Asset Management

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Corporate Social Responsibility and Investment (CSRI) Policy

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Author	Owner	Approval
C.H.J.W. ter Braak	Risk & Compliance	DMFCO MT

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Table of content

1. Introduction

DMFCO operates as both an asset manager (DMF Investment Management B.V.) and a mortgage lender (MUNT Hypotheken B.V.) and applies prudent asset management and lending practices in the origination of its portfolio of Dutch residential mortgages. In doing so, DMFCO takes into account its Corporate Social Responsibility Investment (CSRI) Policy, Engagement Policy, and Sustainable Risk Framework.

DMFCO invests on behalf of its institutional investors in Dutch mortgage receivables originated by MUNT Hypotheken B.V. (MUNT). All investments are managed in accordance with the criteria, standards and guidelines set out in DMFCO's policies as mentioned above.

DMFCO continuously monitors whether the environmental and social characteristics relating to climate change mitigation and adaptation, affordable housing and decent living standards are applied to its investments in Dutch mortgage receivables.

2. Corporate Social Responsibility

DMFCO's Code of Conduct is the starting point for all DMFCO's activities. As such it shapes DMFCO's corporate social responsibility ambitions, ensuring its actions align with its values:

1. DMFCO aims to create a congenial, professional working culture in which employees are intrinsically motivated by sharing DMFCO's ambitions and experience sufficient purpose, autonomy and mastery in working for DMFCO.
2. DMFCO believes that it benefits all stakeholders by being a fun company to work for and with;
3. DMFCO strives for corporate governance that respects the rights of (minority) shareholders, provides management with sufficient influence to implement the company's strategy and policies, provides sufficient checks and balances within and outside the company, provides independent oversight, and ensures that the renumeration system is aligned with the long-term objectives of the company;
4. DMFCO seeks to make business decisions that promote a sustainable and just society;
5. DMFCO strives for good and responsible returns, taking into account the social and environmental impact of its actions and changing social views and opinions;
6. DMFCO avoids (direct and indirect) involvement in bribery, corruption, exploitation, cartels, and other forms of market abuse;
7. DMFCO makes ethical decisions in cases of doubt and/or dilemmas, is transparent about its policies and implementation and is committed to reporting on its policies to clients, participants and others; and
8. DMFCO relies on established parties with proven technologies to outsource our activities. DMFCO's aim is to establish a partnership model where outsourced processes and associated systems are enhanced through close collaboration between DMFCO and its business partners, resulting in mutually beneficial outcomes.

DMFCO organisation

As part of its corporate social responsibility ambitions, DMFCO promotes a working environment where diversity is recognised, valued and encouraged. DMFCO recognises the multicultural and diverse nature of the Dutch workforce and society in general. DMFCO is committed to principles of fairness and mutual respect, where everyone accepts the concept of individual responsibility. It is DMFCO's responsibility to ensure that this is respected at all times.

DMFCO aims to be a modern and fair employer by opposing the unequal treatment of people and by promoting equality of treatment. The diversity figures and other HR parameters are presented in the DMFCO ESG annual report on an annual basis. An annual Employee Satisfaction Survey is used to identify employee concerns and implement improvements in the organisation.

DMFCO recognises that any form of discrimination in the workplace is unacceptable. DMFCO is therefore committed to ensuring that applicants and employees are treated fairly, without favour or prejudice and on the basis of equal opportunity.

3. Social Responsible Investment

As an asset manager and mortgage lender, DMFCO is committed to integrating environmental, social and governance (ESG) factors into the origination of its portfolio of Dutch residential mortgages. This includes carefully balancing the interests of DMFCO's investors and borrowers. DMFCO considers the following sustainability concerns[1] in its investment and lending decisions:

3.1. Environmental

DMFCO is concerned about climate change and the potential negative environmental impact on its business activities and mortgage investments. Therefore, DMFCO is committed to working towards carbon neutrality of its business activities and mortgage portfolio by reducing CO_2 emissions.

