organization and its own policies in line with the increasing laws and regulations.

Our Compliance Policy Framework has been further aligned with legal requirements. The Compliance Risk Control Framework (Compliance RCF) helps us to check whether BPD effectively manages its integrity risks. The results of the monitoring are shared directly with the first line for learning and improvement effects. In 2024, as in previous years, all employees of BPD were asked to sign the internal BPD Code of Conduct. The Code of Conduct is an inseparable part of the employment contract. Revisiting the Code of Conduct on an annual basis creates awareness around integrity and provides the opportunity to adjust the code when necessary.

The Code of Conduct is available on the BPD website. Active compliance with the Code of Conduct is required by all BPD RCF's employees including the Statutory Board of Directors.

The Compliance Officer (CO) acts as the central point of contact for all integrity-related issues. All required information shall be made available to the CO. If deemed necessary, the CO will make use of the expertise of professional external advisors.

In 2024, there were no noteworthy incidents in relation to integrity. BPD believes that the measures implemented as part of its corporate integrity policy have been effective.

In addition to the BPD's Code of Conduct, BPD RCF, as a member of IVBN, complies with the codes of conduct applicable to members of this association.

Risk culture

Risk culture involves defining standards, attitudes and behaviours that determine risk awareness, risk taking and risk management. It influences the decisions of management and employees during the execution of our daily activities.

At the end of 2024, BPD started a culture agenda to further strengthen the organizational culture. This culture program focuses on promoting an open and transparent working environment, in which employees feel safe to express their concerns and address each other about behavior. The theme 'speak up' is also central. We actively encourage employees to report misconduct, unwanted behavior or their personal opinions without fear of repercussions.

In addition, the emphasis is on the theme of accountability. Managers and employees are trained to give and receive constructive feedback. This contributes to a culture of continuous improvement and collaboration. Various initiatives, such as workshops, training courses and communication campaigns, will be launched to support these themes and integrate them into daily practice. Within this program, we ensure further formulation of BPD's corporate values, supported by our employees. Management plays a key role in this culture program. Their involvement and support are crucial to foster a culture of integrity and openness. Through these efforts, BPD strives to create a working environment in which everyone feels heard and respected, and where integrity, inclusion and diversity are highly valued. As of January 17, 2025, new EU legislation in the field of digital resilience came into effect (DORA: Digital Operational Resilience Act). Business continuity and cyber security are important parts of DORA. Given the ever-increasing digitization of our world, cyber security is also a relevant theme. Random phishing testing to alert employees of suspicious emails is part of the awareness program.

In 2025 all employees of BPD RCF will attend a training session on the provisions of the Anti-Money Laundering and Counter-Terrorist Financing Act ('Wwft') and the Dutch Sanctions Act ('Sw'). It is important for our employees to be aware of related risks and the latest adjustments.

AIFMD and depositary

Fund and BPD RCF are fully within the scope of the AIFM Directive as BPD RCF obtained its AIFM license on 30 April 2024.

BPD RCF has appointed CSC Depositary B.V. to act as its depositary for the Fund and has entered into a depositary services agreement with the depositary for the benefit of the Fund and its Investor in accordance with article 4:37f AFS. The depositary is responsible for the supervision of certain aspects of the Fund's business in accordance with applicable laws and the depositary services agreement.

The AIFMD requires investment funds to prepare an annual report including BPD RCF's report according to Dutch law. Certain requirements included in the law should be disclosed in BPD RCF's report. The Fund complies with these requirements. Requirements that are not applicable due to the nature and structure of the Fund are:

- Disclosure on research and development (art 391.2 BW2) is not applicable due to the nature of the Fund;
- Disclosure on personnel developments (art 391.2 BW2) is not applicable as the Fund has no employees

ESG policy

ESG Strategy

BPD Development, the area and project developer from whom BPD Woningfonds purchases its new rental homes, focuses not only on providing an affordable home for everyone but also on other social areas where it wants to make a difference. It aims to contribute to the major physical and social challenges of our time. These are the physical challenges in the areas of nature and landscape, green public space, sustainable energy generation, water storage, and mobility. The social challenges are an affordable home for everyone, inclusive living environments, life-course resilience, and safe living. Of course, the ESG wishes of BPD Woningfonds have been taken into account.

In line with this strategy of BPD Development, BPD Woningfonds gives its own interpretation to its ESG ambition. This interpretation involves offering sustainable homes where the health and living comfort of residents are central.

The homes of BPD Woningfonds:

- meet the statutory standards with regard to the energy transition, are climate adaptive and circular,
- promote affordability by considering the total housing costs of the tenant (*financial health*),
- focused on human interaction (meeting), community formation, and providing physical and social safety (*social health*), and
- are comfortable with regard to light (sufficient light), sound (no noise pollution) and indoor climate (temperature, ventilation and particulate matter) (*physical health and living comfort*).

The starting point for BPD Woningfonds' sustainability approach is found in its *raison d'être*: offering new, sustainable new-build rental homes for middle-income households. This directly places the perspective of the resident at the center. Buildings are designed, built, managed, and used by people, and this has a direct impact on their well-being. The real estate sector is becoming increasingly aware of the need to add sustainable social value. **Social sustainability**, or 'social impact,' revolves around the well-being of people who are connected to their environment in various ways. For this reason, the aspect of health has been brought to the forefront in our approach. We interpret this in the broadest sense: it concerns the tenant and the home, but also the immediate living environment and the surrounding area. And for the tenant, it involves the physical, social, and financial components.

The sustainability policy of BPD Woningfonds outlines the focus areas where we want to make measurable impact in the coming years and forms an integral part of our fund strategy. It also pays attention to the management organization of the fund, our employees, and external partners.

We accomplish this by taking into account the wishes and requirements of:

- (i) the community;
- (ii) (inter)national regulations, such as:
 - A. objectives from the Sustainable Development Goals (SDGs) of the United Nations.
 - B. Paris Climate Agreement;
 - C. regulations from the European Union such as SFDR, EU Taxonomy and CSRD
 - D. Guidelines from supervisory bodies such as AFM and DNB
- (iii) Trade organizations and benchmarks such as GRESB, INREV and IVBN;
- (iv) Rabobank as investor in the fund, and
- (v) The management organization and its employees who want to make an active contribution to a more sustainable society based on their intrinsic motivation.

We base our ESG control parameters on 7 pillars:

Pillar	Theme
1) Health	a. Financial health
	b. Physical health and living comfort)
	c. Social health
2) Energy transition	a. Energy-use, renewable energy
	b. Water-use
	c. Waste
	d. CO2 reduction
3) Climate adaption	a. Water storage
	b. Heat stress
	c. Biodiversity
4) Circularity	a. Use of materials
	b. Modular, factory-based construction
5) Suppliers	a. Collaborating to achieve ESG goals
	b. Due Dilligence on ESG based topics
6) Management organisation	a. Diversity, Equality and Inclusivity (DEI)
	b. Education
7) Governance	a. Reputation
	b. Legislation and regulation

For 2025, we will define and establish smart and quantitative parameters for each pillar and its individual components. This also applies to the short, medium, and long-term targets. Of course, we will report on this periodically.

For most of these ESG parameters, they can be tracked per dwelling. We will take this into account during registration and formulate targets at the level of dwelling, project/complex, neighborhood, and housing portfolio (fund level).

SFDR

The sustainability paragraph of BPD Woningfonds is in line with Article 8 of the Sustainable Finance Disclosure Regulation (SFDR). An Article 8 SFDR fund is a fund that makes a positive contribution to sustainability objectives. These objectives relate to the environment, society, and a combination of both. BPD Woningfonds aims for a sustainable future by adhering to the highest standards in the areas of environment, society, and governance. Once the ESG data is robustly set up in our data platform, BPD Woningfonds will aim for an Article 9 SFDR classification or, in other words, operate in accordance with the requirements of a fund that aims for sustainable investments (ESG as a mandatory part of business operations including objectives, associated reports, audits & publications).

GRESB

The Global Real Estate Sustainability Benchmark (GRESB) maps out the performance of real estate funds on their ESG policies and shows how the individual score compares to the benchmark. BPD Woningfonds participated for the third time in 2024, and the score remained at the same level as the previous participation (71 points in 2023, 68 points in 2024), with BPD Housing Fund retaining its 2 stars.

These low scores do not represent the sustainability performance of BPD Woningfonds. Unlike other Dutch housing funds, BPD Woningfonds focuses purely on new, sustainable, and affordable rental homes for middle-income households. This is also reflected in the high scores that BPD Woningfonds

achieves in the annual tenant satisfaction surveys in the areas of housing, living environment, and price/quality ratio.

It is known that to obtain a higher score, investments must be made in obtaining building certificates (insight into the sustainability level of a building and the potential for improvement), accountant reviews of data, and the purchase of remotely readable water meters. However, these involve substantial costs that do not directly contribute to the further actual sustainability of the portfolio.

'Road to Paris' and CRREM

The Carbon Risk Real Estate Monitor (CRREM) and Paris Proof are both initiatives that aim for significant energy savings in buildings to stay within the climate objective of the Paris Climate Agreement. CRREM is an initiative developed from the CO2 budget approach, Paris Proof from the amount of energy that can be generated completely sustainably. By coordinating methods and exchanging energy data, Paris Proof and CRREM come closer together.

CRREM looks at the energy use and CO2 emissions of buildings and portfolios. Paths have been drawn up to stay within the 1.5 and 2 degrees carbon budget. Consumption and CO2 emissions must remain below the path line to avoid being labeled as a 'stranded asset'. These are assets that run the risk of rapidly declining in value. The main goal of CRREM is to ensure more energy-saving investments by providing better insight into the downside risk that climate change poses to real estate.

For BPD Woningfonds, this means that in 2025 a start will be made on mapping its own real estate portfolio by collecting and recording the required ESG data in order to ultimately assess whether the portfolio meets the objectives of the Climate Agreement of Paris and is therefore future-proof.

IVBN

Since the start of the fund, BPD Woningfonds has been affiliated with the IVBN, the Association of Institutional Investors in the Netherlands. The IVBN is actively committed to ESG and has formulated a general objective for this purpose. BPD Woningfonds complies with this.

Organization

At the organizational level, in addition to a focus on integrity and good corporate governance (including taking the oath/promise), efforts are being made to further develop employees. In 2024, an employee satisfaction survey was conducted. For fund manager BPD RCF Fundmanagement B.V, this resulted in a positive score and even outperformance.

Remuneration policy

The remuneration policy is established at the level of the Fund Manager. The remuneration policy aims to provide market-competitive compensation and prioritize customer interests. The remuneration policy is evaluated annually and adjusted as necessary to continuously comply with laws, regulations, and societal norms.

The compensation mainly consists of a fixed remuneration. For some employees, a part of their compensation is variable, depending on the performance of the Fund. The variable remuneration amounts to a maximum of 20% of the total compensation and is based on individual objectives. These objectives are both qualitative and quantitative in nature and are related to the organizational goals, with a focus on customer interests and long-term results. The remuneration policy also includes objectives regarding sustainability risks.

