



## **APG Groep N.V., policy for dialogue with stakeholders**

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## Introduction

The Dutch Corporate Governance Code (CGC) requires APG Groep N.V. (APG) to have, and to publish on its website, a policy for stakeholder management, in particular as regards the defining of sustainability aspects of its strategy.<sup>1</sup> The CGC lays down best practices for corporate governance and is legally obligatory for listed companies. These companies are obliged to render account of their application of the CGC in their annual reports, based on the ‘comply or explain’ principle. For APG compliance with the CGC is not obligatory. However, the CGC is the national standard for good corporate governance, and APG’s stakeholders expect an organization such as APG to be well governed, in accordance with best practices, and to report on this. Partly for this reason, APG applies the CGC voluntarily and renders account accordingly in its annual report.

Every day APG works on pensions, which is something with which millions of people in the Netherlands will eventually be, or are already, involved. In doing so, APG strives to bring about a pension that is as good as possible in a livable world for all participants, employers and pension funds. Our mission is: “To build your sustainable future together.” Maximizing the value of the pension is the prime objective, and we work on building a sustainable future, with an eye to welfare and wellbeing. Pensions are about people. So our area of activity includes a great many interested parties from all walks of society. We work for our clients - the pension funds - and for the employers and participants in the pension funds. Other important stakeholders include our own employees, shareholders, investees, strategic partners and supervisors. In the dialogue with our stakeholders we share our knowledge. We attach great value to their expectations, we talk to them about our objectives, strategy and prospects. We continuously explore stakeholders’ activities and how they relate to APG and its strategy and operation.

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<sup>1</sup> Best practice provision 1.1.5 of the CGC states: “To ensure that the interests of the relevant stakeholders of the company are considered when the sustainability aspects of the strategy are determined, the company should draw up an outline policy for effective dialogue with those stakeholders. The relevant stakeholders and the company should be prepared to engage in a dialogue. The company should facilitate this dialogue unless, in the opinion of the management board, this is not in the interests of the company and its affiliated enterprise. The company should publish the policy on its website.”

## **1. APG and monitoring of and dialogue with stakeholders**

- 1.1. This policy was established by the Management Board of APG Groep N.V. (APG) on January 29, 2024. In accordance with best practice provision 1.1.5 of the CGC it establishes guidelines for the dialogue conducted by APG with the relevant stakeholders, in particular on sustainability aspects of group strategy. Article 4.2 of this policy devotes attention to the way in which the company's employee participation body forms part of this dialogue and how this relates to other consultation among the Management Board, the Supervisory Board and the Works Council. In order to understand the expectations of the stakeholders concerned and to be able to take account of their interests in developing aspects of the strategy that relate to sustainability, APG engages in dialogue with these stakeholders. It is in this context that APG has formulated this policy for dialogue with stakeholders (the Policy).
- 1.2. This Policy will be posted on APG's website.

## **2. General principles for dialogue with stakeholders**

- 2.1. APG is committed to meaningful dialogue with stakeholders, including our pension funds, employers and participants who are members of the pension funds. Other important stakeholders include, among others, our own employees, shareholders, investees, strategic partners and supervisors.
- 2.2. In performing their tasks, all members of the Management and Supervisory Boards must act in the interests of APG and its enterprise and, in this connection, must exercise the necessary caution with regard to the interests of relevant stakeholders of APG, including those that relate to sustainability aspects of APG's strategy. With this aim in mind, APG engages in continuous dialogue with relevant stakeholders.
- 2.3. APG abides by the following principles as regards dialogue with stakeholders:
  - a. APG identifies its stakeholders (among other things, in the double materiality assessment process), inventorizes their interests and maintains dialogue with a broad range of stakeholders;
  - b. APG treats its stakeholders with respect and welcomes different points of view;
  - c. APG communicates with stakeholders in clear and concise language and provides stakeholders, insofar as relevant, with sufficient information on the dialogue process,
  - d. APG intends to continuously improve its stakeholder engagement processes (such as the double materiality assessment), and will regularly evaluate this Policy and adapt it if necessary to ensure that it remains relevant and effective.
  - e. Stakeholders have different interests and therefore expect different things from APG. In defining its position and how to respond to these expectations, APG weighs the interests of all stakeholders concerned in order to find the right balance among diverse and sometimes conflicting standpoints.

