

TAG

Immobilien AG

ESG presentation 2024



Homes for generations

Content

I.	TAG Group overview	3
II.	TAG ESG strategy and core axes	4
III.	TAG ESG commitments Germany	5
IV.	TAG ESG commitments Poland	6
V.	TAG Corporate ESG management structure	7
VI.	TAG Affordable and liveable housing in Germany	8
VII.	TAG Developing our portfolio responsibly in Germany	9
VIII.	TAG Decarbonisation strategy German portfolio	10-11
IX.	TAG Our responsibility to society	12
X.	TAG Our employees shape our future	13
XI.	TAG Stakeholder satisfaction	14
XII.	TAG ESG ratings	15
XIII.	TAG Sustainability in Poland: portfolio, stakeholder	16-20
XIV.	TAG Contacts	21

TAG Group overview



Leading German affordable housing player and among the largest residential landlords in Poland

TAG
Immobilien AG

TAG
Immobilien AG



Affordable housing rental business

- TAG's core business offering stable and predictable cash flows from German residential rental business
- "ABBA strategy"- investments in A locations in B cities and B locations in A cities
- Energetically well-balanced portfolio with 62% of properties in efficiency classes of C or better

VANTAGE RENT
— TAG IMMOBILIEN GROUP



Build-to-hold (BTH)

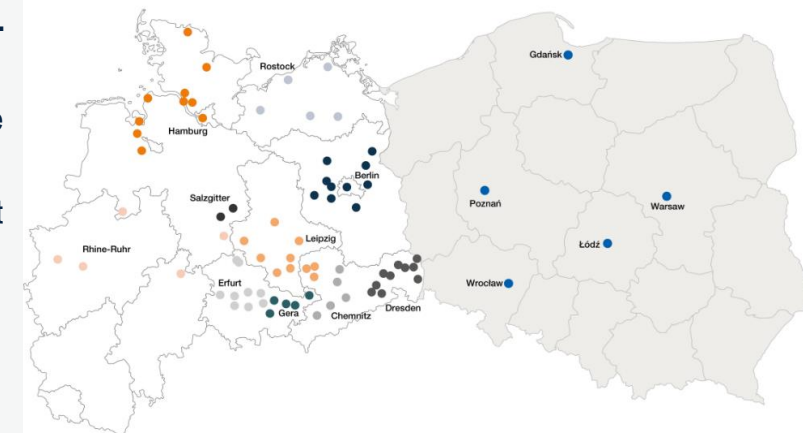
- One of the biggest landlords in Poland focused on new constructed apartments in the A cities
- The value creation starts already in the project development phase, highly attractive c. 7-8% GRI yield on cost

ROBYG

Build-to-sell (BTS)

- Development of flats for sale with construction focus on Polish A cities
- Highly cash generating business with one of the biggest land banks in Poland

- **TAG is a Hamburg-based real estate company** that focuses on the residential property sector. Since 2012, TAG has been listed on the MDAX at the Frankfurt Stock Exchange
- TAG is a **well-diversified specialist for affordable housing** in attractive locations in **Northern** and **Eastern Germany**, as well as in **North Rhine-Westphalia** and among the **largest owners of residential properties in Eastern Germany**
 - **Fully integrated** platform via lean and decentralized organization: Local presence as a key element of TAG's asset management approach to ensure **deep local market knowledge** and efficient operation of assets
 - **Internal growth** as one main driver: Active asset management approach to lift and realize value potential via vacancy reduction and selective investment of capex
- **Expansion into polish rental and development business** through the acquisition of Vantage in January 2020 and the acquisition of ROBYG in March 2022
 - Benefiting from expected cash returns from Polish development business to finance growth in the Polish rental housing market
- **Stable and long-term financing structure** to support **profitable growth** strategy
- **Strong ESG credentials** and clear decarbonisation strategy