For a detailed description of the remuneration policy, please refer to the Fund's website.

The Fund Manager awarded a total remuneration of € 1,764 thousand (2023: € 1,511 thousand) to its entire staff for the reporting year 2024. This amount consists of a fixed remuneration of € 1,639 thousand (2023: € 1,413 thousand) and a variable remuneration of € 125 thousand (2023: € 99 thousand).

The Fund Manager had an average of 13 employees (2023: average of 11 employees) over 2024, including an average of 2 directors (2023: average of 2 directors).

Of the total remuneration mentioned above, € 580 thousand (2023: € 562 thousand) is allocated to the directors of the Fund Manager. This amount consists of a fixed remuneration of € 580 thousand (2023: € 562 thousand) and the directors do not receive variable remuneration.

The amounts are fully charged to the Fund by the manager through invoicing management and acquisition fees. The Fund itself does not employ any personnel. The table below shows the composition of the remuneration for the employees involved with the Fund (amounts in euro's):

Composition of remuneration in 2024	Number of beneficiaries	Fixed remuneration	Variable remuneration	Total remuneration
Directors (Identified Staff)	2	580,462	-	580,462
Other Identified staff	-	-	-	-
Other staff	12	1,058,729	124,832	1,183,561
TOTAL	14	1,639,191	124,832	1,764,023

Composition of remuneration in 2023	Number of beneficiaries	Fixed remuneration	Variable remuneration	Total remuneration
Directors (Identified Staff)	2	561,606	-	561,606
Other Identified staff	-	-	-	-
Other staff	9	850,929	98,674	949,603
TOTAL	11	1,412,535	98,674	1,511,209

The manager has not awarded any remuneration exceeding € 1 million.

[In control statement](#)

We have a description of the operational management that complies with the requirements of the Financial Supervision Act (Wft) and the Decree on Conduct of Business Supervision of Financial Enterprises under the Wft (BGfo).

During the past financial year, we assessed various aspects of the operational management. In the course of our work, we did not identify any findings that would lead us to conclude that the description of the setup of the operational management, as referred to in Article 115y of the BGfo, does not meet the requirements set out in the Wft and related regulations.

Based on this, we, as the manager of BPD Woningfonds, declare that we have a description of the operational management as referred to in Article 115y, which complies with the requirements of the BGfo. We have also not observed that the operational management is ineffective or not functioning in accordance with the description. Therefore, we declare with a reasonable degree of assurance that the operational management functioned effectively and in accordance with the description during the reporting year 2024.

Outlook

Outlook for 2025: *limited economic growth with geopolitical uncertainties, rising house prices, and investors remaining cautious.*

The economic outlook for the coming year is moderate: the expected growth is 1.5% and is surrounded by geopolitical uncertainties. Inflation remains at 3%-4%, well above the policy-desired 2%, and consumer confidence is likely to remain low.

Price increases in the housing market are expected to continue in 2025. High wage increases and interest rate declines are the underlying factors. Prices of investor rental homes will also rise in 2025, but probably less sharply than those of owner-occupied homes. The brake on this is the deteriorated investment climate.

The large shortage of affordable housing will increase further in the short and medium term due to population growth and the fact that new construction production cannot keep up with the expansion demand. There is and will remain a high demand for mid-segment rental homes.

The Dutch (mid)rental housing market remains an interesting market for Dutch institutional investors who invest with their own capital and have a long investment horizon.

Amsterdam, 20 June 2025

T.H. Lam – Fund Director

N.J.Th. Bossink – Director Finance, Risk and Operations

FINANCIAL STATEMENTS 2024

Statement of profit or loss and other comprehensive income

(amounts x € 1,000)

For the year	Notes	2024	2023
Gross rental income	6	21,051	15,034
Service charge income	7	671	416
Revenues		21,722	15,450
Operating expenses	8	(3,283)	(2,608)
Service charge expenses	7	(797)	(498)
Net rental income		17,642	12,344
Unrealized capital returns on investments	9	6,976	(30,891)
Net results on investments		24,618	(18,547)
Management expenses	10	(5,204)	(7,222)
Result from operating activities		19,414	(25,769)
Financial income and expenditures	11	(54)	(604)
Total result for the period *		19,360	(26,373)

* no other comprehensive income to present for the period

The notes are an integral part of these financial statements

Statement of financial position

Before appropriation of results (amounts x € 1,000)

As at	Notes	31-12-2024	31-12-2023
Non-current assets			
Investment property	12	624,520	417,862
Investment property under construction	13	213,551	201,076
		838,071	618,938
Current assets			
Trade and other receivables	14	325	287
Cash and cash equivalents	15	15,865	7,535
		16,190	7,822
Total assets		854,261	626,760
Equity			
Capital	16	7	5
Share premium reserve	17	724,324	519,450
Revaluation reserve	18	46,951	16,917
Other reserve	19	(25,661)	30,746
Undistributed profit (loss)		19,360	(26,373)
		764,981	540,745
Non-current liabilities			
Loan	20	70,000	70,000
		70,000	70,000
Current liabilities			
Trade and other liabilities	21	19,280	16,015
		19,280	16,015
Total equity and liabilities		854,261	626,760

The notes are an integral part of these financial statements

Statement of changes in equity

(amounts x € 1,000)

For the years 2023 and 2024	Capital	Share Premium reserve	Revaluation reserve	Other reserve	Total equity
Balance as at 1 January 2023	3	358,272	37,762	9,901	405,938
Profit for the year			(30,891)	4,518	(26,373)
Transfers from/to other reserve			10,046	(10,046)	0
Total income for the year	0	0	(20,845)	(5,528)	(26,373)
Transactions with Investor					
- Subscriptions	2	165,696			165,698
- Dividend distributions		(4,518)			(4,518)
Balance as at 31 December 2023	5	519,450	16,917	4,373	540,745
Profit for the year			6,976	12,384	19,360
Transfers from/to other reserve			23,058	(23,058)	0
Total income for the year	0	0	30,034	(10,674)	19,360
Transactions with Investor					
- Subscriptions	2	217,258			217,260
- Dividend distributions		(12,384)			(12,384)
Balance as at 31 December 2024	7	724,324	46,951	(6,301)	764,981

Cash flow statement

(amounts x € 1,000)

For the year	2024	2023
Operating activities		
Result for the period	19,360	(26,373)
<i>Adjustments for changes in fair value</i>		
Unrealised capital gains in investments	(6,976)	30,891
<i>Changes in working capital</i>		
Decrease (increase) in trade and other receivables	(38)	(181)
Increase (decrease) in trade and other payables	3,265	3,043
Net cash flows from operating activities	15,611	7,380
Investing activities		
Investments in capitalized subsequent expenditure in investment properties	(126)	(560)
Prepayments for investments under constructions	(212,031)	(153,326)
Net cash flows from investing activities	(212,157)	(153,886)
Financing activities		
Increase (decrease) in capital contributions	217,260	165,698
Dividend distributions (paid)	(12,384)	(4,518)
Net cash flows from financing activities	204,876	161,180
Net cash flow	8,330	14,674
Movement in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	7,535	(7,139)
Cash and cash equivalents at the end of the period	15,865	7,535
Increase in cash and cash equivalents	8,330	14,674

Notes to the financial statements

(amounts x € 1,000, unless stated otherwise)

The accounting principles adopted in the preparation of the financial statements of BPD Woningfonds are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

1 General

BPD Europe B.V. and Coöperatieve Rabobank U.A. have taken the initiative to create a portfolio for the construction of medium-priced rental properties. This has resulted in BPD Woningfonds (hereafter Fund) domiciled in the Netherlands. The address of Fund's registered office is IJsbaanpad 1, 1076 CV, Amsterdam.

Fund is not a legal entity, but a non-listed contractual investment fund for the joint account of the participants ("fonds voor gemene rekening") under Dutch law as defined in section 1:1 of the Dutch Financial Supervision Act (hereinafter FSA, Wet financieel toezicht 'Wft') and tax transparent for the income tax. Each participant is therefore responsible for its individual tax liabilities and individual tax compliance obligations as a result of holding participation rights

Fund is subject to the Terms & Conditions set out herein, between the Fund Manager, the Custodian/Titleholder and the Investor.

The Fund has an Investment Period of fifteen years starting on December 19th 2019 unless the Investment Period has extended in accordance with the provisions of article 3.2 and is subject to early dissolution of the Fund in accordance with article 22.2 of the Terms & Conditions. As such, the economic ownership of the net assets of the Fund rests with the participants in proportion to their participation rights. Since 2020 the Coöperatieve Rabobank U.A. has been the sole participant.

The Fund invests in medium-priced rental properties in the Netherlands, which are offered and developed by BPD Ontwikkeling B.V., a 100% subsidiary of BPD Europe B.V.. The ambition is to grow into a fund of 15.000 rental properties. These are apartments and single-family homes, intended for starters, families and the elderly living independently. In short, affordable rental properties for households with a middle income. The Fund's strategy is set out in more detail in the Portfolioplan 2024 and the Fund's Terms and Conditions.

The Terms & Conditions of Fund may be amended pursuant to a resolution of the Fund Manager (BPD RCF Fundmanagement B.V.) and the Titleholder (BPD RCF Custodian B.V.). Such resolution is subject to the approval of the Investors by means of a Special Consent, unless both the Fund Manager and the Advisory Board deem an envisaged amendment immaterial. Envisaged amendments that result in Fund no longer qualifying as a transparent entity for Dutch tax purposes are subject to the approval of all Investors. In 2024 new Terms & Conditions were established that became active as per 22 November 2024.

BPD RCF Fundmanagement B.V. acts as Fund Manager of Fund and is responsible for updating the fund strategy and to implement it. Fund strategy focuses on the residential portfolio, its financing and risk management. The Fund Manager has no employees. All personnel are employed by BPD Europe B.V., the Fund Services Provider of the Fund.

On April 30th of 2024, an AIFMD license was granted from the AFM to Fund Manager. The Fund and its Fund Manager are subject to the FSA. CSC Depositary B.V. has been appointed in 2023 as depositary.

The reporting year encompasses the period from 1 January to 31 December.

These financial statements have been prepared by the Fund Manager and were authorized for issue by the Fund Manager on 20 June 2025.

2 Basis of preparation

2.1 Statement of compliance with general accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter IFRS as adopted by the European Union, Title 9 Book 2 of the Dutch Civil Code and the Act on Financial Supervision (hereinafter FSA; “Wet op het financieel toezicht, Wft”).

In addition, the annual accounts must be made available to the AFM in accordance with the Alternative Investment Funds Directive (hereinafter: AIFMD), for which they must be drawn up on the basis of the accounting principles of Title 9 Book 2 of the Dutch Civil Code. Article 362.8 of Title 9 Book 2 of the Dutch Civil Code offers the possibility to draw up these annual accounts in accordance with the IFRS principles. This has been taken into account by including specific requirements arising from Title 9 Book 2 of the Dutch Civil Code and the Financial Supervision Act.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Fund management to exercise judgment in applying the Fund’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Notes 3.