DMFCO's goal is to achieve carbon neutral operations as soon as possible, but no later than 2030. This will be achieved by operating its business to the highest standards of sustainability and closely monitoring its CO_2 emissions to ensure that DMFCO is making progress.

DMFCO aims to reduce the CO_2 emissions of DMFCO's mortgage portfolio at least in line with the Dutch government's climate agreement and the Paris Agreement, and to achieve zero CO_2 emissions by 2050 at the latest. DMFCO strives to outpace this path but is aware that this will require significant financial resources, further technological innovation, and complex implementation. The challenge is complicated by the fact that DMFCO does not have direct control over the properties as DMFCO is not the owner. However, that does not mean DMFCO cannot influence homeowners and other stakeholders to contribute to making the Dutch housing stock align with European climate targets.

DMFCO is aware of the varying levels of energy efficiency ('energy efficiency labels') of the properties underlying the mortgage receivables.

DMFCO believes that by proactively informing, activating, and providing accessible financing opportunities for energy-saving measures, it can contribute to improving the sustainability profile of the Dutch housing stock. Therefore, properties with a lower energy efficiency label are deliberately not excluded from the DMFCO mortgage criteria. As such, DMFCO prioritises the availability of suitable housing alongside climate considerations.

DMFCO has identified the most relevant risks related to climate change in relation to its mortgage investments. These are flood risk, foundation risk and transition risk. These risks are monitored by continuously developing in-house models prepared by DMFCO and applied to the mortgage receivables portfolio. Investors receive periodic reports on this type of risk, incorporating the results from DMFCO's climate models.

3.2. Social

DMFCO operates as a modern mortgage lender and believes that it should treat its borrowers as DMFCO would like to be treated themselves. DMFCO does not discriminate on the basis of race, religion or sexuality and does not discriminate in its mortgage underwriting process or in the services it provides.

[1] Some components in a general CSRI policy do not apply to investments in Dutch residential mortgages, such as the exclusion of investments in polluting industries, the use of child labour or investments in dictatorial countries. These components are therefore not included in the DMFCO CSRI policy.

DMFCO has a legal and moral obligation to offer appropriate mortgage products tailored to the borrower's profile and needs. DMFCO offers fair and transparent mortgages that are suitable for the majority of homeowners. As obtaining a mortgage is often the most important financial decision in a household's life, DMFCO avoids complicating the process. DMFCO focusses on providing a simple, reliable mortgage. DMFCO continuously analyses the extent to which its mortgage product meets the needs of the borrowers who make up its target group and applies changes when necessary.

DMFCO's underwriting criteria are designed to avoid over-lending and to mitigate credit risk. DMFCO's underwriting criteria are based on the standards of the Home Ownership Guarantee Fund (Stichting Waarborgfonds Eigen Woningen), the legal conditions of the Temporary Mortgage Credit Scheme (Tijdelijke Regeling Hypothecair Krediet) and the Mortgage Credit Code (Gedragscode Hypothecaire Financieringen).

DMFCO assists its borrowers with any mortgage related issues or financial difficulties they may face during the lifetime of the mortgage. In terms of special servicing, DMFCO has a dedicated in-house special servicing department. With a fast and personal approach, DMFCO aims to resolve arrears at an early stage and explores with the borrower how future arrears can be avoided. Wherever possible, DMFCO aims to help borrowers keep their homes and, where this is not possible, to find the best possible financial solution. In all cases, DMFCO will put the borrower's interests first.

3.3. Corporate governance concerns

From the start, DMFCO's investors have been involved in shaping DMFCO's corporate governance. The governance model is based on (i) providing investors with a high level of control over their own investment while (ii) being transparent and open about its policies, performance, and various organisational developments. An important part of DMFCO's model is the recognition that DMFCO invests with funds from institutional investors who manage the assets of private or non-private borrowers.

The interests of DMFCO's stakeholders may diverge. DMFCO is fully aware of this and has adopted policies and procedures to ensure that conflicts of interest are identified, prevented, and resolved. DMFCO carefully balances the interests of all stakeholders, particularly those of investors and borrowers. DMFCO recognises that appropriate governance arrangements and a transparent and fair remuneration policy are key elements in achieving this.

