

Principles for Responsible Investment

for Branicks Group AG

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Preamble

The PRI Principles for Responsible Investment defines how ESG factors (environmental, social and governance) are integrated into the investment process of Branicks Group AG (hereinafter referred to as Branicks). It defines the associated due diligence obligations and ensures that sustainable and ethical principles are consistently taken into account in all investment decisions.

Effective as of	01/08/2025
Scope of validity	All employees ¹ of Branicks Group

Version management

Version	Date	Revision	Author	Approved by
1.0	15/07/2025	Initial creation	ESG Department	Management Board

The PRI Policy is adopted by the Management Board of the Branicks Group. Amendments and additions always require the approval of the Management Board.

The PRI Policy of Principles for Responsible Investment applies to all employees of Branicks Group AG and comes into force on 01/08/2025. The Policy has been approved by the Management Board.

¹ The term “employee” is defined as: any person employed by Branicks Group AG and its member companies, including executives and members of corporate bodies of Branicks Group AG, temporary employees, part-time employees, temporary student workers, short-term workers, apprentices, trainees and interns. To ensure a pleasant reading experience, it was decided to use male terms only for any gendered job titles and nouns that refer to persons generically, where applicable. The generic use of male terms is principally gender-inclusive in the sense of gender equality. The short generic form was chosen for editorial reasons alone, so as to improve the text’s readability, and implies no judgment of any kind.

Definitions

Term	Description
<i>Branicks</i>	Branicks Group AG
<i>Responsible investing</i>	Responsible investing for Branicks is defined as the formal and strategic integration of environmental, social and governance (ESG) factors into the overall investment decision-making process and active asset management (stewardship).
<i>Investment objectives</i>	The strategic objectives to be achieved with real estate investment. These include financial return targets as well as ESG criteria to ensure sustainable investments that add value in the long term. The objectives serve as principles for decision-making processes and portfolio allocations in line with responsible investment principles.
<i>ESG aspects</i>	<p>Environmental, social and governance. Umbrella term for various issues in the areas of the environment, society, and corporate governance.</p> <p>Environmental aspects relevant to Branicks include, among others: adaptation to climate change, decarbonization and energy efficiency, biodiversity and pollution.</p> <p>Social aspects include, among others, inclusion and diversity, health, safety and general working conditions within the company and the entire Branicks value chain.</p> <p>For Branicks, aspects of corporate governance include, among others: board diversity, board remuneration, anti-bribery and corruption and business ethics.</p>
<i>ESG integration</i>	ESG integration at Branicks is the ongoing and systematic consideration of ESG factors in all phases of the 360-degree management approach (MATCH, TRANSACT, OPERATE, DEVELOP). The aim is to improve risk-adjusted returns by integrating sustainability aspects into all investment decisions.

Introduction

Branicks AG is a specialist for office and logistics real estate, with more than 25 years of experience in the real estate market. The company sees itself not only as an active player, but also as a source of inspiration and an innovative idea generator in the real estate industry. Branicks' business model is based on two segments: the Commercial Portfolio, which comprises its own actively managed properties and the Institutional Business, in which Branicks structures and manages real estate investments for institutional investors. Both segments follow a consistent ESG strategy and form the basis for Branick's contribution to the sustainable transformation of the real estate industry. The development and implementation of a PRI Policy (Principles for Responsible Investment) is a logical step for Branicks to further strengthen its long-standing commitment to sustainability.

In 2024, Branicks joined the PRI Initiative, which was founded in partnership with the UN Global Compact. Branicks is committed to integrating environmental, social and governance aspects (ESG) and digitalization (D), as these contribute significantly to the performance of its portfolios and the sustainable development of Branicks.

Branicks' commitment to sustainability began long before it officially joined the PRI initiative on its own responsibility. By signing the Principles for Responsible Investment, Branicks is reaffirming its conviction and commitment to consistently integrate ESG aspects into investment decisions and corporate processes and to actively align its actions with sustainability criteria. Branicks aims to contribute to the transformation of the real estate industry and fulfill its responsibility to stakeholders through transparency, cooperation, and knowledge sharing. Tenants benefit from energy-efficient buildings, employees from fair working conditions, and society and local communities benefit from Branicks' commitment to climate protection and sustainable urban development. All of this underscores sustainability as an integral part of Branicks' business model.