TAG ESG strategy and core axes

Sustainability is an essential part of TAG's corporate vision



Sustainability principles and guidelines at TAG



TAG ESG commitments Germany



TAG continues to implement sustainable development goals

At TAG, we make it part of the corporate responsibility to make persistent contribution to the implementation of UNSDGs

TAG's sustainability goals

Our economic goal

Secure future viability by maintaining and expanding the value of our properties

Our social goal

Further increase the satisfaction of our tenants and employees by strengthening the loyalty of both groups

Our ecological goal

Reduce consumption and optimise the use of resources, increase energy efficiency and reduce CO₂ emissions













TAG Germany's key focus of action



Detailed breakdown of goals and sub-goals including timeline and status of implementation is published as part of

- [TAG Sustainability Report 2023](#)



 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> • Sustainable resource management • Customer focus • Work-life balance and diversity 	 <p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> • Work-life balance • Family-friendliness • Diversity 	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> • Optimising energy efficiency and emissions
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> • Integrity and ethics, fair business practices and compliance • Sustainability in the value and supply chain • Corporate culture of appreciation, transparency, and participation 	 <p>10 REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> • Liveable neighbourhoods • Customer focus • Service quality 	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> • Marketable portfolio development for broad sections of the population • Reasonable rent • Liveable neighbourhoods
 <p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Optimising energy efficiency and emissions 	 <p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> • Sustainable resource management • Liveable neighbourhoods 	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> • Liveable neighbourhoods • Dialogue with tenants, municipalities and other stakeholders