2.2 Basis of accounting used to prepare the financial statements

The annual accounts have been prepared on a going concern basis, applying the accrual basis and valuation at historical cost. Only the revaluation of investment properties, including investment properties under construction, have been valued at fair value at the end of each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In applying the principles and policies for preparing the financial statements with IFRS requires management to make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

If it is necessary in order to provide the transparency required under Title 9 Book 2 of Dutch Civil Code, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

2.3 Principles for the cash flow statement

The cash flow statement has been drawn up according to the indirect method, separating the cash flows from operating activities, investment activities, and financing activities. The result has been adjusted for accounts in the statement of profit or loss and comprehensive income and for movements in the statement of financial position that have not resulted in cash flows in the financial year. The cash and cash equivalents and bank overdraft amounts in the cash flow statement include those assets that can be converted into cash without any restrictions and with insignificant changes in the value as a result of the transaction. Distributions are included in the cash flow from financing activities. Investments and divestments are included in the cash flow from investment activities at either the acquisition price or the sale price.

2.4 Changes in accounting policy and disclosures

a) New and amended standards adopted by the Fund from 1 January 2024

In 2024 the following IFRS Standards and amendments have become effective for the financial statements 2024:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and;
- Amendments to IAS 1 Presentation of Financial: Classification of Liabilities as Current or Non-current. Non-current Liabilities with Covenants.
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.

The impact of these standards and amendments had not material impact on the financial statements.

b) New standards, interpretations and amendments issued, but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective and (in some cases) had not yet been adopted by the EU and are therefore not yet being applied by the Fund.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability [effective as per 01-01-2025];
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) [not yet adopted by EU];
- Annual Improvements Volume 11 [not yet adopted by EU];
- Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 [not yet adopted by EU];
- IFRS 18 Presentation and Disclosure in Financial Statements [not yet adopted by EU]
- IFRS 19 Subsidiaries without Public Accountability: Disclosures [not yet adopted by EU];

Fund does not expect that the adoption of the standards and amendments listed above will have a material impact on the financial statements in future periods.

2.5 Functional and presentation currency

These financial statements are presented in euros, which is Fund's functional currency and presentation currency. All amounts are rounded to the nearest thousands, except where otherwise indicated.

2.6 Segment reporting

External reporting to investor and internal reporting to decision-makers are both based on segmentation by target groups of tenants (starters, families and seniors) and geographical location in the Netherlands (focus regions).

This two segmentations are of great importance for the decision-making process with the focus on realizing the target portfolio of 15,000 mid-rent homes and within that the set targets for the target

groups of tenants and the locations. This is also reflected in the portfolio plan, in which the target percentages are included.

The segment categories are used structurally to measure performance, evaluate risks and plan future investments.

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the paragraph regarding investment property.

4 Financial Risk management objectives and policies

BPD Woningfonds, through BPD RCF Fundmanagement B.V., has fully incorporated risk management in its strategic and operational processes. The risk management framework addresses all levels and lines of business in order to ensure 'in control' performance. The section 'Management report' and in specific paragraph 'Risk management and compliance' describes the Risk Management Framework of both Fund and Fund manager.

Fund manager assesses its proper functioning on a regular basis and continues to pursue further improvement and optimization of the internal risk management and control procedures.

In this section 'Financial Risk management', risks are grouped with an emphasis on financial risk and its impact on the financial statements.

Fund is exposed to the following financial risks:

- market risk;
- interest rate risk;
- credit risk;
- liquidity risk (including funding risk).

Market risk

Market risk relates to the impact of overall market changes on the value of assets and net rental income.

The portfolio's fair values are affected by market rents and general economic developments. Lower market rents affect capital growth returns. Fund manager monitors transactions in the market and the development of the vacancy and occupancy rates. As a result, the portfolio's fair value development is also monitored closely. Every quarter, the entire portfolio is valued by an independent external appraiser. Properties are valued at market value and according to International Valuation Standards, recommendations of the Platform Valuers and Accountants (PTA), AIFMD and RICS standards. By diversifying both in terms of risk spread (primarily low and medium risk) and location of its assets, the Fund manager expects to lower the risk profile of the portfolio.

In addition, the Fund's net rental income is affected if a significant number of tenants are unable to pay rent or if its properties could not be rented on favorable terms.

Next to this, net rental income is affected due to significant expenditures associated with each investment in real estate (such as real estate taxes and maintenance costs) which are generally not reduced when circumstances cause a reduction in gross rental income from properties.

Portfolio Plan of Fund describes the main aspects of the Fund's portfolio strategy. By implementing the described strategy, Fund manager expects to mitigate the risks to an acceptable level. And expects to lower the portfolio's risk profile by diversifying and concentrating on focus areas, the mid-priced rental segment, the type of real estate (residential), and risk categories.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Fund's policy is to manage exposure to rising interest rates.

The Fund uses leverage in its capital structure. Therefore investor needs to realize that the Fund is exposed to interest rate risk which principally arises from long-term borrowings. As Fund is currently limited funded by means of a loan based on a fixed interest rate with an initial term of 10 years, of which 6 years remain, the interest rate risk or refinancing risk is not significant.

Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. The Fund has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Revenues are derived from a large number of tenants and spread across geographical. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, a bank guarantee from tenants is obtained. Debtor's positions are monitored on a monthly basis. The standard lease terms state that rent is paid in advance. Furthermore, either a guarantee deposit or a bank or concern guarantee is required within the standard lease terms.

The Fund's credit risk is primarily attributed to its rental receivable. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Fund's management based on prior experience and their assessment of the current economic environment.

At the reporting date there are no significant concentrations of credit risk. The carrying amount reflected in the financial statements represents the Fund's maximum exposure to credit risk for tenants.

Liquidity risk

Liquidity risk is defined as the inability to have timely access to sufficient (cash) liquidity to meet obligations or withdrawal, due to unfavorable market circumstances or inadequate cash planning, being forced to sell assets under unfavorable conditions.

Prudent liquidity risk management implies maintaining sufficient (cash) liquidity. The Finance department manages the liquidity positions within predefined limits and they are reported on a monthly basis.

The Fund manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities and by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Fund has credit facilities available with Rabobank and is allowed to obtain debt from Rabobank within its leverage ratio limits.

Furthermore, it is unlikely that the investor (Rabobank) will leave.

5 *Accounting policies*

Investment property

Investment properties are defined as properties held for long-term rental yields.

The following are examples of investment properties:

- A building owned and held for generating rental income;
- A building owned by the Fund and leased out under one or more operating leases;
- A building that is vacant but is held to be leased out under one or more operating leases;
- Property that is being constructed or developed for future use as investment property (these property are reported as investment property under construction)

Investment property is measured initially at cost, including transaction costs such as transfer taxes, professional fees for legal services and initial leasing commissions to render the property suitable for operational purposes. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

After initial recognition, investment properties are measured at fair value, i.e. the market value less transaction costs. On subsequent measurement, the external appraiser takes in account a deduction for expected transaction costs from a buyers perspective ("Kosten koper").

These expenses are deducted from the result via the unrealized capital gains or losses on investments during the quarter in which the acquisition takes place.

Every quarter all properties are valued by external appraisers. The fair value is defined as the value in an arm's-length transaction in a rented state and for residential properties this concerns the sale of a complex to a third party, if this value is higher than the value in the event of continued operation. The fair values of investment properties are determined on the basis of recent real estate transactions, if available, with similar characteristics and locations to those of the Fund's assets.

Valuations are performed in accordance with the applicable appraisal standards of the International Valuation Standards Council (IVS) and the Regulations for Business Property (plus Addendum for Corporate Property) of the Netherlands Register of Real Estate Valuers (Nederlands Register Vastgoed Taxateurs - NRVt).

The appraisers employ the discounted cash flow (DCF) method and the gross or net initial yield in line with IFRS 13. This technique involves the projection of a series of periodic cash flows associated with either an operating property or a development property. An appropriate, market-derived, discount rate is applied to this projected cash flow series, to provide an indication of the present value of the income stream associated with the property. The calculated periodic cash flow is estimated as gross rental income minus vacancy and minus operating expenses, resulting in a series of net operating income. Together with an estimate of the reversion/terminal/exit value expected at the end of the projection period, both are discounted to present value at reporting date. The total of the net present values equals the market value of the property.

In determining the fair value of the investments, Fund uses property market observables as much as possible. IFRS 13 recognizes three levels for the application of fair value:

- Level 1: valuation based on market prices listed in active markets;
- Level 2: valuation based on (external) observable information;
- Level 3: valuation based fully or partly on information that is non-observable (externally).

The valuation of direct property generally does not qualify for the first two levels, on account of limitations in the homogeneity of the properties coupled with a limited number of investment transactions. Taking into account the limited public data available, the complexity of real estate asset valuations, as well as the fact that external independent real estate valuation experts use the rents and property operating expenses of Fund's assets in their valuations, Fund believes it is appropriate to classify its investment property under Level 3. In addition, external independent real estate valuation experts use unobservable inputs, including their own assumptions on discount rates, dates, interest rates, inflation and exit yields, to determine the fair value of Fund's investment property.

The entire portfolio is extensively appraised by external independent real estate valuation experts during the year. In the third quarter the portfolio is appraised by a "full" valuation and in the other quarters the portfolio is updated using a "desktop" valuation.

Investments in existing real estate (subsequent expenditure) are capitalized at cost only when it is probable that the future economic benefits associated with the expenditure will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss in the period in which they arise.

Investment properties are derecognized either upon disposal or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of an investment property are recognized in the statement of profit or loss and comprehensive income in the year of derecognition.

Investment property under construction

Property that is being constructed or developed for future use as investment property are classified as investment property under construction during the development phase. These investments are classified as not in operation until the time when the construction is completed.

At that time, they are transferred into the caption "investment property".

Investment property under construction are initially recognized and also valued by an external appraiser when a turnkey contract has been signed with a development company and for which the legal ownership is obtained on account of the transfer of the land.

Projects for which no land has yet been transferred include relatively small amounts of prepayments incurred directly in relation to projects for which the feasibility of development has been established and where there is a high probability that the project will be successful. These projects are valued on the basis of the investment already made, measured at its cost.

Investment property under construction is measured initially at its cost, including transaction costs such as (if applicable given the tax status of the acquired assets) transfer taxes, professional fees for

legal services and initial leasing commissions to render the property suitable for operational purposes.

After initial recognition, these assets are carried at fair value if the fair value is considered to be reliably determinable. For the method for determining fair value, we refer to the section on investment property. In addition, fair value is determined using market prices at the reporting date for similar properties, with market rents subsequently indexed to the scheduled completion date, deducting the estimated costs of completing construction and allowing for a deduction of an estimate of the time value of money up to the date of completion.

Development risks (such as construction and letting risks) are taken into consideration when determining the fair value of investment properties under construction.