3.4. Environmental and social characteristics

DMFCO takes an active approach to monitoring, guiding, and assisting with ESG factors relevant to the portfolio. This concerns both social characteristics (with the aim of ensuring the affordability of the mortgages provided) and environmental characteristics (with the aim of monitoring and improving the average energy efficiency label of the portfolio of underlying Dutch mortgage receivables).

The following sustainability characteristics related to the investment in Dutch mortgage receivables are identified and taken into account by DMFCO in the management of its investments:

1. The level of energy efficiency of the mortgage portfolio (determined by the energy efficiency label);
2. The carbon footprint of the collateral related to the residential mortgages financed by the funds;
3. MUNT's efforts to stimulate its borrowers in taking up financing for energy saving measures (ESM); and
4. MUNT's customer-oriented special servicing efforts with focus on curing and home retention in case of payment difficulties.

The above characteristics, together with the CO_2 emissions from DMFCO's business activities, are continuously monitored by DMFCO's ESG Committee and regularly discussed with the management

team and supervisory boards. The DMFCO ESG Committee is a multidisciplinary body that ensures DMFCO's ESG focus and ambitions. See also Appendix 2 for a more detailed explanation.

4. Implementation

Corporate Social Responsible Investing is an integral part of DMFCO's investment proposition and is implemented in accordance with the following initiatives.

4.1. Environment

As a large part of the existing Dutch housing stock still has an energy efficiency label of C or worse[2], DMFCO's strategy is focused on encouraging and facilitating borrowers to undertake energy saving measures with the aim of reducing CO_2 emissions. DMFCO does not exclude mortgages on properties with a lower energy efficiency label, as DMFCO believes that the greatest impact can be achieved by improving the energy efficiency of such properties, rather than by financing properties with a high energy efficiency label. In addition, DMFCO considers it socially and morally important to include different groups of borrowers and to ensure the maximum availability of mortgage financing in the Dutch mortgage market.

DMFCO uses the following three-step strategy to encourage borrowers to make their homes more sustainable:

1. providing its borrowers with information on the benefits of making their homes more sustainable and encourage them to take action;
2. then providing borrowers with the tools to actually implement these measures; and
3. making the financing and implementation of these measures as accessible as possible.

Each step is discussed in more detail below.

Inform

DMFCO sees proactive engagement with both mortgage advisors and borrowers as one of the key elements of DMFCO's CSRI strategy. In practice, DMFCO observes that sustainability is most often considered when buying a home. It is therefore important that sustainability is always discussed by mortgage advisors, and in particular the possibility of financing ESM through a mortgage. This allows borrowers to take a wider range of measures compared to situations where only their own funds are used for improvements. In addition, DMFCO informs mortgage advisors about the various ESM financing options through a weekly email, DMFCO's own online knowledge platform 'KOP-MUNT', the MUNT Hypotheken website, and frequent discussions with its sales managers.

DMFCO also encourages its borrowers to make their homes more sustainable, both when they take out their mortgage and during the life of the mortgage. As DMFCO is not the owner of the property, DMFCO actively communicates with borrowers about sustainability and the possibility of financing ESM. To make borrowers even more aware of the possibilities of financing ESM, DMFCO informs all mortgage borrowers about the available financing options through regular mailings, the borrower's portal 'Mijn Hypotheek Online' (MHO) and the MUNT website. In communications MUNT highlights the benefits of sustainability, such as lower energy bills, more comfortable homes and a better environment.

Activate

Although information is important and helpful, borrowers often perceive difficulties in practically implementing ESM. To solve this problem, DMFCO has partnered with 'De Energiebespaarders', an online platform where borrowers can make an online scan of their property and receive i) tailored, independent advice that gives borrowers an immediate insight into sustainability options, ii)

[2] On a scale from G to A++++, in line with Dutch national regulations.

coordination of installations by recognised and certified installers, and iii) assistance with subsidy applications. Through this partnership, all MUNT borrowers will be able to receive sustainability advice free of charge.