The PRI Policy defines the strategic objectives, investment guidelines and responsibilities and also regulates reporting, monitoring and regular reviews. This

ensures transparency and effectiveness, with the Policy being applied throughout the company. The PRI policy was developed within the ESG department and approved by the Management Board to ensure compliance with the corporate strategy and regulatory requirements. It is reviewed annually and as needed, and is subject to ongoing development.

Stewardship

Branicks takes its responsibility as a major player in the commercial real estate sector very seriously by working to reduce its environmental impact, taking social needs into account and fostering a corporate culture based on ethics and integrity.

Branicks helps to strengthen the conviction of responsible investors that ecological and social action can go hand in hand with economic success. Branicks' commitment demonstrates that the integration of ESG factors is not just a question of risk management, but also offers opportunities for innovation (e.g. the Renewable Energy Fund), long-term value creation and positive social contributions. Joining the PRI in 2024 further underscores this commitment. Branicks is thus formally committed to the six principles of responsible investment.

As a member of the UN Global Compact (UNGC), Branicks is furthermore committed to integrating the ten principles in the areas of human rights, labor standards, environmental protection and anti-corruption into its corporate strategy, corporate culture and day-to-day business. In addition, Branicks contributes to achieving the United Nations' Sustainable Development Goals (SDGs), with the Green Bond Framework being in line with SDGs 9 and 11, for example. Branicks is also a member of the national organization of the UNGC in Germany.

On a European level, Branicks is involved in leading real estate industry associations such as the European Public Real Estate Association (EPRA). These associations develop new ESG metrics and reporting formats and maintain databases of sustainability data in line with best practice recommendations. Branicks is furthermore involved in other relevant associations and initiatives. These include organizations that focus in particular on corporate governance

(e.g. Institute for Corporate Governance in the German Real Estate Industry), investor relations and sustainable construction (e.g. German Sustainable Building Council (DGNB)). Branicks is also active in leading industry associations, such as the German Property Federation (ZIA), where it advocates for reliable framework conditions in the real estate industry and contributes its expertise. In addition, Branicks takes into account the recommendations of the German Corporate Governance Code (GCGC) for good and responsible corporate governance in its internal policies.

Sustainability is a central component of Branicks' strategy and actively drives the transformation of the real estate industry. Branicks engages in ongoing dialogue with stakeholders, primarily investors and capital providers, to systematically identify their expectations. The comprehensive double materiality analysis forms the basis for target setting and reporting. In addition, the ESG Committee regularly reviews the strategy and targets, while ESG due diligence checks ensure that sustainability aspects are incorporated into investment decisions at an early stage.

Investment guidelines and objectives

Branicks' investment policy is based on an active and long-term management approach with the aim of creating sustainable value through high-quality commercial real estate and long-term, secure rental income. Branicks focuses on office and logistics properties in Germany, supplemented by selected properties in neighboring European countries.

The Group's sustainability targets focus on the Commercial Portfolio segment. As the owner, Branicks has direct control over the properties and can implement targeted measures to reduce emissions. Branicks aims to achieve net-zero emissions for its Commercial Portfolio by 2050 at the latest. This long-term goal was updated after the previous reduction target was achieved ahead of schedule and even exceeded.

Branicks has set itself a new interim target of further significantly reducing greenhouse gas emissions per unit of space in the Commercial Portfolio in the

medium term. It also aims to significantly increase the proportion of sustainable buildings in the portfolio over the coming years.

In the Institutional Business segment, Branicks manages real estate on behalf of institutional investors and has only limited influence as a real estate manager or co-investor. However, Branicks follows clear guidelines in its institutional business, for example by launching funds that take ESG characteristics into account, investing in renewable energies, integrating ESG criteria into property acquisitions, and promoting green building certifications for the properties it manages.

Branicks places a strong focus on sustainable real estate and investments in renewable energies. The expansion of renewable energies is seen as a key challenge and is being addressed in a targeted through the use of roof areas on new buildings or existing properties. Dedicated funds are used to promote ecologically valuable and economically attractive solar and wind energy projects in Germany and Europe. In this way, Branicks is contributing to the decarbonization of the building sector.

ESG integration

Branicks systematically integrates ESG aspects into all phases of the real estate life cycle via its 360-degree management approach (MATCH, TRANSACT, OPERATE, DEVELOP). The ESG approach applies to all significant business activities and therefore also to asset classes and investments. This includes the acquisition of suitable properties (MATCH), the sale of unsuitable properties (TRANSACT), sustainable letting and management (OPERATE) and the further development of the real estate portfolio through innovative structural or technical measures (DEVELOP).