TAG ESG commitments Poland

TAG Poland's key focus on action and implementation of UNSDGs



Three areas of our sustainable business



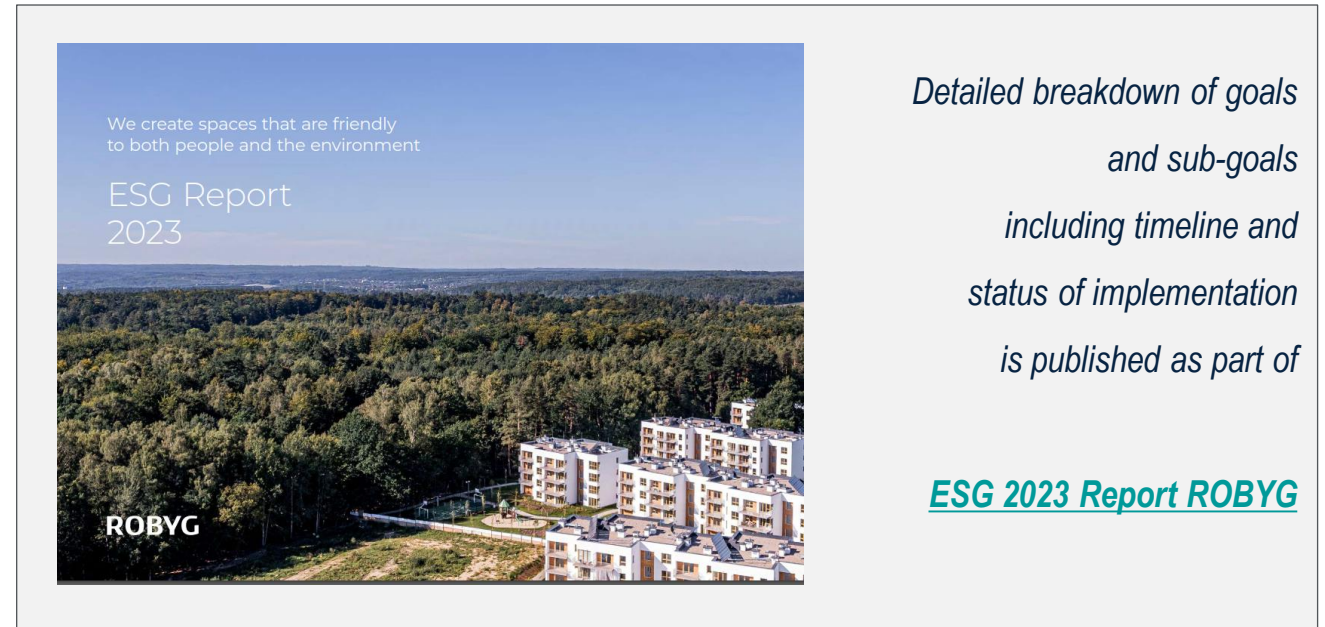
Environmental area



Social area



Management area



Detailed breakdown of goals and sub-goals including timeline and status of implementation is published as part of

[ESG 2023 Report ROBYG](#)

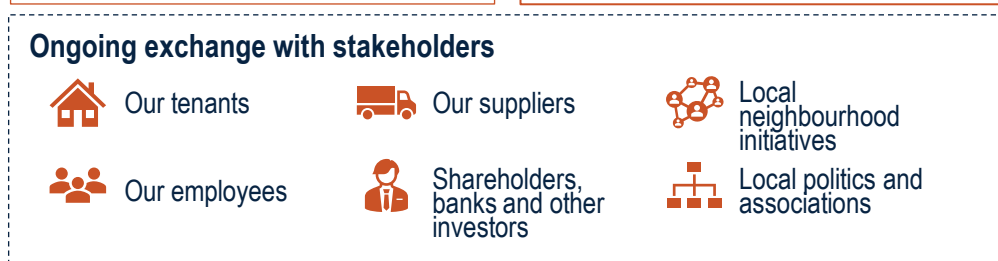
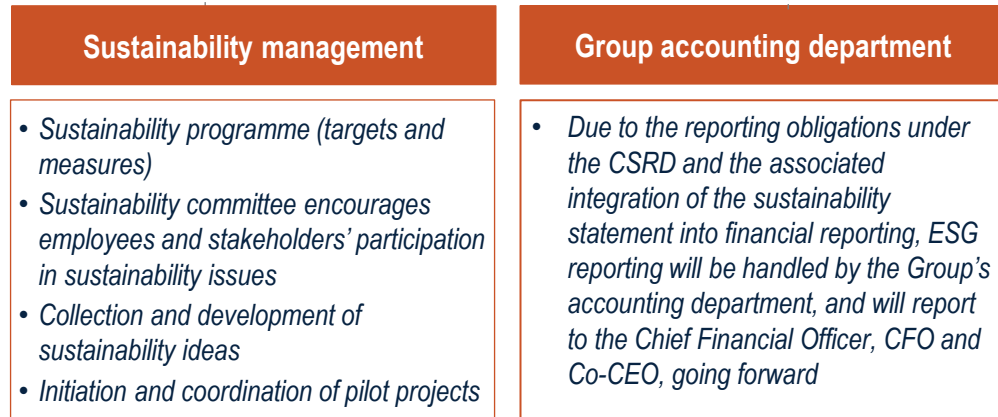
<p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> • Sustainable resource management • Customer focus • Work-life balance and diversity 	<p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> • Work-life balance • Family-friendliness • Diversity 	<p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> • Ensure availability and sustainable management of water and sanitation 	<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> • Optimising energy efficiency and emissions
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> • Economic growth • Full and productive employment and decent work 	<p>10 REDUCED INEQUALITIES</p>	<ul style="list-style-type: none"> • Liveable neighbourhoods • Customer focus • Service quality 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> • Marketable portfolio development for broad sections of the population • Reasonable rent 	<p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Optimising energy efficiency and emissions
<p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> • Sustainable resource management • Liveable neighbourhoods 	<p>17 PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> • Liveable neighbourhoods • Dialogue with tenants, municipalities and other stakeholders 				