In both ways, DMFCO aims to empower borrowers by providing concrete information on sustainability improvements, their benefits, costs, and actual installation.

Finance

DMFCO also facilitates borrowers by providing accessible, simple, and cost-effective financing for ESM. By keeping the initial costs and thresholds for ESM financing as low as possible, DMFCO facilitates and encourages both new and existing borrowers:

- New borrowers can borrow up to 106% LTV (with a maximum €20,000 for ESM, see details below) without additional income requirements;
- Existing borrowers can use the Energy Saving Budget ('het energiebespaarbudget', ESB). Borrowers can apply for the ESB via MHO. The documentation required is limited and consists mainly of a check that their income has not deteriorated significantly since their original mortgage application. Most importantly, there are no advisory, valuation, or notary fees. These costs can amount to €3,000 or more, which would make a mortgage increase financially unattractive for ESM.
- Existing borrowers also have the option of increasing their mortgage. However, a mortgage increase can be costly due to the required advisory, valuation, and/or notary fees.

As of 2024, new legislation has made the borrowing capacity dependent on the energy efficiency label of the property. Depending on the energy efficiency label of the property, borrowers will be able to borrow an additional amount for ESM. Both schemes (see below) are based on the assumption that buyers of energy efficient homes will have lower energy costs and therefore be able to afford a higher mortgage.

The following principle applies: the better the energy efficiency label, the higher the borrowing capacity and the lower the amount for ESM, and vice versa.

Energy efficiency label	Extra borrowing capacity	Extra amount for ESM
A++++ (incl. energy guarantee)	€50,000	€0
A++++	€40,000	€0
A+++	€30,000	€10,000
A+ & AA++	€20,000	€10,000
A & B	€10,000	€10,000
C & D	€5,000	€15,000
E, F & G	€0	€20,000
No label	€0	€10,000

4.2. Emissions from business activities

DMFCO aims to reduce the carbon emissions of its mortgage portfolio in line with the Dutch government's climate pact and the Paris Agreement to achieve zero carbon emissions by 2050 at the latest. In addition, DMFCO aims to achieve carbon-neutral operations by 2030 by pursuing the highest standards of sustainability in DMFCO's business operations.

DMFCO has taken the following measures with regard to emissions from its operations:

- DMFCO strives for an environmentally friendly business operation, where paperless working is encouraged. The mortgage underwriting process and communication with borrowers is fully digitalised;
- DMFCO continuously monitors the energy consumption of its office and consulted with energy consultants to develop a sustainability plan for its office building. The consultations resulted

in several recommendations, including the installation of a new air conditioning system, solar panels and additional insulation;

- DMFCO has stipulated in its office energy contract to only receive electricity from Dutch wind farms (via Eneco's 'Hollandse Wind' label). The wind energy is certified with the Dutch Milieukeur certificate from SMK (Stichting Milieukeur);
- DMFCO encourages employees to use public transport by providing a first-class rail pass for all employees, limiting the number of parking spaces at the office and offering a bicycle plan. In case of a lease car, it must be electric;
- DMFCO is continuously reviewing its materials and food procurement policies to improve its waste management practices, particularly its recycling processes; and
- DMFCO actively engages with its outsourcing partners on ESG related issues, in particular on further actions to achieve carbon neutrality.

4.3. People and Society

DMFCO's social approach entails more than just financing a home. DMFCO makes its products accessible and understandable through clear and transparent product terms and open communication. In this way, DMFCO ensures that (potential) borrowers, mortgage advisors and other stakeholders know what to expect.

An important component of DMFCO's social approach is to be there for its borrowers, especially when they are in (financial) difficulty and therefore in a vulnerable position. To prevent problems in the first instance, DMFCO provides mortgages on conservative terms, considering the (future) affordability of the mortgage at an early stage. An online tool allows borrowers to test the future affordability of their mortgage and, if necessary, adjust the mortgage to make it affordable again. This tool is proactively offered to all borrowers. Borrowers with an increased risk of payment problems, e.g. due to a high loan-to-value or approaching retirement, are contacted more intensively and frequently.