Match

In the MATCH phase, where properties, users and investors are brought together, ESG criteria are systematically derived from the investment strategy. In the Institutional Business, Branicks develops innovative products in close co-operation with service asset management companies. ESG aspects are continuously incorporated into the processes and are ensured by established standards and regulatory requirements.

Transact

In the TRANSACT phase (purchasing and selling), ESG due diligence is carried out when acquiring properties in order to assess energy efficiency, energy parameters and environmental impact. The potential for green building certifications is also determined. If individual properties do not meet the ESG standards, action plans are prepared and the corresponding investment costs are included in the business plan. Branicks prefers to invest in sustainable and energy-efficient buildings with certifications such as DGNB, LEED and BREEAM, while unsuitable properties are sold.

Operate

During the OPERATE phase (management), the properties are actively and sustainably managed, including the controlling and reporting of ESG-relevant key figures. Branicks systematically records and analyzes energy consumption and

the resulting greenhouse gas emissions to identify general optimization potential and take measures. These include measures to reduce energy consumption and switch to renewable energies. An individual climate path is created for each property, which contains measures to achieve the climate target. Sustainability is taken into account in the leasing process by offering sustainability-certified and energy-efficient buildings, using green leases to involve tenants in energy saving, and engaging in active dialogue with tenants on ESG issues.

Develop

The DEVELOP phase focuses on the further development of the managed real estate portfolio through structural, technical, or innovative measures. ESG measures play a key role in increasing long-term value. The focus is on ecological development through new construction and revitalization projects with high environmental standards as well as increasing energy efficiency in operations. Based on a CO₂ and energy due diligence, individual climate paths are implemented with technical, organizational and contractual measures. In addition, biodiversity is promoted through sustainable site design, especially in new construction projects.

Social and governance aspects such as diversity, equal opportunities and compliance are equally important components of the comprehensive ESG commitment.

Reporting

Branicks firmly believes that acting responsibly requires transparency in business decisions and processes, as well as communication with stakeholders. That is why clear reporting structures have been established.

In its annual sustainability report, Branicks provides insights into its strategy, measures and progress in the area of sustainability. This report is based on the GRI Standards 2021. In addition, Branicks publishes an annual report in

accordance with the reporting guidelines of the European Public Real Estate Association (EPRA).

The internal review of the ESG strategy at Branicks is the responsibility of the CEO. The Head of Sustainability is primarily responsible for the continuous development of the ESG strategy, the intensification of ESG activities, ESG reporting and sustainability communication and reports directly to the CEO.

Branicks' sustainability performance is subject to various external review processes. An important component of this is the complete and voluntary audit of the sustainability report by an independent auditor as part of a limited assurance engagement.

This audit is conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 with reference to the principles set out in the Sustainability Reporting Standards of the Global Reporting Initiative and the Sustainability Best Practice Recommendations (sBPR, 4th version 2024) of the European Public Real Estate Association (EPRA).

In consultation with its business development and fund management teams, Branicks regularly informs institutional investors about the performance of its investment vehicles and properties. This is done through monthly reporting via a digital investor cockpit and twice a year through detailed reports on investment strategies and CapEx measures.

Monitoring and review

Branicks' commitment as a responsible investor is an ongoing process that involves the continuous optimization of procedures, reporting, and impact assessment. This is reinforced by the ongoing development of the ESG strategy by the Head of Sustainability, active participation in ESG ratings to promote transparency and top rankings with rating agencies such as Morningstar Sustainability. The full audit of the sustainability report by an independent auditor

also underscores the value and authenticity of Branicks' commitment to sustainability.

Close communication with customers and stakeholders enables Branicks to further develop ESG guidelines, initiatives, and products and to incorporate feedback on relevant sustainability issues. One example of this is the development of the Branicks Renewable Energy Fund in response to the increasing demand for sustainable investment products.

Branicks' commitment is guided by key legal and regulatory requirements such as the EU Taxonomy Regulation and the Sustainable Finance Disclosure Regulation (SFDR) under the EU Green Deal. Although Branicks is not currently subject to the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), relevant requirements are taken into account where they are significant for its business activities and sustainability strategy, for example by conducting a double materiality analysis.