Change in accounting estimates

Due to the changing insight in the valuation technique of investment property under construction, Fund has changed its approach to determine the fair value from the moment the land is legally transferred to Fund. In previous years, the fair value was determined at the earliest six months before the project is expected to be completed after the reference date. Valuation of investment properties under construction that did not yet meet this criteria were previously valued based on the prepayments that were made towards the developer. The Fund manager was of the opinion that the prepayments on the turnkey agreements represented a proper proxy for the fair value of these assets but has further improved the valuation technique while preparing these 2024 financial statements. Amounts presented in previous years are not changed.

Trade and other receivables

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. As the Fund's rent and other trade receivables do not contain a significant financing component, they are measured at the transaction price, less any impairment losses, determined under IFRS 15.

The gross carrying amount of a receivable is written off when the Fund has no reasonable expectations of recovering a receivable in its entirety or a portion thereof. For individual and corporate customers, the Fund individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Fund expects no significant recovery from the amount written off. However, receivables that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery of amounts due.

Cash and cash equivalents

Cash and cash equivalents comprises cash balances at bank. Cash and cash equivalents are measured at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement. Cash and cash equivalents that are not readily available to the Fund within 12 months are presented under financial fixed assets.

Equity

Capital contributions are classified as equity and consists of capital and share premium reserve. Capital consists of the issue of participations (shares) with a nominal value of € 1. The share transactions take place at the INREV net asset value and the surplus that is paid above the nominal value is recorded in equity as a share premium reserve.

The distribution of the dividend already paid to investors and the dividend still to be paid for 2024 has already been fully deducted from the share premium reserve in 2024. The dividend still to be paid for Q4 2024 will be paid in 2025, after the end of the 2024 financial year.

The revaluation reserve is the difference between the market value and historical book value. The revaluation of property is accounted for in the event of positive revaluations. Negative revaluation is deducted from this reserve, as long as the reserve is positive on an individual basis.

Dividend distribution

Dividend distribution to the Investor is recognized as a liability in the Fund's financial statements in the period in which the dividends are approved.

Financial liabilities

Fund's financial liabilities comprises of trade and other payables and loans. Classification of its financial liabilities is determined at initial recognition.

Trade and other liabilities are initially recognized at fair value and subsequently measured at amortized cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Loans are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Interest expense is attributed to the period to which it relates and recognized through the statement of profit or loss. Financing costs are recognized at cost less straight-line amortization. Amortization is parallel to the maturity of the inherent loans.

The Fund derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Fund also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Accounting policies for determining the result

In general income is accounted for when the service has been provided. Expenditure is allocated to the year to which it relates.

Rental income

Rental income from investment property relates to the rents charged to tenants during the year under review and is recognized in profit and loss on a straight-line basis over the term of the lease. Lease incentives for tenants granted are recognized as an integral part of the total rental income over the term of the lease.

Operating expenses

Operating expenses are the costs that can be directly allocated to the rental income and are attributable to specific property. These costs are mainly maintenance costs, property tax, insurance premiums, management and letting fees and service costs not chargeable to tenants. These are expensed as incurred.

Service charges

Service charges relate to advances included in rental contracts. Service advances charged to tenants during the year under review are recognized in profit or loss as service charges income.

Service charges costs are the costs that can be directly allocated to the service charges income. Service charges in respect of vacant property are expensed. These mainly relate to gas, water, electricity and cleaning.

Net rental income

Net rental income is the rental income, service charges and less operating expenses.

Capital returns on investment

Results realized through the sale of investment property are recorded in relation to the book value after deduction of sales costs. These results are recognized as realized capital gains on investments.

Unrealized gains on investments include the movements in value of investment property, including investment property under construction, in relation to the previous year, as mentioned under the paragraphs investment property and investment property under construction.

Management expenses

Any expenses that cannot be allocated directly to the various properties are regarded as management expenses. These expenses consist of the fees of the Fund Manager as well as costs such as auditors, legal and other costs, including appraisal costs.

Financial income and expenditures

Interest income and expenses are recognized as they accrue in profit or loss, using the effective interest method.

Financial costs comprise interest expenses on loans.

Income tax

The Fund is transparent in the fiscal sense with respect to corporate income tax.

6 *Gross rental income*

For the year	2024	2023
Theoretical rental income	21,125	15,151
Rent incentives	(2)	(5)
Vacancy	(72)	(112)
Gross rental income	21,051	15,034

The nature of the theoretical rental income has an indefinite duration because there are no fixed contract periods. The Fund leases its properties in the form of non-cancellable operating leases and can be cancelled by the tenant on a monthly base. Due to new legislation as per 1 July 2024, for all new residential contracts only permanent contracts are allowed and therefore the duration will be indefinite. Temporary residential contracts entered into before 1 July 2024, will not change and will end automatically after the agreed period. In case the contract is extended, then this will be indefinite. Fund has not entered into any temporary residential contracts before 1 July 2024.

The theoretical rent increased by € 5,974 thousand to € 21,125 thousand in 2024 due to the inflow of 600 new built residential units and annual rent increase. The total number of units at the end of 2024 increased with 600 units, from 1,370 at the end of 2023 to 1,970 in 2024.

The average monthly rent decreased to € 1,078.93 (2023: € 1,145.29).

The like-for-like rent increased in 2024 to 4.8% (2023: 4.2%), while the vacancy fell to 0.3% in 2024 (2023: 0.7%).

The contract termination rate remained at 8% in 2024 (2023: 7.9%). The occupancy rate (in units) increased slightly to 99.7% (2023: 99.3%). The vacancy is mainly due to friction in subsequent rental.

The theoretical rental income can be divided in below mentioned segments:

	2024	2023
Starters	4,504	984
Families	6,809	6,403
Seniors	9,812	7,764
Total	21,125	15,151

7 Service charges

For the year	2024	2023
Service charges income	671	416
Service charges expenses	(797)	(498)
Net service charges	(126)	(82)

The net service charges consist of non-recoverable service charges that were caused by partly non-recoverable settlements with associations of owners and general residential costs which cannot be charged to tenants. The increase in 2024 is due to adding more multifamily homes in investment portfolio compared to previous years.

8 Operating expenses

For the year	2024	2023
Fixed charges	1,052	730
Letting expenses	145	278
Maintenance	900	718
Property management costs	618	396
Contribution to owners associations	473	379
Other expenses	95	107
Operating expenses	3,283	2,608

Operating expenses amounted to 15.5% of gross rental income in 2024 (2023: 17.2%).

Fixed charges consist primarily of property taxes.

9 *Net results on investments*

For the year	2024	2023
Unrealized capital gains on investments	38,218	0
Unrealized capital losses on investments	(31,242)	(30,891)
Net results on investments	6,976	(30,891)

Due to market circumstances the unrealized capital results increased compared to the previous year.

10 *Management expenses*

For the year	2024	2023
Management fee BPD RCF Fundmanagement B.V.	4,366	6,596
Custody fee BPD RCF Custodian B.V.	5	5
Legal expenses	17	31
Auditor expenses	88	0
Valuation expenses	184	117
Other expenses	544	473
Management expenses	5,204	7,222

Management fee

Fund Manager receives an annual management fee, an acquisition fee and divestment fee.

The management fee equals 0.4% of gross asset value of the operating investment portfolio and amounted to € 1,783 thousand in 2024 (2023: € 1,355 thousand).

The acquisition fee equals 1.0% per acquired investment based on the gross purchase price of investment properties and amounted to € 2,583 thousand in 2024 (2023: € 5,241 thousand).

The divestment fee equals 1.0% per gross sales price of a divestment of investment properties. In 2024 no property have been sold, so no divestment fee was paid.

Titleholder is entitled to an annual custody fee due by the Fund equal to € 5,000 (2023: € 5,000).

Remuneration

All Fund team members are employed by BPD Europe B.V., the Fund Services Provider of the Fund. The Fund Services Agreement between Fund Manager and BPD Europe B.V., contains agreements on the fees payable to the Fund Services Provider for the services provided. The remuneration of all employees, including the directors of the Fund Manager, are included in the management fee. In accordance with Article 13 of the AIFM Directive, a remuneration policy is in place for the directors of BPD RCF as identified staff and other staff members who provide services for Fund.

In 2024, the members of the Industry Expert Committee (3 members) received a remuneration of € 68,400 (2023: € 68,400).

Reference is made to BPD RCF Fundmanagement B.V.'s annual report for more information on remuneration of Identified Staff.

11 Financial income and expenses

For the year	2024	2023
Interest expenses on loan	1,323	1,167
Other expenses/(income)	(1,269)	(563)
Financial income and expenses	54	604

Interest expenses were higher compared to 2023 (€ 156 thousand) mainly due to an incorrect recording of paid interest in 2023 that is adjusted in 2024.

Interest income increased in 2024 compared to 2023 due to Rabobank started paying interest on bank deposits in the course of 2023.

12 Investment property

As at	2024	2023
Balance as at 1 January	417,862	341,676
Investments in completed investment property	0	0
Transferred from investment properties under construction	170,103	102,734
Investments in capitalized subsequent expenditure in investment property	126	1,836
Right-of-use asset (IFRS 16) adjustments	0	(1,276)
Fair value adjustments	36,429	(27,108)
	206,658	76,186
Balance as at 31 December	624,520	417,862

The investment property is valued by Cushman & Wakefield.

Appraised value	31-12-2024	31-12-2023
Appraised value (excluding under construction)	624,520	417,862
	624,520	417,862

The portfolio of properties in operation consists of 57 properties at the end of 2024 (2023: 49 properties).

Under IFRS 13, the company classifies the valuations of the property investments as level 3: valuation fully or partly based on information that is not (externally) observable.

The right-of-use assets include two investment properties in Amsterdam where the annual lease payments to the local government were included in the lease agreement and fixed for a certain period. In 2023, the Fund received a proposal from the municipality of Amsterdam for a buyout of the remaining leasehold obligations. The Fund accepted this in 2023 and incorporated it in the annual accounts of 2023. Payment was made in 2024.

The most important non-observable variables for investment properties are:

	31-12-2024		31-12-2023	
	range	average	range	average
Gross initial yield	3.71% - 4.75%	4.40%	4.01% - 4.84%	4.54%
Discount rate	5.50% - 7.40%	6.67%	5.40% - 6.75%	6.00%
Rental growth	2.57% - 3.97%	3.21%	2.43% - 3.43%	3.11%
Vacant value growth	2.20% - 2.99%	2.73%	1.90% - 2.10%	1.94%

13 Investment property under construction

As at	2024	2023
Balance as at 1 January	201,076	154,268
Prepayments for investment properties under construction	212,031	153,326
Transferred to investment properties	(170,103)	(102,734)
Fair value adjustments	(29,453)	(3,784)
	12,475	46,808
Balance as at 31 December	213,551	201,076

Prepayments were made in accordance with the completion of investment property under construction. All risks regarding the development of new properties remain with the developer, as the Fund cannot take on development risks.