DMFCO takes a two-step approach in managing arrears. Firstly, DMFCO proactively prevent payment difficulties by keeping borrowers informed of potential future changes that could affect the affordability of their mortgage. Despite DMFCO's preventive measures, some borrowers may still fall into arrears. In this case, DMFCO secondly work with the borrower(s) to resolve the current arrears and prevent future problems. These two elements are discussed in more detail below.

Proactive engagement with borrowers

DMFCO's aim is to prevent payment issues as far as possible by offering all help and support to borrowers who are in (or at risk of being in) financial difficulty. By proactively informing borrowers of potential future changes to the affordability of their mortgage, DMFCO aims to provide them with all the information they need to act.

This means that borrowers who are more likely to experience payment problems, or who are closer to future changes that could affect the affordability of their mortgage, are more actively approached. These priority changes include: i) reaching retirement age within 10 years, ii) the end of the mortgage interest tax deduction within 10 years[3], iii) the end of the fixed rate period within 5 years, and iv) the end of the economic life of the mortgage within 10 years.

Central to this approach is the Mortgage Affordability Check (available through online borrower's portal MHO). The Mortgage Affordability Check provides borrowers with insight into the long-term affordability of their mortgage. The tool allows them to make their own calculations about the future affordability of their mortgage in a simple and intuitive way. After completing the check, borrowers have the opportunity to make immediate changes to their mortgage, such as additional repayments

[3] In The Netherlands, the interest on mortgage is tax-deductible, as long as the mortgage is annuity or linear. Mortgage interest can be deducted from taxable income with a maximum term of 30 years.

and changing the term of the interest rate. If desired, the tool can also be completed with an advisor. If the calculation in this tool indicates that the affordability of the mortgage is at risk, the borrower is recommended to contact their mortgage advisor for appropriate advice.

Special servicing

DMFCO's special servicing policy is based on early contact with the borrower, attention to specific client situations and finding a suitable solution or, alternatively, mitigating the potential loss. By managing the special servicing of mortgages in-house, DMFCO ensures that the borrower's interests remain at the forefront of DMFCO's approach, rather than them becoming the subject of a rigid outsourced special servicing process. This personalised approach is particularly important in the event of unexpected challenges in life such as unemployment, divorce or the death of a partner.

When arrears occur[4] DMFCO immediately sends an email to the borrower informing them of their arrears and allowing them to clear their arrears via an online payment link. If there is no response to the email, DMFCO follows up with a phone call to the borrower. During this conversation, DMFCO assesses any ongoing challenges and discuss the need for additional (financial) support. If needed, DMFCO can offer support such as payment plans or the use of a budget or job coach.

In all cases, DMFCO aims to keep its borrowers in their homes. Where this is not possible, DMFCO seeks the best financial solution for all parties. Fortunately, DMFCO has continued to find sustainable solutions with its borrowers over the past years.

4.4. Sustainable Finance Disclosure Regulation (SFDR)

DMFCO is the manager of a number of mortgage investment funds, as referred to under the AIFMD[5]. DMFCO has classified several funds as Article 8+[6] under the SFDR[7]. This means that the funds promote environmental and or social characteristics, and a proportion of the portfolio is classified as sustainable investments as defined by the SFDR.

To classify as an article 8+ product, DMFCO has established criteria to perform an assessment, taking into account relevant legislation such as the Climate Delegated Act[8]. The following definition is used to classify a sustainable investment:

The part of the mortgage loan that is used exclusively to finance a building that is built on or before 31 December 2020 and has an EPC of at least A at the time the loan is granted, or that is built after 31 December 2020 and has an EPC of at least A++++ at the time the loan is granted, can be classified as a sustainable investment. Construction deposits (including new build properties in full) and consumptive loan components are excluded.

