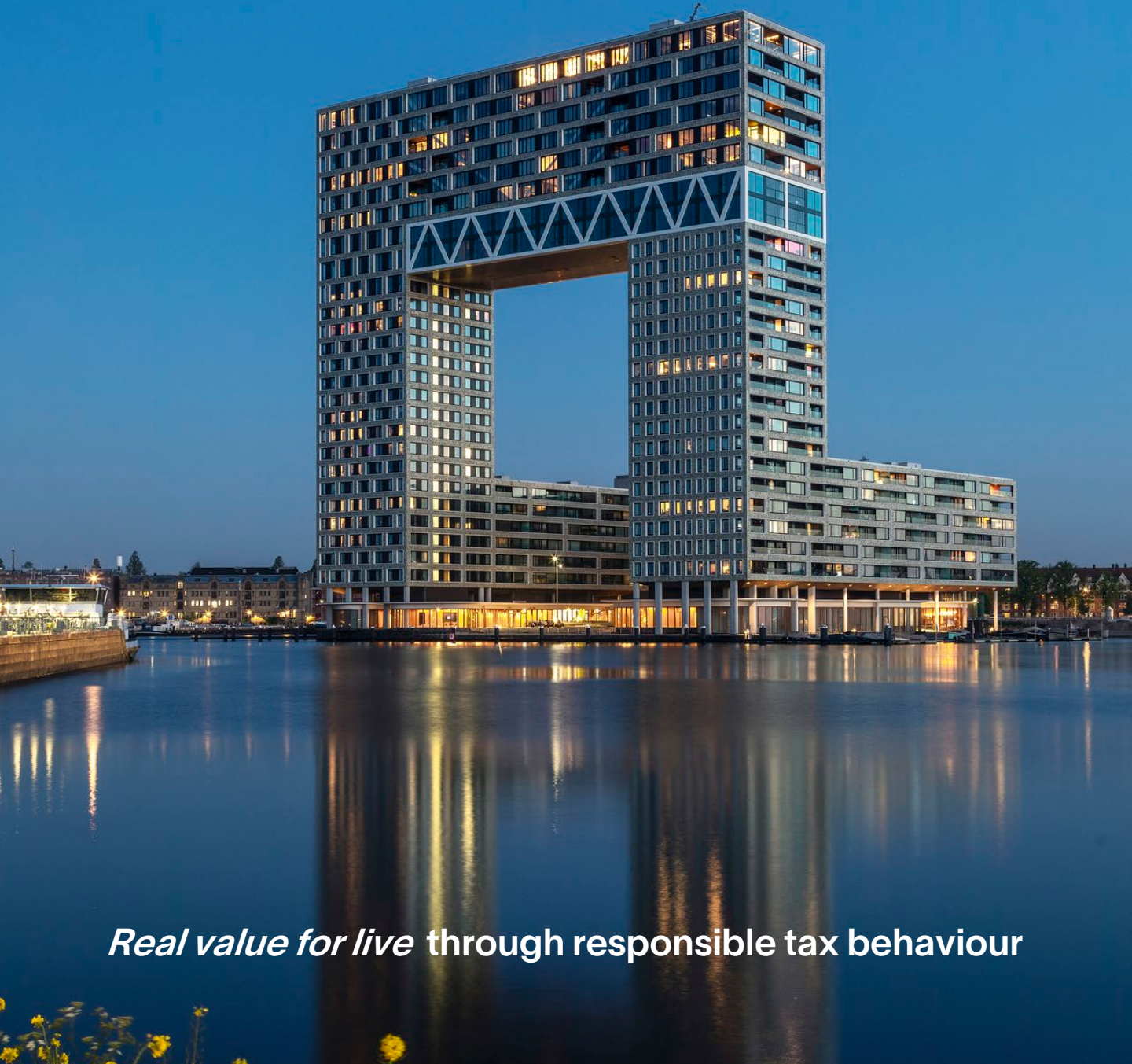


Bouwinvest Tax Policy



Real value for live through responsible tax behaviour

1. Introduction

Bouwinvest Real Estate Investors specialises in managing real estate portfolios for institutional investors. We invest for the long term and manage assets in all property segments.

Bouwinvest is a 100% subsidiary of the Dutch pension fund for the construction workers (bedrijfstakpensioenfonds voor de Bouwnijverheid – bpfBOUW) and we have offices in Amsterdam, New York and Sydney.

We are a fund manager and investment manager. As fund manager, we manage Dutch real estate funds and ventures for institutional investors. Bouwinvest therefore has an Alternative Investment Fund Managers Directive (AIFMD) license. As an investment manager, we manage an international mandates for bpfBOUW. And under our MIFID top-up license (MIFID stands for Markets in Financial Instruments Directive) we may also manage real estate mandates for other clients.

Why this policy?

Our clients are looking after the retirement income of their beneficiaries. To this end they invest, mostly with other (international) investors, in funds or ventures operated by Bouwinvest or other domestic or foreign equivalents.

At Bouwinvest, we are committed to creating financial returns for our institutional clients. We recognize that achieving long-term success requires investing in key ESG considerations where these align with delivering financial returns within our investment horizon. By integrating both, we balance contributing positively to society with preserving and growing future value for our investors. To us, that's *real value for life*.

Responsible tax behaviour is part of these ESG considerations and his policy guides us in achieving responsible tax behaviour.