TAG Corporate ESG management structure

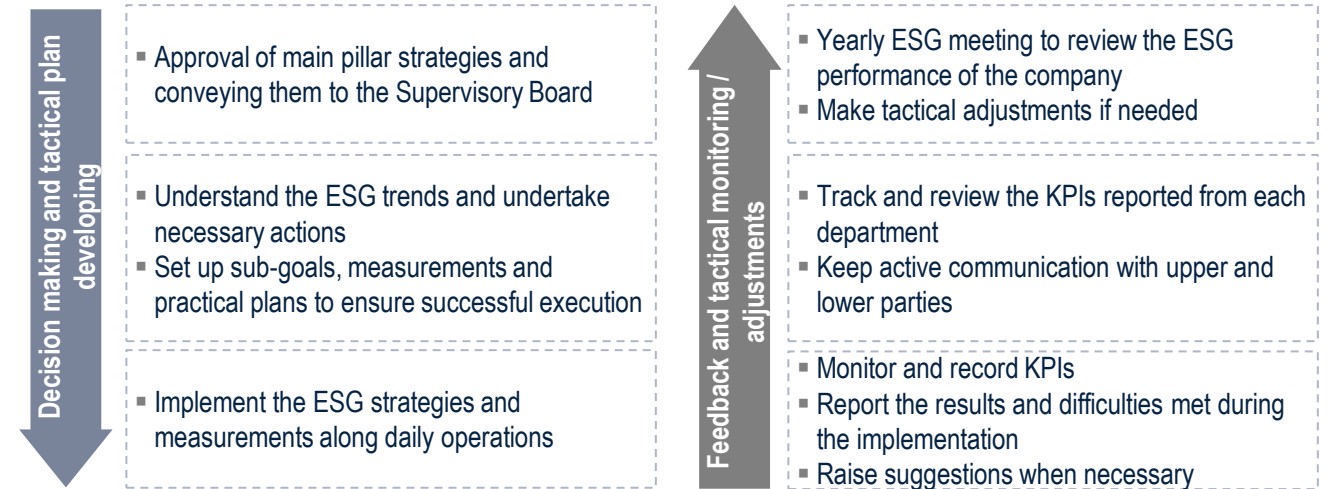
Integration of ESG issues in corporate decision-making processes



ESG corporate structure



Smooth channels for implementation and communication



Management remuneration aligned with sustainability (ESG) targets

- After approval in TAG's AGM on 13 May 2021, the composition of **management's variable remuneration** takes **ESG targets** into account
- This should further cement management's alignment towards TAG's sustainable development and the **creation of sustainable enterprise value along the value chain**
- ESG targets will be (re)defined annually by the Supervisory Board.** For 2023, STIP* targets are defined on the basis of the risk assessment developed by "Sustainalytics", with max EUR 25,000 per board member depending upon the rating achieved
- LTIP* remuneration will contain longer-term non-financial and ESG targets** (up to 20% of total LTIP remuneration); main targets set for the next four years refer to the decarbonisation strategy for the German portfolio, to tenant satisfaction and to social projects within TAG foundation

* STIP=Short Term Incentive Plan, LTIP=Long Term Incentive Plan

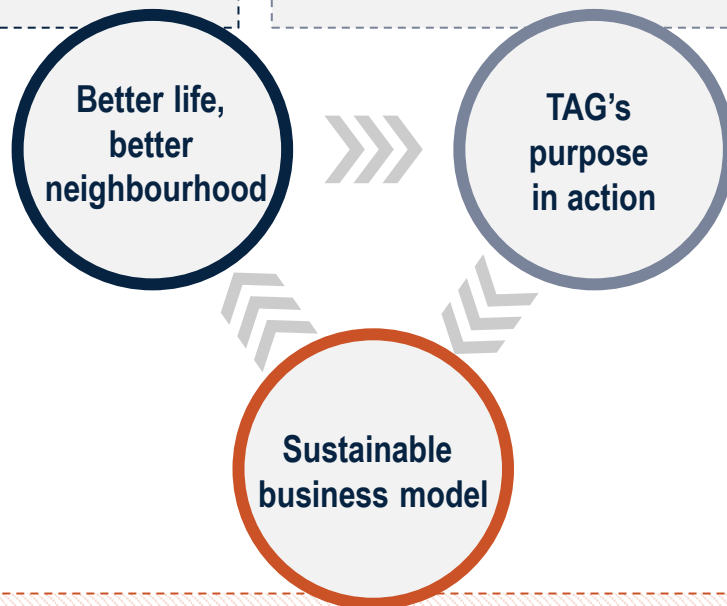
TAG Affordable and liveable housing in Germany

