

# Responsible Investing

As a holistic asset manager with a focus on real estate and infrastructure, Commerz Real AG views responsible investing as a core prerequisite for long-term value creation and societal relevance. We are convinced that environmental, social, and corporate governance (ESG) considerations are integral to a future-proof investment strategy.

Our ESG strategy is built on three equally important pillars:

- **Environment (E):** We are committed to adhering to the Paris Climate Agreement. We aim to operate at Net Zero and achieve a climate-neutral supplier portfolio by 2040. Our investment and financing portfolios will be managed to achieve Net Zero by 2050 at the latest.
- **Social (S):** We promote social sustainability through partnerships, inclusive workplaces, and community engagement. As part of our social commitment, we will achieve a 20% increase in the value we deliver to our partners in the neighborhood by 2030.
- **Governance (G):** Good corporate governance is a given. We structurally embed sustainability within our company, act ethically, and comply with all regulatory requirements. Starting in 2024, our progress will be assessed annually through external ESG ratings. We aim to achieve at least a B rating in the Governance module and Prime status in ISS ESG's overall ESG rating by 2030.

Our investment decisions prioritize long-term value creation, not just financial metrics. We invest in ideas and concepts that are sustainable and have a positive impact on society and the environment. The following principles guide our actions:

- **Integration of ESG Criteria:** Sustainability factors are systematically incorporated at every stage of the investment process—from due diligence and asset management to divestment. Both risks and opportunities arising from ESG factors are considered.
- **Responsible Ownership of Tangible Assets:** In our real estate investments, we engage with stakeholders such as tenants, suppliers, service providers, and local communities connected to specific projects. Continuous dialogue with tenants is particularly important, as they directly influence the operational footprint of the buildings.

For infrastructure investments, we ensure that the scope, processes, and content of engagement are appropriate to the level of investment. This may include full management, exercising direct governance rights, or direct dialogue with key decision-makers. We also collaborate closely with joint-venture partners.

- **Transparency and Reporting:** We regularly report on the environmental and social impact of our investments, following international standards such as UN PRI, CSRD, and SFDR.

- **Exclusion Criteria:** We exclude investments that meet Commerzbank AG's exclusion criteria for arms and surveillance technologies. Leasing real estate or other fund assets to companies directly involved in the production of controversial weapons is prohibited.
- **Partnerships and Initiatives:** As part of a responsible financial system, we actively engage in relevant networks and initiatives to help drive the transition to a sustainable economy.

Through this approach, we generate not only financial returns but also societal value—for our clients, stakeholders, and future generations.