DMFCO has set specific minimum targets for sustainable investments. The current minimum target for sustainable investments, which applies to all funds, is 15%. This target is periodically reviewed by fund by the DMFCO ESG Committee.

4.5. Principal Adverse Impact (PAI) Statement

DMFCO has formulated a Principal Adverse Impact Statement ('PAI Statement') that guides its operations and is incorporated into the investment strategy for the funds. This statement deliberately addresses that DMFCO does not exclude properties with a lower energy efficiency label as DMFCO (i)

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4 An arrear is administered from the first day of a missed payment.

5 Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) 1060/2009 and (EU) 1095/2010.

6 To meet the requirements of SFDR 8+, a minimum sustainable investment target of 15% must be met.

7 As defined in the Sustainable Finance Disclosure Regulation (SFDR) 2019/2088/EU.

8 Delegated Regulation 2021/2139/EU.

prioritises the availability of suitable housing alongside climate considerations and (ii) believe that by actively approaching and supporting borrowers, a contribution can be made to the overall improvement of the sustainability profile of the Dutch housing stock.

The PAI Statement serves as DMF Investment Management B.V.'s consolidated material adverse sustainability impact statement and is available on DMFCO's website.

4.6. Adherence to principles and standards

DMFCO is a signatory of the United Nations Principles for Responsible Investment (UNPRI) since 2017, endorsing the principles of the UN Global Compact and supporting the following UN Social Development Goals (SDGs):

- SDG 1: End poverty in all its forms everywhere.
- SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy.
- SDG 11: Making cities inclusive, safe, resilient, and sustainable.
- SDG 13: Take urgent action to combat climate change and its impacts.

To assist investors that are committed to the Dutch Internationaal Maatschappelijk Verantwoord Beleggen (IMVB) Covenant, DMFCO takes into account the principles of the IMVB Covenant.

4.7. Engagement

DMFCO invests in Dutch mortgage receivables from private individuals. The engagement policy as referred to in Article 3g of Directive (EU) 2007/36/EC of 11 July 2007, is based on investments in companies and therefore does not apply to DMFCO's investment activities.

However, this does not prevent DMFCO from formulating its own engagement policy. DMFCO's engagement policy includes its active dialogue with borrowers to encourage them to use their mortgage loan to make their home more sustainable. DMFCO also engages with its outsourcing partners to encourage the reduction of CO_2 emissions in their operations.

4.8. Asset allocation

DMFCO has the objective to invest 99% of the portfolio in Dutch mortgage receivables that promote environmental and/or social characteristics. A minor portion of the portfolio may be invested in ancillary assets, such as cash and cash-like instruments.

4.9. Taxonomy alignment

DMFCO promotes sustainability attributes through its investments, but does not assess whether these investments are in line with the EU taxonomy.

4.10. Benchmark

DMFCO does not use a benchmark linked to sustainability characteristics to compare its sustainability performance, as such benchmarks are not currently available. There are some sustainability indices in the Dutch mortgage market, but these are of lower quality as they are outside the scope of the data requirements.

4.11. Transparency

DMFCO aims to contribute to climate change mitigation and adaptation. DMFCO uses the following characteristics to monitor whether the required environmental and social characteristics related to climate change mitigation and adaptation, affordable housing and decent living standards are applied to its investments in Dutch mortgage receivables:

- The environmental characteristics that identify the carbon footprint, energy efficiency (determined by the energy efficiency label) and the percentage of ESM building deposits in Dutch mortgage receivables;

- The social impact criteria that identify Dutch mortgage receivables, where mortgages that are more than one month in arrears have been and remain fully repaid without the sale of the property; and
- DMFCO has identified the risks for investors related to climate change. The main physical climate risks related to Dutch mortgages are flood risk and foundation risk. DMFCO has made a quantitative estimate of the flood risk and its potential negative impact on DMFCO's investments.

In addition, DMFCO periodically reports on the specific measures taken to monitor and improve the environmental and social impact of the portfolio, such as:

- New lending criteria with a positive impact on sustainability;
- Actions taken to motivate and inform borrowers about ESG related home improvements; and
- The number of borrowers contacted to prevent future payment problems.