A social purpose as a base of TAG's business model



A business answering social needs

- Provide affordable housing
 - Make affordable housing more liveable
 - Improve community development and integration
- Core business of affordable housing
 - Implementation of 100%-owned subsidiaries for:
 - Optimizing energy costs for tenants
 - Improving affordable housing quality through faster and better services



TAG has found a business model that contributes not only to profit generation, but more importantly, to a more sustainable and liveable society

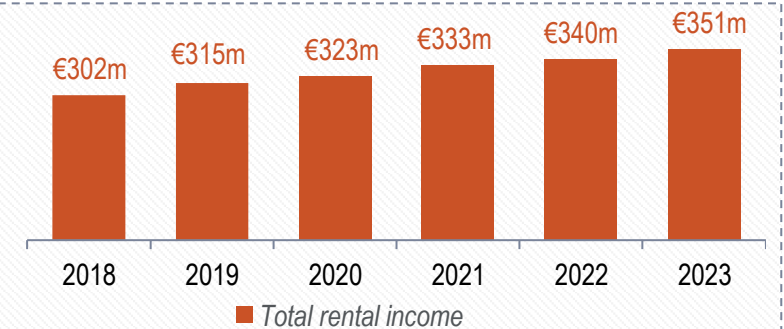
TAG's business is tackling social issues for affordable, liveable housing

Core business of affordable housing

- As a specialist in affordable housing, TAG has established a portfolio with nearly 85,000 residential units in Germany
- TAG aims to expand housing supply with affordable net rents that does not exceed €6 per sqm

EUR 5.71/sqm
Net actual rent 2023

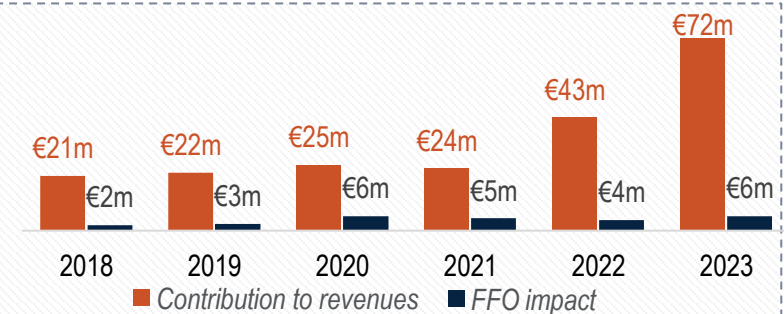
EUR 5.64/sqm
Net actual rent 2022



Optimizing energy costs for tenants

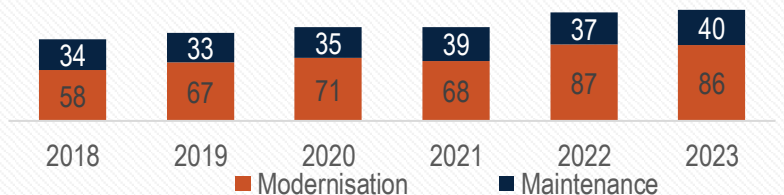
ENERGIE (100%-owned subsidiary)

Energie Wohnen Service GmbH is TAG's heating service branch to tenants. By the end of 2023, Energie Wohnen Service equipped c.50% of natural gas-fired heat generation plants with remote monitoring technology to optimize operational control