The legal ownership of the land on which the property is constructed was transferred to the Fund together with the first payment.

The most important non-observable variables for investment properties under construction are:

	31-12-2024		31-12-2023	
	range	average	range	average
Gross initial yield	4.27% - 6.42%	4.83%	2.10%	2.10%
Discount rate	5.50% - 7.25%	6.10%	5.50%	5.50%
Rental growth	2.32% - 4.23%	2.95%	3.43%	3.43%
Vacant value growth	2.20% - 2.70%	2.54%	2.10%	2.10%

14 Trade and other receivables

As at	31-12-2024	31-12-2023
Coöperatieve Rabobank U.A.	90	152
BPD RCF Fundmanagement B.V.	24	0
Accounts receivable	107	81
Other receivables and prepayments	104	54
	325	287

The receivable from Coöperatieve Rabobank U.A. amounts to € 90 thousand in 2024 (2023: € 152 thousand) and relates to interest income receivable on positive balances on the bank accounts. In 2023, an amount of € 102 thousand was related to interest prepaid by the Fund on the bullet loan and € 50 thousand still to be received for interest income on positive bank balances.

The receivable from BPD RCF Fundmanagement B.V. amounts to € 24 thousand (2023: € 0) and relates to costs paid by the Fund on behalf of the Fund Manager.

Provision on accounts receivable

	2024	2023
Balance as at 1 January	132	79
Amounts written off	0	0
Increase/(decrease) in allowance	0	53
	0	53
Balance as at 31 December	132	132

All accounts receivable are non-interest bearing and are typically due within 30 days.

As at 31 December 2024, receivables with a nominal value of € 239 thousand (2023: € 213 thousand) were impaired due to tenant defaults and were fully provided for.

In 2024, no receivables were directly written off (2023: € 0).

Fund holds € 1,480 thousand (2023: € 1,039 thousand) as collateral in the form of tenants' deposits (also see note 21).

15 *Cash and cash equivalents*

As at	31-12-2024	31-12-2023
Coöperatieve Rabobank U.A.	15,865	7,535
	15,865	7,535

All balances are available on demand.

16 *Capital*

Funds' capital is divided into participating units with a nominal value of € 1 per participating unit.

Each unit is entitled to distributions from the Fund. In 2024, Rabobank is the only Investor in the Fund and holds all issued units:

	31 December 2024		31 December 2023	
	Number of participating interests	Nominal value x € 1,000	Number of participating interests	Nominal value x € 1,000
Coöperatieve Rabobank U.A.	6,779	7	4,875	5
	6,779	7	4,875	5

Capital Management

The Fund plans to raise new financing in 2025, subject to market conditions, to realize the expected pipeline growth, using a balanced approach to liquidity management.

17 *Share premium reserve*

As at	2024	2023
Balance as at 1 January	519,450	358,272
Coöperatieve Rabobank U.A.	217,258	165,696
Dividend distribution	(12,384)	(4,518)
	<u>204,874</u>	<u>161,178</u>
Balance as at 31 December	<u>724,324</u>	<u>519,450</u>

For 2024, a total amount of € 12,384 thousand (2023: € 4,518 thousand) of the share premium reserve was distributed to the Investor, being part of the final dividend distribution for 2024.

Dividend per unit was € 1,827 in 2024 (2023: € 927).

18 *Revaluation reserve*

As at	2024	2023
Balance as at 1 January	16,917	37,762
Revaluations in financial year	6,976	(30,891)
Negative revaluations from other reserve	23,058	10,046
	<u>30,034</u>	<u>(20,845)</u>
Balance as at 31 December	<u>46,951</u>	<u>16,917</u>

Fund is a mutual Fund, which is not classified as a legal entity under Dutch law and therefore does not have any legal requirements related to reserves. However, the Fund has decided to present its statement of changes in equities as if the Fund was subject to the rules for the determination of revaluation reserves.

19 *Other reserve*

As at	2024	2023
Balance as at 1 January	4,373	9,901
Result of the year	12,384	4,518
Revaluations in financial year	0	0
Negative revaluations from revaluation reserve	(23,058)	(10,046)
Realized revaluations from revaluation reserve	0	0
	<u>(10,674)</u>	<u>(5,528)</u>
Balance as at 31 December	<u>(6,301)</u>	<u>4,373</u>

20 *Non-current liabilities*

As at	31-12-2024	31-12-2023
Loan	70,000	70,000
	<u>70,000</u>	<u>70,000</u>

Loan

	2024	2023
Balance as at 1 January	70,000	70,000
Loans taken	0	0
Repayments	0	0
	0	0
Balance as at 31 December	70,000	70,000

The key elements of the € 70 million loan facility are mentioned below.

Principal amount	€ 70 million bullet loan
Term	10 years, ending at 1 April 2030
Lender	Coöperatieve Rabobank U.A.
Interest period	6 months
Interest	Fixed; 1,744%-1,944% (depending on LTV ratio)
Repayment	In full , upon repayment date (1 April 2030)
LTV ratio	Maximised at 40%
ICR ratio (1)	At least 2
ICR ratio (2)	At least 5

ICR ratio (1) defines as the net rental income increased by the sales result less the management fee and other fund costs, divided by the financing costs.

ICR ratio (2) defines as the net rental income increased by the sales result minus the management fee and other fund costs, increased by the value of the homes under construction times the direct return, divided by the financing costs.

Loan specification

	principal 31-12-2024	Repayments < 1 year	Repayments > 1 year	end date
Bullet loan	70,000	0	70,000	1 April 2030

	Interest maturity	Effective interest rate	Fixed Floating	Fair value x € 1,000
Bullet loan	6 months	1.744%	Fixed	62,086

Covenants

	Convenants	As at 31-12-2024
The loan-to-value ratio	< 40%	8,4%
ICR ratio (1)	>2	10,5
ICR ratio (2)	>5	16,4

As at 31 December 2024, there are no breaches of any of these covenants.

21 *Current liabilities*

As at	31-12-2024	31-12-2023
Coöperatieve Rabobank U.A. (dividend distribution)	2,982	1,554
Coöperatieve Rabobank U.A. (other liabilities)	25	13
BPD Ontwikkeling B.V.	8,329	9,830
BPD RCF Fundmanagement B.V.	1,859	0
Joint ventures with BPD Ontwikkeling B.V.	3,265	798
Accounts payable	165	23
Rent received in advance	209	335
Tenant deposits	1,480	1,039
Service charges	214	170
Municipality of Amsterdam – conversion of leasehold	0	1,804
Other payables and prepayments	752	448
	19,280	16,014

The amount of € 2,982 thousand debt to Coöperatieve Rabobank U.A. consists of dividend distributions (dividend for Q4 2024) to the Investor (2023: € 1,554 thousand).

Liability to BPD Ontwikkeling B.V. for an amount of € 8,329 thousand relates to installments still to be paid for investment properties under construction (2023: € 9,830 thousand). This also applies to the debt to joint ventures for an amount of € 3,265 thousand (2023: € 798 thousand).

BPD RCF Fundmanagement B.V. incurred expenses of € 191 thousand (2023: € 0) which will be charged to Fund based on mutual agreements as set out in the Terms and Conditions. In addition, the acquisition fee for the 4th quarter of 2024 has been included as a liability for € 1,668 (2023: € 0).

All current liabilities fall due in less than one year, except for tenant deposits.

22 *Contingencies and commitments*

Off-balance sheet commitments

As at 31 December 2024, the Fund has obligations with respect to new investment property. The total amount with respect to these obligations for 2024 onwards adds up to € 284 million (2023: € 211 million).

These liabilities can be specified as follows:

	Construction contracts
Due within 1 year	28
Due between 1 and 5 years	256
Due after 5 years	-
Total	284

Off-balance sheet rights

The total amount of off balance sheet rights for 2024 amounts to € 1,175 million relating to existing commitments issued by the Investor (2023: € 392 thousand).

23 *Transactions with related parties*

The following table provides the details of transactions that have been entered into with related parties for the relevant financial years. All transactions with related parties were made on terms equivalent to those that prevail in arm's length transactions.

Related party transactions (amounts x € 1,000)	Amount of transaction	Amounts due from related parties at year end	Amounts due to related parties at year end
Fund management fee			
2024	1,783	0	0
2023	1,355	0	0
Acquisition fee			
2024	2,582	0	1,668
2023	5,241	0	0
Custody fee			
2024	5	0	0
2023	5	0	0
Payments on investment property under construction			
2024	210,340	0	13,262
2023	154,224	0	10,628
Capital contributions, dividend and interest			
2024	229,889	90	2,982
2023	170,820	152	1,554
Current liabilities			
2024	191	0	191
2023	0	0	0

Fund management and acquisition fee

Both in 2024 and 2023, Fund's management and acquisition fees have been paid to the Fund Manager, BPD RCF Fundmanagement B.V..

Custody fee

Both in 2024 and 2023, the Custody fee have been paid to the Titleholder, BPD RCF Custodian B.V..

Prepayments on investment property under construction

All payments have been made to BPD Ontwikkeling B.V. or joint ventures in which BPD Ontwikkeling B.V. participates.

Capital contributions, dividend and interest

These transactions were conducted with Coöperatieve Rabobank U.A. as the sole investor in Fund.

Transactions with direct stakeholders

The Investor of Fund did not have any personal interest in investments by Fund in 2024.

As far as Fund is aware, no property transactions took place during the year under review with persons and/or organizations that can be regarded as direct stakeholders of Fund, other than as mentioned in the paragraph "Transactions with related parties".

24 Auditors fee

The management expenses include € 88 thousand charged by BDO Audit & Assurance B.V. for audit services (2023: € 0). BDO did not provide any tax advisory related services in either year.

Fees include the fee paid for the audit of the IFRS financial statements and the INREV NAV statement.

25 Appropriation of result

The distributable result to the investor is calculated in relation to their number of units in the Fund as per the applicable reporting date. The fourth quarter distributable result of € 2,982 million is recognized as a liability as at 31 December 2024 and paid to the investor in January 2025.

26 Subsequent events

There were no significant subsequent events at the reporting date that require reporting.

Amsterdam, 20 June 2025

T.H. Lam – Fund Director

N.J.Th. Bossink – Director Finance, Risk and Operations

OTHER INFORMATION

Provisions in the articles of association governing the appropriation of result

Article 20 of the Terms and Conditions of Management and Custody relating to BPD Woningfonds stipulate that Net Proceeds are distributed to the Investor. In accordance with the Dutch Civil Code, article 11.4 of the Terms and Conditions of Management and Custody relating to BPD Woningfonds stipulates that the liability of the Investors does not exceed their commitment to the Fund's capital.

The distributable result to the investor is calculated in relation to their number of units in the Fund as per the applicable reporting date. The fourth quarter distributable result of € 2,982 million is recognized as a liability as at 31 December 2024 and paid to the investor in January 2025.

