

The KIM policy

I

The KIM - Group has been developing and realizing real estate projects for almost five decades. KIM is committed to responsible corporate management, follows the guiding principle of sustainable development and thinks in terms of generations. As a dynamic and contemporary company, KIM is committed to high ESG standards and lives them in daily business practice.

II

Sustainability is part of our DNA. We have always acted in a way that is economically efficient, ecologically responsible, and which follows the guiding principles of social justice. In our view, good corporate governance is also ultimately sustainable.

As an established municipal partner, we make an important contribution to society with our attractive project developments. We work for livable cities and think about issues such as urban development, sustainability, diversity of use, community building, networking and mobility in new ways.

For us, economic success, sustainability, social responsibility, and integrity are not divergent goals that are in conflict with each other. They are essential building blocks of our corporate strategy. In addition to economic interests, KIM systematically takes environmental and social aspects in its business decisions and value creation processes. The UN's Sustainable Development Goals (SDGs) provide us with orientation, in particular by focusing on the following SDGs:



III

The KIM management sets the goals and integrates sustainability comprehensively into the business strategy. In addition to the management, a sustainability officer is responsible for developing and implementing the sustainability strategy. Together, they determine the measures that accompany the strategy and define the performance indicators to measure the success of the sustainability strategy. For example, KIM's goal is to certify all non-residential projects with an o.i. GFA of more than 20,000 sqm as at least Gold according to recognized standards (e.g. DGNB, Leed). Specific certifications such as Well or ECARF are also additionally considered depending on the project.

But also independent of the certifications, aspects of energy-saving and environmentally compatible construction and management are always considered in our projects. For each project, the installation of an optimally efficient photovoltaic and/or solar thermal system is planned from the very beginning. If parking spaces are planned, whether for bicycles or for cars, corresponding e-charging stations are also planned from the outset. Other renewable energy sources such as geothermal energy are examined at the beginning of each project and evaluated in terms of their cost/benefit ratio. In doing so, long-term evaluation periods are set, which favor a decision-making process towards the creation and use of regenerative energy sources.

In addition to the use of environmentally-friendly resources, KIM also places great emphasis on long-lasting, urbane, and architecturally sophisticated projects/buildings. We ensure that our projects will not have to be demolished or extensively renovated after a short life cycle. Only a holistic view of real estate over its entire life cycle leads to truly sustainable decisions and thus increases the social benefit.

In order to embed our ESG strategy deeply into our operating business, the sustainability officer systematically checks compliance with the criteria we have set ourselves. In this way, we promote transformation in all areas of our corporate activities. Managers and employees are trained in sustainability issues so that they are familiar with our self-image, as well as with the measures and goals of our sustainability strategy, so as to be able to implement them successfully.

Climate change is real. KIM wants to help achieve the EU's goal of climate neutrality by 2050 and contribute to it by becoming climate neutral itself by 2050. The roadmap is currently being developed and should be available by 2025 at the latest. Here we intend to further specific measures that go beyond today's scope, both for our projects and our internal processes, which are necessary to achieve the long-term goal of climate neutrality. In addition to measures for direct CO2 reduction as well as those that contribute indirectly to lowering the CO2 content of the atmosphere.

IV

The achievement of public welfare goals plays an important role in our decision-making. Our portfolio shows that we have been pursuing social goals in our projects for a long time. For example, in times of skyrocketing rents in Berlin, we have succeeded in building more than 1,500 affordable rental apartments (average rent under €10) for the public sector. Affordable rents are important for a sustainable mix of our cities.

With the WIEWEIL project, we are currently working on a public welfare-oriented project that combines affordable student housing with a substantial proportion of rent-reduced office space and, in particular, to provide a space for companies and organizations dedicated to the topic of lifelong learning, and thus want to provide an important added value for society.

In Marzahn, we are building a dormitory for the homeless run by the renowned social company Unionhilfswerk, we thereby contribute to ensuring that people who have it harder than most are supported by a functioning social network.

We are socially committed by organizing public discussion formats ourselves or by supporting them, because we are convinced that it is the exchange between people that unfolds the true potential of humanity and (real estate) projects benefit from it, when all participants exchange ideas and learn from each other.

As a successful operating company, we are generally aware of our social responsibility and regularly donate to social and/or ecological causes. Internally, we are also aware of our social responsibility. Our employees are offered training opportunities far beyond the legal requirements, vacation entitlement is 30 days per year, thus above standard, and they benefit from flexible home office arrangements. Every employee is also entitled to one Social Day per year to make themselves useful in a social or ecological project. We generally promote the combining of family and work by offering as much flexibility as possible in terms of working hours. We also prepare parental leave together with our employees and support them in their desire to take advantage of this leave.

V

Good corporate governance has always been important to us, and we often maintain partnerships across many projects. However, for us good corporate governance also means a commitment to fair competition, compliance with legal requirements, and therefore also to a strict fighting of corruption and money laundering.

We observe universal human rights. Equal opportunities and equal treatment of every person, whether employees, customers, business partners or suppliers, self-evidently matter for us. We categorically reject discrimination for any reason whatsoever.

As an employer, we take our duty of care seriously and ensure that all our employees work in a healthy and safe environment. With regard to data protection, we comply with the relevant legal regulations both externally and internally (DGSVO, BDGS).

We expect that everyone in our company, as well as our customers, business partners and suppliers, will always behave in accordance with these values.

Berlin, February 2022

The KIM Management