Investments in energy-efficient and future-proof portfolio

- TAG increased spending on capitalized modernisations for German portfolio
- For 2024 similar high volume of modernisation measures focusing on energy-conserving and emission-reducing measures specifically individual measures, e.g. insulating building shells, replacing windows, and renewing heating systems



TAG Developing our portfolio responsibly in Germany



TAG is committed to decarbonising its existing portfolio; ongoing green investments in energy efficient buildings

Sustainable residential housing

- 1 **Maintenance and modernisation as needed**
 - Introduction of green tech for a future-proof portfolio
 - Active portfolio investment strategy towards long-term competitiveness
- 2 **Supply chain and materials**
 - Support for local service and material suppliers
 - Standardised and transparent selection process
 - Use of sustainable materials
- 3 **Climate and environment**
 - Decarbonisation and emission control
 - Environmental compliance for all external contracts
 - Contribution to resource conservation and biodiversity

Serial refurbishment

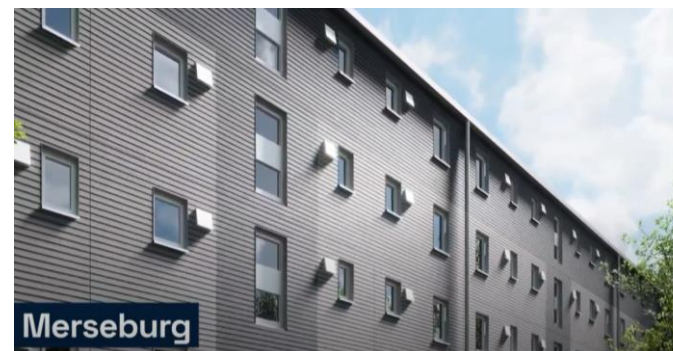
Around 1,200 tons of CO₂ saved – that is the result of the refurbishment projects completed in Germany in 2023. We plan to triple this figure in 2024. The key to this: serial refurbishment

Serial refurbishment is an innovative technology for upgrading units in energy efficiency classes F, G, and H to E or better. TAG is currently testing the Energiesprong principle in properties in Merseburg, Salzgitter, and Delmenhorst, with all three pilot projects in the planning stage. We will modernize building shells at these sites and install photovoltaic systems in Salzgitter and Delmenhorst. Completion is expected in the second half of 2024. TAG is a pioneer in the Energiesprong initiative by the German Energy Agency (dena) and shared its experiences at the 2023 Energiesprong Convention.

Decarbonisation strategy

Emission intensity of German portfolio in 2022: 29.4 kg CO₂e/sqm (2021: 30.5 kg CO₂e/sqm)

Decarbonisation strategy and CO₂ reduction path to below 7 kg CO₂e/sqm until 2045



TAG Decarbonisation strategy German portfolio

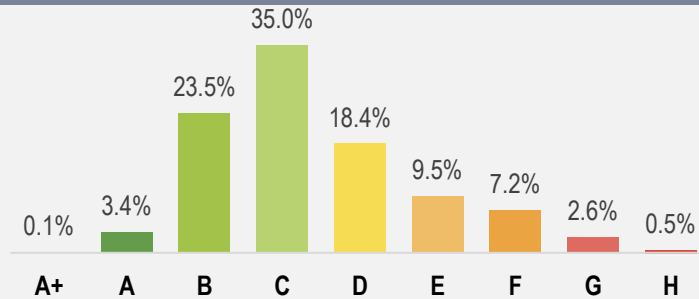


Status quo

- Full commitment to reach CO₂ emission level in line with 1.5°C climate goal
- Conducted study to define measures required to achieve goal
- Current emission intensity of 29.4kg/sqm (Scope 1 and Scope 2; based on actual consumption data for 2022)

Energy efficiency

Energy efficient portfolio with c.62% of the residential units with C or better energy certification*