2. Our vision on tax

Pursuing financial returns and integrating key ESG considerations, implies that we carefully consider generally accepted tax principles such as equal tax treatment and avoidance of double taxation. To us, tax is not simply a cost to be minimised, but an important part of our contribution to the economic and sustainable development of the societies in which we invest. Therefore tax contributes to our license to operate in these societies.

We therefore believe tax considerations to be part of the environmental, social and governance factors that we incorporate in our investment decisions. For this reason, this policy is an integral part of our Responsible Investment Policy¹.

This vision on tax guides us in our daily work and forms the basis for our Tax Principles (chapter 5).

¹ <https://www.bouwinvest.nl/over-ons/responsible-investment-corporate-responsibility>

3. Scope & governance

This policy applies to all our activities and to both direct and indirect taxes. The policy applies to our investments as of the date the policy came into effect (1 January 2019).

The first draft of the policy was approved and supported by the Bouwinvest Executive Board of Directors in December 2018, after being drafted by Bouwinvest's tax department in close cooperation with relevant internal stakeholders. The policy is re-assessed and signed off by the Executive Board of Directors annually or in the interim when activities or circumstances require such reassessment.

We are transparent about our policy. We therefore publish it on our website and we may actively share it with business partners. We also engage with our business partners on their tax behaviour, tax risk management and tax transparency.

Bouwinvest's Tax Department is responsible for maintaining and updating this policy. Bouwinvest's tax governance and internal control framework allows for the proper execution and monitoring of this policy.

4. Tax department

The tax department acts as an advisor to other staff departments, Bouwinvest's Dutch Investment Table, International Investments Tabel, Investment Committee and Executive Board of Directors in transactions, policy setting, tax risk management and tax reporting. As such, the tax department is both supportive and controlling: the tax department both assists the business in transactions and assesses whether Bouwinvest is complying with tax laws and regulations. The tax department advises the aforementioned tables and committees of on compliance with the principles of this policy in, amongst other, in- and divestment decisions.

For the above-mentioned activities, Bouwinvest may seek advice from reputable tax consultancy firms.

5. Tax principles

We not only comply with laws and regulations, but also seek to understand and respect their spirit and purpose. Our behaviour is also determined by (international) initiatives aimed at preventing tax avoidance and increasing tax transparency. Such initiatives are the European Anti-Tax Avoidance Directives (ATAD), the Directive on administrative cooperation and the OECD/G20 Inclusive framework on Base Erosion and Profit Shifting (BEPS). Finally, we are open to what stakeholders consider appropriate and acceptable. We practice this tax norm by respecting the following principles.

a) Sound business reasons

Our investment structures and the transactions we engage in are supported by sound business reasons that reflect economic reality and therefore these structures and transactions should not be primarily tax driven.

b) Explainable

We are prepared and able to explain the investment and transaction structures we engage in to stakeholders, including the dilemmas we may face given the context in which we operate.

Furthermore, we carefully consider how our tax behaviour might be perceived by our stakeholders. In other words, we carefully assess any dilemmas in the context of our obligations towards our beneficiaries and potential reputational risks, taking into account all relevant circumstances.

c) Prevention of double taxation

We aim to prevent double taxation in both a national and an international context. We aim to prevent the taxation of different entities for the same income and the accrual of different taxes to the same entity. For instance, Dutch pension funds are tax exempt as pension benefits are taxable in the hands of the beneficiaries. We also aim to benefit from exemptions for pension funds in an international context.

d) Equal treatment

In an international context, we strive for equal treatment of our investors and sufficiently equivalent local entities.

e) Sovereignty of nations

At the same time, we respect the sovereignty of jurisdictions and their respective taxation rights.

Given the (international) investment environment and, in certain cases, our limited level of influence, we may not always be able to act in compliance with above investment principles in full. We also acknowledge that these principles cannot always be fully respected in parallel. In such a situation, the respective Investment Tables or the Investment Committee may still decide to invest, after having carefully weighed relevant facts and circumstances, such as the risk of reputational damage, market acceptance and the availability of alternative structures.

Stakeholder engagement

f) Active stakeholder engagement

We actively engage with stakeholders on tax-related matters. We build open and cooperative relationships with relevant tax authorities based on mutual respect and understanding. We also actively engage with other important stakeholders, such as managers, investors, tenants and other business partners.

We actively participate in industry associations such as the European Association for Investors in Non-Listed Real Estate Vehicles (INREV), the Dutch Fund and Asset Management Association (DUFAS) and the Association of Institutional Investors in Dutch Real Estate (IVBN). Through these organisations, we actively engage with national and supranational organisations on new initiatives and public consultations on tax directives and legislative proposals.

g) Unambiguous tax reporting

We are transparent towards our stakeholders on our tax behaviour and communicate unambiguously on tax-related matters.

Tax Risk Management

h) Active risk management & tax governance

We actively identify and manage our tax risks and opportunities, which implies that we assess the financial, legal and reputational risks of our tax behaviour. Through our internal control framework, we enhance good tax governance by defining roles, responsibilities and control measures in tax-relevant processes.

i) Data management

To support strategic decision making and provide adequate and sufficiently frequent tax reporting, we actively manage our tax data. To enhance data integrity and increase efficiency, we invest in tax-related technology to manage our tax data.