The identified sustainability factors are measured and reported to DMFCO's management on a regular basis. DMFCO reports monthly on the composition of the mortgage portfolio in terms of energy efficiency labels and the associated carbon footprint. In addition, DMFCO reports on the progress made in addressing borrower payment difficulties.

Appendix I: UN Social Development Goals

DMFCO's CSRI policy supports the UN Sustainable Development Goals. DMFCO's focus is on the following UN Social Development Goals (SDGs):

SDG 1: End poverty in all its forms everywhere

Goal *1.5*	*By 2030, build the resilience of the poor and those in vulnerable situations, and reduce their exposure and vulnerability to climate-related extreme events and other economic, social, and environmental shocks and disasters.*
	DMFCO contributes to this SDG through its special servicing process, for example by appointing free budget coaches for households struggling with their finances. DMFCO is mindful of over-lending and puts borrowers first, especially when assessing mortgage applications and resolving arrears. DMFCO contributes to reducing vulnerability to climate-related financial shocks by providing ESM financing on favourable terms.

SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy

Goal *7.3*	By *2030, double the global rate of improvement in energy efficiency.*
	DMFCO offers financing for ESM within the framework of the Dutch regulations. For example, up to 106% LtV can be borrowed if the amount above 100% is spent on pre-defined ESM. This offer applies to both new and existing DMFCO borrowers.

SDG 11: Make cities inclusive, safe, resilient and sustainable

Goal 11.1	*By 2030, ensure access to all to adequate, safe, and affordable housing, basic services, and upgrade of slums.*
	By providing mortgages, DMFCO promotes home ownership and affordable housing by offering mortgages with fair prices and conditions. For example, the risk premium is automatically reduced when borrowers pay off the mortgage. The mortgage offer of DMFCO Hypotheken creates more competition in the Dutch mortgage market and therefore fairer interest rates for Dutch consumers. As a result, all Dutch homeowners effectively pay lower housing costs and pay off their mortgage debt faster, improving their financial resilience and ability to live sustainably.

SDG 13: Take urgent action to combat climate change and its impacts

Goal 13.3	*Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.*
	DMFCO actively encourages borrowers to make their homes more sustainable. DMFCO informs its existing borrowers about improving the sustainability of their homes and the possibilities of financing ESM through a mortgage or the energy saving budget. DMFCO also reports transparently on the impact of its mortgage portfolio on the environment and social development in the Netherlands. This is achieved through monthly reporting of environmental and social impact indicators in line with relevant recognised market standards and the sustainability objectives of the Dutch government. DMFCO also provides its investors with climate stress tests to assess the climate risk of its mortgage portfolio.

Appendix II: ESG Committee DMFCO

The ESG Committee is responsible for an adequate execution of DMFCO's CSRI policy. In that capacity, the ESG Committee prepares proposals for the realisation of DMFCO's CSRI policy and performs the coordination of ESG related activities. The ESG Committee demonstrates the importance DMFCO attaches to ESG and secures a broad commitment to ESG within the organisation.

		Years of experience		
Name and title	**Coverage area**	**ESG**	**Firm**	**Industry**
Rogier van der Hijden Chief Executive Officer	General oversight	11	4	23
Michel van den Akker Chief Mortgage Officer	Oversight MUNT	1	1	33
Charlotte ter Braak Risk & Compliance	Risk & Compliance	3	1	13
Evelien van Hilten Portfolio Management	Oversight ESG reporting	15	3	17
Luuk Willems Portfolio Management	ESG reporting Climate risk modelling	3	1	10
Harmen Schot Portfolio Management	ESG reporting Climate risk modelling	2	1	4
Jelte Bemelman Investor Relations	Proposition to investors	4	5	4
Pieter Jan Zaal Investor Relations	Proposition to investors	1	1	1
Chantalle Louwen MUNT Hypotheken	Proposition to consumers	2	3	6
Peter Verhart Finance & Control	Finance & Control	3	8	12