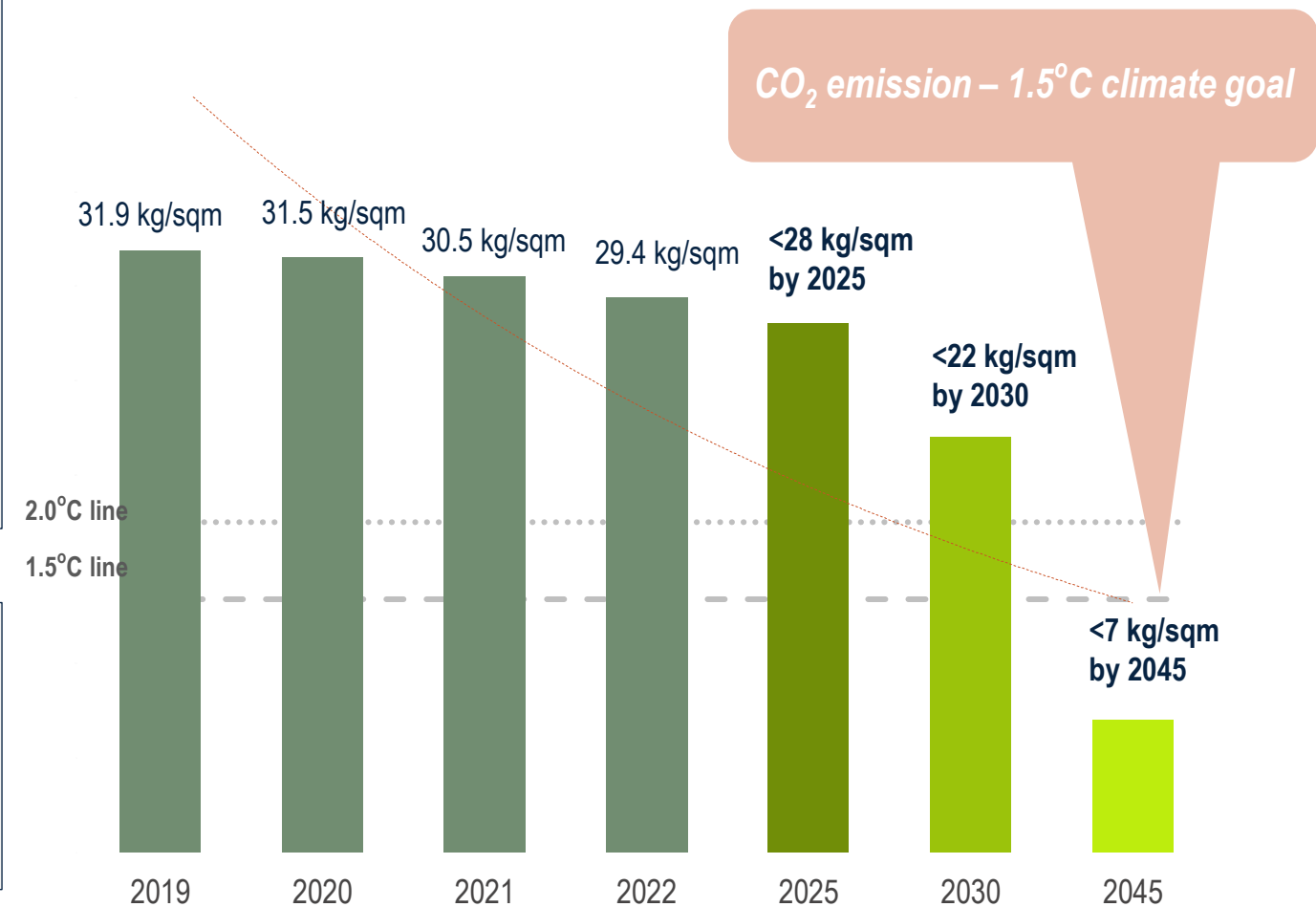


Measures

- Changes in energy-mix
- Improvements in heating technology
- Isolation of buildings
- Total investment programme of approx. EUR 690m until 2045 committed