Independent auditor's report

To: the Fund manager of BPD Woningfonds

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

Our opinion

We have audited the financial statements 2024 of BPD Woningfonds based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of BPD Woningfonds as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- ▶ the statement of financial position as at 31 December 2024;
- ▶ the following statements for 2024: the statement of profit or loss and other comprehensive income, changes in equity and cash flows; and
- ▶ the notes comprising material accounting policy information 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 BPD Woningfonds in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (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).

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

Unaudited corresponding figures

We have not audited the financial statements 2023. Consequently, we have not audited the corresponding figures included in the profit or loss account, in the statements of changes and in the related notes.

B. 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 was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach going concern

As explained in the note 2.2 'Basis of preparation' of the financial statements and in the section 'Outlook' in the management report, the financial statements are prepared on a going concern basis. Management has carried out a going concern assessment for the period of at least twelve months from the date of preparation of the financial statements and has not identified any events or circumstances that may cause reasonable doubt on the entity's ability to continue as a going concern (hereinafter: 'going concern risks').

Our audit procedures to evaluate the board's going concern assessment included:

- ▶ considering whether the board's going concern assessment contains all relevant information that we have knowledge of, as a result of our audit and inquiring with the board on key assumptions and estimates.
- ▶ evaluating the budgeted operating results and related cash flows for the year 2024 and discussed with management the expected developments of budgeted operating results and related cash flows after the period after that until the date of preparation of the financial statements taking into account developments in the industry and our knowledge from the audit;
- ▶ analyzing whether the current and necessary financing to be able to continue all the business activities is secured, including compliance with relevant covenants;
- ▶ obtaining information from the board about its knowledge of going concern risks beyond the period covered by their going concern assessment.

Our audit procedures indicated that the going concern assumption used by the board is appropriate and no going concern risks have been identified.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations. During our audit we obtained an understanding of the entity 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 fraud risks and monitoring the system of internal control and how the management exercises oversight, as well as the results thereof.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others 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. We have communicated significant deficiencies in internal control in writing to management.

As part of our process of identifying risks of material misstatements of the financial statements due to fraud, we evaluated fraud risk factors with respect to fraudulent financial reporting, misappropriation of assets and bribery and corruption. We evaluated whether these fraud risk factors indicate that a risk of material misstatement due 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 considered available information and inquired with relevant executives and directors. This did not lead to indications for fraud potentially resulting in material misstatements.

The fraud risks identified by us and the specific procedures performed are as follows:

THE RISK OF MANAGEMENT OVERRIDE OF CONTROLS	
Description:	Management is in a unique position to perpetrate fraud because management is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Therefore, in all our audits, we pay attention to the risk of management override of controls for: ▶ journal entries and other adjustments made throughout the year and during the course of preparing the financial statements; ▶ estimates and estimation processes; ▶ significant transactions outside the ordinary course of business; ▶ transactions with related parties being not at arms' length, which include the acquisition of investment properties through a related party. In this context, we paid particular attention to a possible misstatement in the valuation of investment property, because various assumptions are used in the fair value measurement. For the valuation of this property, management has engaged a valuation expert. Reference is made to the separate risk on valuation of investment properties as presented below.
Our audit approach and observations:	We: ▶ evaluated the design and existence of internal control measures in the processes for generating and processing journal entries, making estimates and the process towards signing a turn key agreement for construction of investment property, assuming a risk of management override of controls of that process; ▶ assessed the process surrounding the preparation of financial statements; ▶ selected journal entries based on risk criteria, such as, manual journal entries in revenue recognition. We performed audit procedures on these journal entries, in which we also paid attention to significant transactions outside the ordinary course of business;

	▶ performed audit procedures on significant management estimates, including the valuation of investment property and investment property under construction; ▶ reviewed and assessed the work performed by management's expert in relation to the work performed on the valuation. Our internal expert reviewed, among other things, whether the methods and assumptions used were in line with our knowledge and understanding of the business and per industry standards. As part of our work, we also assessed the competence, capabilities, and objectivity of both the expert engaged by management and our own internal expert; ▶ evaluated the notes to the financial statements regarding the valuation of investment property and investment property under construction. ▶ assessment if differences between turn-key agreements and the external valuations might indicate potential conditions 'not at arms' length'. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of management override of controls, potentially resulting in material misstatements.
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THE RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO OVERSTATEMENT OF REVENUES	
Description:	Based on our professional standards, we recognize a presumed fraud risk regarding revenue recognition in relation to the recognition of rental income. The entity is required to pay out net income excluding revaluation gains every quarter to participants within the fund. As a result, there could be pressure on management to report overstated revenue by recognizing the revenue prematurely and/or recording of fictitious revenue.
Our audit approach and observations:	We: ▶ evaluated the design and implementation of the internal control measures with regard to the rental recognition process; ▶ determined the performance obligation and performed a substantive analytical procedure to recalculate the expected rental income for the period. ▶ performed a reconciliation of lettable units vs the rent roll to determine the number of units available for rent; ▶ performed an assessment of the property manager's ISAE 3402 report to determine if sufficient and effective controls were in place surrounding the recognition of revenue; ▶ performed an agent vs principal assessment in line with IFRS 15 to assess if the recognition of service income is correct. ▶ performed an assessment of manual journal entries in revenue recognition. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of cut-off and existence of revenue recognition, potentially resulting in material misstatements.

VALUATION OF INVESTMENT PROPERTY & INVESTMENT PROPERTY UNDER CONSTRUCTION

Description:	Investment property in use, as well as investment property under construction are carried at fair value per balance sheet date. Both are subject to a high degree of judgement and estimation. With respect to these properties, there is a potential fraud risk that management assumptions and estimates part of determining the market value of the properties are not reasonable and sufficiently supported by market data and evidence.
Our audit approach and observations:	We: ▶ evaluated the design and implementation of the internal control measures with regard to the valuation process of Investment property as well as Investment property under construction, including internal assessment of reports from external appraisers; ▶ assessed the competence, capacity and objectivity of external appraisers; ▶ involved our own real estate valuation specialists in the review and testing of models, parameters, assumptions and estimations used in the valuations; ▶ verified accuracy of underlying data used for valuations; ▶ evaluated whether the disclosures are in accordance with requirements of the applicable financial reporting framework relevant to the valuation of investment property in use as well as investment property under constructions, and whether significant judgments by management are adequately disclosed; ▶ specifically to investment property under construction, we assessed the management assumptions to calculate the difference between market value and cost of the investment property under construction and verified the completeness of any provisions for onerous contracts at initial valuation. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect to the valuation of Investment property in use or Investment property under constructions, potentially resulting in material misstatements.

C. Report on other information included in the annual report

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

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.

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.

The Fund Manager 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 as required by Part 9 of Book 2 of the Dutch Civil Code.

D. Description of responsibilities regarding the financial statements

Responsibilities of the Fund manager for the financial statements

Fund manager is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, Fund manager is responsible for such internal control as Fund manager 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, Fund manager is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, Fund manager should prepare the financial statements using the going concern basis of accounting, unless Fund manager either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Fund manager should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

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 errors and fraud 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 judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. 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 the entity's internal control;
- ▶ evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund manager;
- ▶ concluding on the appropriateness of Fund manager's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 company to cease to continue as a going concern;
- ▶ evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Fund Manager 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, 20 June 2025

For and on behalf of BDO Audit & Assurance B.V.,

ws.

M.N. Wang MSc RA

ANNEXES

INREV NAV valuation principles and INREV NAV adjustments

1 *INREV valuation principles*

In order to give investors information on the transition from the Net Asset Value (NAV) according to IFRS to the adjusted NAV based on INREV valuation principles, BPD Woningfonds reports the adjustments according to the INREV valuation principles.

The fundamental assumption underlying the adjusted INREV NAV of BPD Woningfonds is that it should give a more accurate reflection of the economic value of the portfolios and of participations in the portfolios that would be realized by a participant in a theoretical sale, as of the balance sheet date, assuming an arm's-length transaction, a willing buyer/seller and an adequate time to market.

The INREV NAV is the basis for unit price calculations for new investors. The Total Expense Ratio (TER) and the Real Estate Expense Ratio (REER) also use the NAV according the INREV Guidelines.

2 *Reconciliation from reported IFRS NAV to INREV NAV*

	31-12-2024 x € 1,000
NAV per the IFRS financial statements	764,981
<i>Reclassification of certain IFRS liabilities as components of equity</i>	
a) Effect of Reclassifying Shareholders' Loans and Hybrid Capital Instruments	70,000
b) Effect of Dividends Recorded as a Liability which have not been Distributed	2,982
NAV after reclassification of equity-like interests and dividends not yet distributed	837,963
<i>Fair value of assets and liabilities</i>	
c) Revaluation to Fair Value of Investment Properties	
d) Revaluation to Fair Value of Self-Constructed or Developed Investment Property	
e) Revaluation to Fair Value of Property Held for Sale	
f) Revaluation to Fair Value of Property that is Leased to Tenants under a Finance Lease	
g) Revaluation to Fair Value of Real Estate Asset held as Inventory	
h) Revaluation to Fair Value of Other Investments in Real Assets	
i) Revaluation to Fair Value of Indirect Investments Not Consolidated	
j) Revaluation to Fair Value of Financial Assets and Financial Liabilities	7,914
k) Revaluation to Fair Value of Construction Contracts for Third Parties	
l) Set-up Costs (amortized over five years)	
m) Acquisition Expenses (amortized over five years)	74,013
n) Contractual Fees	
<i>Effects of the expected manner of settlement of sales/vehicle unwinding</i>	
o) Revaluation to Fair Value of Savings of Purchaser's Costs such as Transfer Taxes	
p) Revaluation to Fair Value of Deferred Taxes and Tax Effect of INREV NAV Adjustments	
q) Effect of Subsidiaries having a Negative Equity (non-recourse)	
<i>Other adjustments</i>	
r) Goodwill	
s) Non-Controlling Interest Effects on the Above Adjustments	
INREV Net Asset Value of Vehicle (INREV NAV)	919,890

Reclassification of certain IFRS liabilities as components of equity

a) Effect of reclassifying shareholder loans and hybrid capital instruments

Investors' capital can take various forms aside from equity – examples include shareholder loans and hybrid capital instruments such as convertible bonds. Some vehicles are structured via a combination of equity participations and shareholder loans.

Shareholder loans and hybrid capital instruments are generally seen as part of the investors' overall interest in the vehicle. They should be included as a component of equity in the INREV NAV and reclassified as such if they have been classified as liabilities in the financial statements of the vehicle under IFRS. The amount to be reclassified should reflect the corresponding carrying value of the liabilities in the IFRS accounts.

The existence of such instruments as part of the capital structure of a vehicle at its origination, or investor loans that are pari-passu to their equity stake and at off-market loan terms, are indicators, among others, that these items should be reclassified as part of the INREV NAV.

The reclassification should also take account of accrued interest, which is treated in a similar fashion to dividends.

