



Stewardship Policy

Guidelines for the responsible influence in terms of the sustainability of real asset investments in the Institutional Investment Group

Real Impact in Real Asset Investments

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1 Our values and understanding of stewardship in the area of real asset investments

Since our foundation, the central value proposition for investors and employees of the Institutional Investment Group ("2IG") and its companies has been based on prioritising sustainability factors in our actions and services.

Driven by the market position we have gained and the resulting increase in social responsibility - but also by general social developments - it is our key endeavour to use our own sphere of influence to make a significant corporate contribution to a sustainable environment and society.

For this reason, 2IG has translated the general principles of sustainable corporate governance into its own company-related sustainability strategy, which makes sustainable behaviour in and by our company binding and also takes into account any adverse effects on sustainability factors when making investment decisions.

In line with the PRI's definition of stewardship, this includes using our own influence to optimise overall long-term value, including shared economic, social and environmental values on which the returns and interests of investors and beneficiaries depend.

2 Objectives and responsibilities

In the area of real asset investments, 2IG pursues the goal of ensuring responsible and sustainable fund management and promoting sustainable investments in the interests of investors and other clients in accordance with their requirements.

The Group's AIFMs assume responsibility for the administration and management of the funds and endeavour to create long-term value while protecting the interests of investors by exerting their influence on mandated and mandating asset managers and other service providers.

In addition, a separate advisory unit supports investors with strategic issues such as structuring, investment strategy, manager selection or investment decisions, as well as with in-house research.

2IG aims to set standards in the needs-based structuring and management of real asset investments and, through the use of innovative technologies and scalable processes and with a regard to the evolving regulatory requirements, to drive forward the digitalisation and further professionalisation of real asset investments - also and especially with regard to sustainability standards.

3 Sustainability and ESG criteria

The AIFMs of 2IG integrate environmental, social and governance (ESG) criteria into the investment strategies of the funds in accordance with the clients' requirements, support investment decisions in this regard and take them into account, particularly in risk management. They pay particular attention to the identification and assessment of ESG risks and opportunities in connection with real asset investments.

2IG supports its clients' sustainable real asset investments and actively promotes measures for greater energy efficiency, social responsibility and good corporate governance.

4 Advice, management of external asset managers and exercising influence in investment committees

The AIFM and advisory unit of the 2IG responsibly utilise their influence on mandated external asset managers and (indirectly) other service providers in their day-to-day cooperation, in decision-making processes in the investment committees of the funds and in the formulation of reporting requirements.

They strive for an active dialogue with companies in order to influence their business practices, strategies and ESG measures and create long-term value.

They also take responsibility in advising institutional investors on the implementation, realisation and administration of sustainable investment structures.

5 Risk management and portfolio monitoring

The AIFMs of the 2IG have implemented a comprehensive risk management system to identify, assess and monitor potential risks for the administered funds. Based on this, risk minimisation and control strategies are formulated and implemented.

The portfolios of the real asset funds are regularly monitored to ensure that they fulfil the investment objectives and requirements of the investors. Particular attention is paid to stranding risks in relation to future sustainability requirements for the various properties.

6 Collaborative Stewardship

2IG acts in central functions of the value chain of institutional real asset investments. It works with a wide range of stakeholders from the real asset investment sector. Through this central market position, 2IG derives its claim and responsibility to have an impact on the real asset investment market and to shape it more sustainably.

2IG combines the interests of institutional investors with the appropriate strategies of external asset managers, and also commissions and coordinates co-operation with other service providers. In doing so, 2IG also endeavours to work together to develop and improve processes for sustainable real asset investments, to further improve data availability and the resulting transparency in terms of better identification, control and management of sustainability risks.

2IG develops its own IT solutions along the entire value chain of institutional investments in the real assets sector - from data collection by property managers to the efficient and effective monitoring and management of large real asset portfolios of institutional investors.

Its aim is to set standards in the needs-based structuring and scalable management of real asset investments and to drive forward the digitalisation and further professionalisation of real asset investments through the use of innovative technologies and scalable processes and with a view to the evolving regulatory requirements - also and especially with regard to sustainability standards.

As a group of companies, 2IG is also a signatory to the Principles for Responsible Investment (PRI) initiative supported by the United Nations. This network of international investors is committed to establishing and implementing the principles of responsible investment in practice. By implementing the principles, the signatories contribute to the development of a more sustainable global financial system. There is a regular exchange of

experience at conferences and webinars between the signatories, which serves the further development and practical implementation of the principles of sustainable investing.

Either itself or via subsidiaries, 2IG is a member of the Bundesverband Alternative Investments e.V. (BAI), the BVI Bundesverband Investment und Asset Management e.V. and the Gesellschaft für Immobilienwirtschaftliche Forschung e. V. (gif). These memberships serve to gather information and exchange ideas with other market participants. In particular, our involvement in gif is intended to support real estate economic research and help shape future standards in the real estate industry.

7 Transparency and communication

2IG attaches great importance to transparency and open communication. It does not limit itself to delivering all mandatory reports and notifications, but also exerts a major influence on the granularity and quality of the data supplied by the mandated property and asset managers and validates it using appropriate systems even at the data input point.

This approach enables the company to provide its customers with a look through to property level for a large number of relevant key performance indicators (KPIs). Both the availability of data and the number of calculable sustainability indicators are constantly being expanded.

The Group's AIFMs are also subject to the EU Disclosure Regulation and publish statements on the main adverse impacts of their investment decisions on the sustainability factors (Principle Adverse Impacts, "PAI"). The adverse impacts are made measurable by means of indicators, to the extent permitted by the respective circumstances. Adverse impacts include, on the one hand, the effects of investment decisions on the climate and other environmentally negative aspects and, on the other hand, effects in the areas of social affairs and employment, respect for human rights and the fight against corruption and bribery.

This stewardship policy is intended to serve as a guide for the employees of all 2IG companies in the area of real asset investments and to ensure that responsible and sustainable fund management is guaranteed in the interests of investors and clients.

8 Review and improvement

2IG regularly reviews its stewardship policy and the implementation of its principles. It strives for continuous improvement and adapts its practices to new developments, legal requirements and best practice.