- 2.4. Dialogue with stakeholders at stakeholders' request is facilitated by APG, unless the Management Board is of the opinion that this is not in the interests of APG and its activities.<sup>2</sup>
- 2.5. If the Management Board is of the opinion that a particular dialogue with stakeholders is not in the interests of APG and its enterprise, APG may decline a request for a dialogue with stakeholders, bring an end to such dialogue or refrain from commencing it, as the case may be.
- 2.6. To enable APG to assess whether a dialogue with stakeholders is in APG's interests when the dialogue has not been initiated by APG and is requested by one or more stakeholders, APG may ask these stakeholders to provide in advance all relevant information on the aim of the proposed dialogue, including the subject(s) thereof and these stakeholders' positions on the matters to be discussed.
- 2.7. The Management Board will inform and consult the Supervisory Board regularly, and in any case at least once a year, on the process and content of the dialogue with stakeholders.

### 3. APG's stakeholders

- 3.1. APG identifies stakeholders on the basis of the possibility of their directly or indirectly influencing the attainment of APG's objectives or of possibly being influenced by them. This is also referred to as the dual materiality principle: a process that looks at both APG's impact on the environment and society and their impact on APG.<sup>3</sup> The group of stakeholders with which APG engages is not static and may be adapted depending on the subjects of the dialogue and developments of APG.
- 3.2. APG's most important internal and external stakeholder groups are:
  - Supervisory Board
  - Employees
  - APG Works Council
  - Pension funds
  - Pension participants
  - Pension sector
  - Supervisors
  - Strategic partners
  - Investees
  - Shareholders
  - NGOs
  - Regulators
  - Educational institutions
  - Research institutions

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<sup>2</sup> Hence there is no intention to create a right of dialogue with the company for the stakeholders. It is up to the Management Board to determine whether such dialogue is in the interests of the company and its affiliated enterprise.

<sup>3</sup> As per the Corporate Sustainability Reporting Directive (CSRD) which will apply to APG from 2025 as regards sustainability matters to be included in the annual reporting.

- Social partners<sup>4</sup>

## 4. Dialogue

- 4.1. APG's intention is to be in constant dialogue with its stakeholders in a variety of ways. The format chosen for a particular dialogue depends among other things on the subject and who the stakeholders are. It varies from one-on-one consultations, through formal consultations, investigations by means of surveys and interviews, to the holding of events and dialogue sessions on specific sustainability topics for several stakeholder groups at the same time.
- 4.2. Dialogue is also engaged in with APG's Works Council on sustainability aspects of the strategy. The Works Council holds consultative meetings on average eight times a year. A member of the Management Board is present at these meetings, which are also attended by a representation from APG's People & Change department. Twice a year a member of the Supervisory Board attends. The subject of sustainability may be placed on the agenda of these joint meetings.
- 4.3. The subjects discussed with stakeholders vary depending on the stakeholder group concerned. By way of example they may include the following:
  - Material issues identified in the process of the double materiality assessment as regards aspects of the strategy relating to sustainability;
  - APG's impact on stakeholders;
  - Important sustainability matters in which the stakeholders are engaged;
  - Sustainability risks of APG and how they can be mitigated;
  - APG's social added value;
  - Long-term vision of value creation and appropriate strategy;
  - Effects of this strategy on people and the environment.

## 5. Reporting

- 5.1. The outcomes of the stakeholder dialogues held must be shared in an associated stakeholder monitoring and engagement consultation on which both Boards must be regularly informed.
- 5.2. The most important outcomes of the dialogue with the stakeholders can be included in APG's annual report (by means of the materiality analysis for example).

## 6. Final provisions

- 6.1. Based on a resolution to such effect, APG's Management Board may amend or add to this Policy and permit temporary deviations from it, providing the applicable laws and regulations are complied with.
- 6.2. APG will systematically monitor and evaluate the quality of stakeholder dialogue on both the general and the individual levels. APG will also evaluate and where necessary amend this Policy.

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<sup>4</sup> Only the Social and Economic Council (SER), since others are represented in the pension funds and participants stakeholder groups.