Rabobank invests in BPD Woningfonds through participations and a 10 years loan of € 70 million.

b) Effect of dividends recorded as a liability that have not yet been distributed

Under certain circumstances dividends are recorded as a liability but have not yet been legally distributed. For the determination of INREV NAV, these accrued dividends should be reversed to the NAV.

As per 31 December 2024, € 2.982 million is recorded as a liability.

Fair value of assets and liabilities

c) Revaluation to fair value of investment properties

If a real estate vehicle uses the option to account for investment properties under the cost model, this adjustment represents the impact on NAV of the revaluation of the investment property to fair value under the fair value option of IAS 40.

The effect of straight-lining of lease incentives, rent guarantees, insurance claims (for damages, lost rent, etc.) should be taken into account when valuing the property at fair value in accordance with IAS 40 and SIC 15 to ensure that any asset is not double-counted in the NAV.

As at 31 December 2024, there are no adjustments since investment property is valued at fair value under the fair value option of IAS 40 after initial recognition.

d) Revaluation to fair value of self-constructed or developed investment property

If a real estate vehicle uses the option to account for self-constructed or developed investment property under the cost model, the adjustment represents the impact on NAV of the revaluation of the self-constructed or developed investment property to fair value under the fair value option of IAS 40.

As at 31 December 2024, there are no adjustments since development property is investment property under construction and is valued at fair value under the fair value option of IAS 40.

e) Revaluation to fair value of investment property held for sale

Some investment properties may be classified as assets held for sale or as a group of assets held for sale. The carrying value of such investment properties depends on the chosen accounting treatment under IAS 40 (either fair value or cost).

The adjustment represents the impact on NAV of the revaluation of the investment property intended for sale, measured at fair value or cost, to the net realizable value (fair value less disposal costs).

As at 31 December 2024, there are no properties presented as held for sale.

f) Revaluation to fair value of property that is leased to tenants under a finance lease

Property that is leased to tenants under a finance lease is initially measured on a net investment basis and subsequently remeasured based on an amortization pattern reflecting a constant rate of return.

The adjustment represents the impact on NAV of the revaluation of the finance lease receivable to fair value.

As at 31 December 2024, there are no adjustments since no property is held that is leased to tenants under a finance lease.

g) Revaluation to fair value of real estate held as inventory

Properties intended for sale and accounted for under IAS 2 (Inventory) are measured at the lower of cost or net realizable value in the financial statements. This adjustment represents the impact on the NAV of the revaluation of such properties to net realizable value (fair value less disposal costs). This adjustment should be included under the heading 'revaluation to fair value of real estate held as inventory'.

Where the likely disposal date is more than one year from the date of the NAV computation, disposal costs should not be deducted from fair value in calculating this adjustment.

As at 31 December 2024, there are no adjustments since no property is accounted for under IAS 2 (inventory).

h) Revaluation to fair value of other investments in real assets

Under IAS16 other investments in real assets are normally accounted for at cost. The adjustment represents the impact on NAV of the revaluation of other investments in real assets to fair value in accordance with the fair value assumptions under IFRS 13.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no investments in real assets.

i) Revaluation to fair value of indirect investments not consolidated

Indirect investments in real estate, such as investments in associations and joint ventures, have different accounting treatments and carrying values under IFRS. Such investments can be valued at cost, fair value or NAV.

The adjustment represents the impact on NAV of the revaluation of indirect investments to fair value if not yet accounted for at fair value.

As at 31 December 2024, there are no adjustments since all indirect investments in real estate are accounted for at fair value.

j) Revaluation to fair value of financial assets and liabilities (including revaluations to fair value of debt obligations)

Financial assets and liabilities such as hedging instruments or debt obligations are generally measured at amortized cost, taking into account any impairment when applicable. The adjustment represents the impact on NAV of the revaluation of financial assets and financial liabilities to fair value as determined in accordance with IFRS, if not yet accounted for at fair value.

In addition, vehicles may incur costs for redemption of bank debts as a result of sales of properties. As with disposal costs, these costs are generally not accrued in IFRS. Where the disposal of a property is expected within one year, and therefore the redemption of the related bank debt is also expected within one year, any bank debt early redemption costs should be accrued in the NAV.

As per 31 December 2024, an adjustment of € 7.914 million had been made since the financial assets and liabilities accounted for in the Statement of financial position are materially different from the fair value of the financial assets and liabilities in accordance with the fair value principles of IFRS 13.

k) Revaluation to fair value of construction contracts for third parties

Under IAS11, construction contracts for third parties are normally accounted for based on the stage of completion. The adjustment represents the impact on NAV of the revaluation of construction contracts for third parties to fair value in accordance with the fair value principles of IFRS 13.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no construction contracts of third parties.

l) Set-up costs

Under IFRS, vehicle set-up costs are charged immediately to income after the inception of a vehicle.

Such costs should be capitalized and amortized over the first five years of the term of the vehicle.

The rationale for capitalizing and amortizing set-up costs is to better reflect the duration of the economic benefits to the vehicle.

When capitalizing and amortizing set-up costs, a possible impairment test should be taken into account every time the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalized set-up costs can be recovered through the sale of units of a vehicle. For instance, when a decision is made to liquidate the vehicle or stakeholders no longer expect to recover the economic benefit of such capitalized expenses, they should be written down.

As at 31 December 2024, all the set-up costs of BPD Woningfonds have been amortized, and therefore there are no adjustments.

m) Acquisition expenses

Under the fair value model, acquisition expenses of an investment property are effectively charged to income when fair value is calculated at the first subsequent measurement date after acquisition. This results in the fair value of a property on subsequent fair value measurement being lower than the total purchase price of the property, all other things being equal.

Property acquisition expenses should be capitalized and amortized over the first five years after acquisition of the property.

The rationale for capitalizing and amortizing acquisition expenses is to better reflect the duration of the economic benefits to the vehicle of these costs.

When capitalizing and amortizing acquisition costs, a possible impairment test should be taken into account every time the adjusted NAV is calculated when market circumstances change and it is not expected that the capitalized acquisition costs can be recovered through the sale of units of a vehicle. When a property is sold during the amortization period or is classified as held for sale, the balance of capitalized acquisition expenses of that property should be expensed.

For the Residential portfolio most of the acquisitions are realized as purchase contracts during the development phase. These transactions are therefore exempt from transfer tax. Nonetheless, at the time of the first valuation of these contracts, the impact of transfer tax becomes apparent. This impact is also taken into account as acquisition expense in the calculation of the INREV NAV adjustment.

All acquisitions are realized as purchase contracts during the development phase. These transactions are therefore exempt from transfer tax. Nonetheless, at the time of the first valuation of these contracts, the impact of transfer tax becomes apparent. This impact is also taken into account as acquisition expense in the calculation of the INREV NAV adjustment.

As at 31 December 2024, BPD Woningfonds made an adjustment of € 74.0 million

n) Contractual fees

A liability represents a present obligation as a result of past events. A fee payable at the end of the life of a vehicle or at any other time during the life of a vehicle may not meet the criteria for recognition as a provision or liability in accordance with IFRS at the reporting date.

Examples of such fees include performance fees, disposal fees or liquidation fees, representing a present obligation from contractual arrangements.

Most of these fees are normally accrued under IFRS accounting rules. The adjustment represents the impact on the NAV of the amount of the estimated contractual fees payable based on the current NAV of the vehicle in the rare circumstances in which these fees are not already recognized in financial statements produced under IFRS and it is probable that they will be incurred. In order to determine the amount of the adjustment, reference should be made to IFRS standards for the measurement (but not necessarily the recognition) of provisions or deferred liabilities.

A description of the calculation methodology and the terms of the underlying agreement should be disclosed (or reference could be made to the related party disclosures in which such agreements and terms are explained).

As at 31 December 2024, all contractual fees and contingent liabilities are recognized in accordance with IFRS. BPD Woningfonds did not enter into any other contractual fees or contingent liabilities that are not presented in the accounts as at the balance sheet date.

Effects of the expected manner of settlement of sales/vehicle unwinding

o) Revaluation to fair value of savings of purchaser's costs such as transfer taxes

Transfer taxes and purchaser's costs which would be incurred by the purchaser when acquiring a property are generally deducted when determining the fair value of investment properties under IAS 40.

The effect of an intended sale of shares in a property-owning vehicle, rather than the property itself, should be taken into account when determining the amount of the deduction of transfer taxes and purchaser's costs, to the extent this saving is expected to accrue to the seller when the property is sold.

The adjustment therefore represents the positive impact on the NAV of the possible reduction of the transfer taxes and purchaser's costs for the benefit of the seller based on the expected sale of shares in the property-owning vehicle.

Disclosure should be made on how the estimate of the amount the manager expects to benefit from intended disposal strategies has been made. Reference should be made to both the current structure and prevailing market conditions.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no investment property structured in special purpose vehicles.

p) Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments

Under IFRS, deferred tax assets and liabilities are measured at the nominal statutory tax rate. The manner in which the vehicle expects to realize deferred tax (for example, for investment properties through share sales rather than direct property sales) is generally not taken into consideration.

The adjustment represents the impact on the NAV of the difference between the amount determined in accordance with IFRS and the estimate of deferred tax which takes into account the expected manner of settlement (i.e. when tax structures and the intended method of disposals or settlement of assets and liabilities have been applied to reduce the actual tax liability).

Disclosures should include an overview of the tax structure including, for instance, details of the property ownership structure, key assumptions and broad parameters used for estimating deferred taxes for each country, the maximum deferred tax amount estimated assuming only asset sales (i.e. without taking into account the intended method of disposal) and the approximate tax rates used. It is possible that the estimate of the amount of the adjustment required to bring the deferred tax liability related to property disposals to fair value could have a large impact on the INREV NAV. Since tax structures may differ from vehicle to vehicle, significant judgement is required and the mechanics of the calculation methodology for this adjustment may vary from vehicle to vehicle. Other components of the overall deferred tax adjustment require less judgement and are more mechanical in nature.

This adjustment should include a full assessment of the tax impact on NAV of INREV NAV adjustments.

As with IFRS, deferred tax balances are not discounted to take into account time value of money.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has not valued deferred tax assets and liabilities on the balance sheet. Furthermore no adjustments are required because BPD Woningfonds is transparent for tax purposes

q) Effect of subsidiaries having a negative equity (non-recourse)

The NAV of a consolidated group under IFRS may include the net liability position of subsidiary undertakings. In practice, however, the group may have neither a legal nor a constructive obligation to fund the accumulated losses in situations where the financing of the subsidiaries is non-recourse to the vehicle.

In this scenario it is appropriate to make an adjustment when calculating the INREV NAV in order to recognize the group's interest in such subsidiaries at nil or an adjusted negative amount rather than at a full net liability position, to the extent there is no intention or obligation on the vehicle to make good those losses.

The adjustment represents the positive impact on the NAV of the partial or full reversal of the negative equity of the specific subsidiary. If the vehicle has granted shareholder loans to the subsidiary, these should be taken into account.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no subsidiaries with a negative equity.

Other adjustments

r) Goodwill

On the acquisition of an entity which is determined to be a business combination, goodwill may arise as a result of a purchase price allocation exercise. Often a major component of such goodwill in property vehicles reflects the difference between the full recognition of deferred tax, purchaser's costs or similar items in the IFRS accounts (which does not generally take account of the likely or intended method of subsequent exit) and the economic value attributed to such items in the actual purchase price. Except where such components of goodwill have already been written off in the NAV as determined under IFRS, they should be written off in the INREV NAV.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no goodwill valued on the balance sheet.

s) Non-controlling interest effects on the above adjustments

This adjustment represents the impact on the NAV of the recognition of non-controlling interests on all of the above adjustments.

As at 31 December 2024, there are no adjustments since BPD Woningfonds has no minority interests.

Independent auditor's report

To: the Fund manager of BPD Woningfonds

Our opinion

We have audited the accompanying INREV NAV Calculation of BPD Woningfonds based in Amsterdam.

In our opinion, the INREV Calculation is prepared, in all material respects, in accordance with the INREV NAV Guidelines, as set out in the notes to the INREV NAV calculation in the 2024 Financial Statements of BPD Woningfonds.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards of Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the INREV NAV calculation' section of our report.

We are independent of BPD Woningfonds in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (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).

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

Responsibilities of the Fund Manager for the INREV NAV Calculation

The Fund manager is responsible for the preparation of the INREV NAV Calculation in accordance with the accounting policies selected and disclosed by the fund, as set out in the notes to the INREV NAV Calculation. Furthermore, the Fund manager is responsible for such internal control as the Fund manager determines is necessary to enable the preparation of the INREV NAV Calculation that is free from material misstatement, whether due to fraud or error.

As part of the preparation of the INREV NAV Calculation, the Fund manager is responsible for assessing the Fund's ability to continue as a going concern. Based on the financial reporting framework mentioned, The Fund manager should prepare the INREV NAV Calculation using the going concern basis of accounting, unless the Fund manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Fund manager should disclose events and circumstances that may cast significant doubt on the Fund's ability to continue as a going concern in the INREV NAV Calculation.

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 errors and fraud 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 the INREV NAV Calculation. 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 judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- ▶ identifying and assessing the risks of material misstatement of the INREV NAV Calculation, 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 the entity's internal control;
- ▶ evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund manager;
- ▶ concluding on the appropriateness of the Fund manager's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the INREV NAV Calculation or, if such disclosures are inadequate, to modify our opinion. 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 Fund to cease to continue as a going concern;
- ▶ evaluating the overall presentation, structure and content of the INREV NAV Calculation, including the disclosures; and
- ▶ evaluating whether the INREV NAV Calculation represent the underlying transactions and events free from material misstatement.

We communicate with the Fund Manager 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, 20 June 2025

For and on behalf of BDO Audit & Assurance B.V.,

Ws.

M.N. Wang MSc RA

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 a2a, 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: BPD Woningfonds
Legal entity identifier: Not applicable

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☒ ☐ Yes	☒ ☐ ☒ No
☐ It made sustainable investments with an environmental objective: ____% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It made sustainable investments with a social objective: ____%	☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 100% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ It promoted E/S characteristics, but did not make any sustainable investments



To what extent were the environmental and/or social characteristics promoted by this financial product met?

BPD Woningfonds promoted environmental and/or social characteristics by:

- Investing in energy-efficient real estate assets (residential)
- Offering affordable houses, defined as houses with a monthly rental price lower than the maximum of the established rental price range of the focus region in which the home is located.

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

The attainment of the characteristics has been measured by means of the sustainability indicators in the next question.

● **How did the sustainability indicators perform?**

Indicator	2024
1. % of investment property with EPC label (standing investments):	
- B or lower	- B or lower: 0%
- A	- A: 36%
- higher than A	- A+ or higher: 64%
2. % of affordable houses	
- Standing investments	- 71%
- Newly added houses in year	- 94%

● **...and compared to previous periods?**

As the year 2024 is the first reporting year, there is no comparison to previous periods.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The environmental objective of the Fund's sustainable investments is 'climate change mitigation' and BPD Woningfonds contributes by adding newly built, energy efficient houses to the portfolio. Portfolio only consists of houses with an energy label of A or higher. An EPC label of A or higher is deemed to contribute to 'climate mitigation' because these houses use much less energy for heating, cooling and electricity, resulting in lower GHG emissions.

The social objective of the Fund's sustainable investments is 'affordable housing', an investment that contributes to a social objective (creating more affordable homes for the middle income households) which does not significantly harm any environmental or social objective.

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.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Two adverse impacts on sustainability factors are relevant to assess harm to other sustainable investment objectives, namely (1) the exposure to fossil fuels through real estate assets and (2) the exposure to energy-inefficient real estate assets.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Fund invests solely in residential real estate. The exposure to real estate assets involved in the extraction, storage, transport or manufacturing of fossil fuels therefore is 0. With regards to the exposure to energy-inefficient real estate the EPC labels of real estate objects built until 2020 and the GHG intensity of real estate objects built after 2020 is relevant. All real estate objects have EPC label A which is energy efficient.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

These guidelines and principles are applicable to investments in companies. The Fund invests in real estate assets. Therefore the real estate assets are not aligned with the OECD Guidelines and UN Guiding Principles.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund Manager did not consider principal adverse impacts on sustainability factors.

What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 2024

Largest investments	Sector	% Assets	Country
De Mix	Residential real estate	7,9%	Netherlands
De Caai - Fresh	Residential real estate	5,8%	Netherlands
The Family	Residential real estate	5,2%	Netherlands
Talent	Residential real estate	4,7%	Netherlands
Triangel G3	Residential real estate	4,3%	Netherlands
Park 070	Residential real estate	3,5%	Netherlands
Erasmusveld	Residential real estate	3,3%	Netherlands
Holland Park Q	Residential real estate	3,1%	Netherlands
Purmerend	Residential real estate	2,7%	Netherlands
Laan van Spartaan	Residential real estate	2,5%	Netherlands
Vrouw Avenweg	Residential real estate	2,4%	Netherlands
Kamperfoeliedreef	Residential real estate	2,2%	Netherlands
Wim van Estlaan	Residential real estate	2,2%	Netherlands
JG Sandbrinkstraat	Residential real estate	2,0%	Netherlands
Karaat	Residential real estate	1,9%	Netherlands

This is the overview on 31-12-2024 of the 15 largest investments.



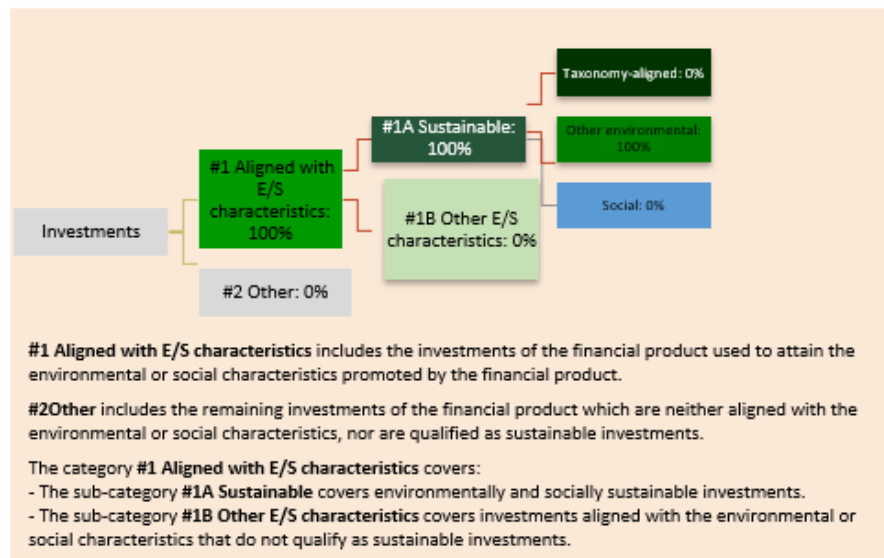
What was the proportion of sustainability-related investments?

100% of the investments (based on the market value of investment property) are aligned with the environmental characteristics and are also sustainable investments. This includes investments that are currently being built. We consider these investments as sustainable since they are being built according to stringent Building decree. Also, all investments are classified as "affordable housing".

[Cash is excluded in the asset allocation].

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully 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.

● In which economic sectors were the investments made?

BPD Woningfonds has invested exclusively in residential real estate.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% of the Fund's investments was aligned with the EU Taxonomy.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

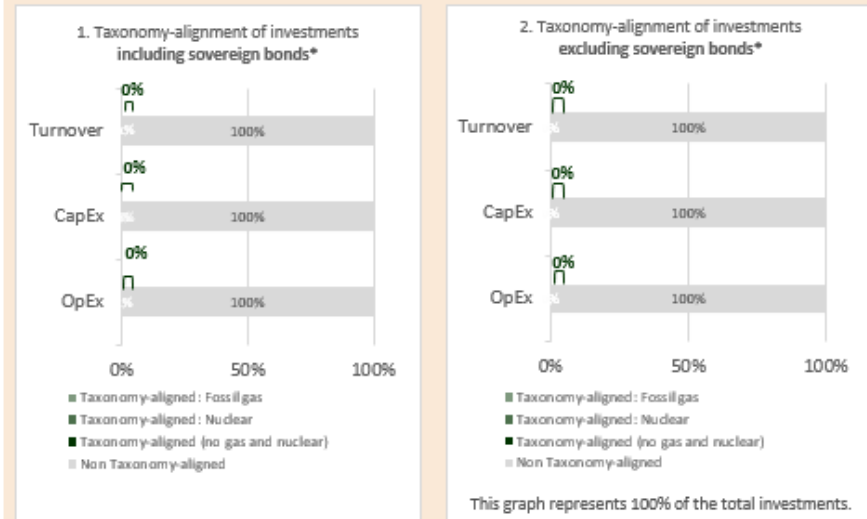
- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

¹ 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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- **What was the share of investments made in transitional and enabling activities?**

0%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As the year 2024 is the first reporting year, there is no comparison to previous periods.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

100%. Real estate objects that have an EPC label of A or higher are considered to be environmental sustainable, although not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

0%. No investments that qualify as social sustainable have been made by the Fund.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Not applicable as there were no investments reported under “other” as all real estate objects comply with the promoted environmental characteristic.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The % of residential in BPD Woningfonds portfolio with an energy label of A++ and higher increased to 52% in 2024 compared to 44% in 2023.

The entire portfolio, just as in 2023, had a green label in 2024: label A or higher.

BPD Woningfonds added 600 newly built and affordable homes (94%) in 2024 to their portfolio.



How did this financial product perform compared to the reference benchmark?

Not applicable, there is no such reference benchmark applicable to the Fund.

- *How does the reference benchmark differ from a broad market index?*
Not applicable
- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*
Not applicable
- *How did this financial product perform compared with the reference benchmark?*
Not applicable
- *How did this financial product perform compared with the broad market index?*
Not applicable

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