Development and target CO₂ emission intensity

(in kg CO₂e/sqm)



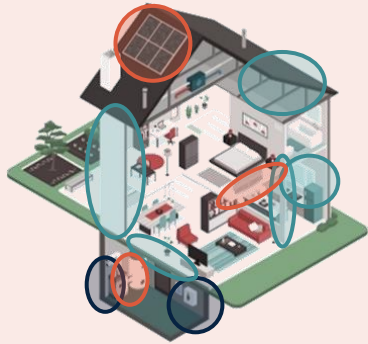
* energy certificates in Germany as at 31 December 2023

TAG Decarbonisation strategy German portfolio

Together with EWUS Energy consultants, TAG has developed a scenario for TAG's decarbonisation



TAG scenario



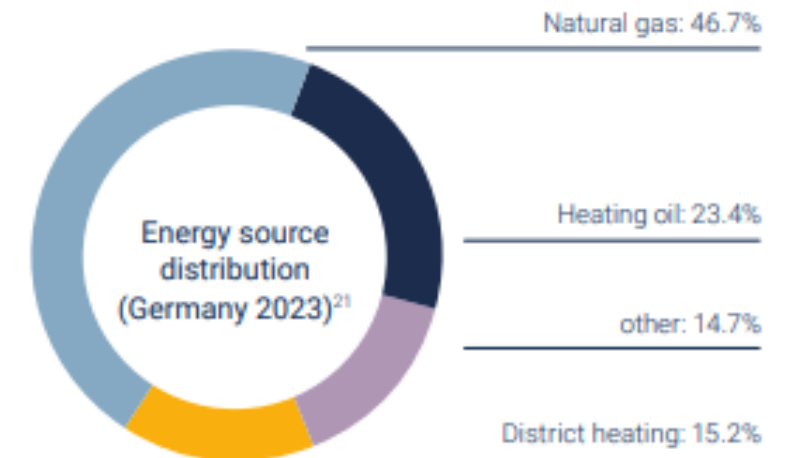
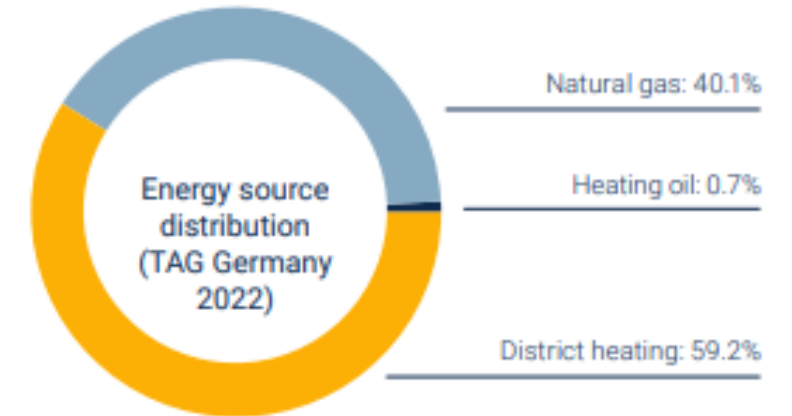
Investment volume

c. EUR 690m

- Green district heating, green electricity
- Exterior wall insulation, basement ceiling insulation, hydraulic balancing of lines and windows
- Photovoltaics, hydraulic balancing of radiators, energy generation systems and smart thermostatic valves

(in €m)	Total	In %
Insulation/windows	304.7	44.2%
Power generation facilities	129.2	18.8%
Photovoltaic	69.8	10.1%
Smart building technology	42.0	6.1%
Hydraulic balancing system	40.0	5.8%
Reformation into centralized systems	38.8	5.6%
Combined heat and power unit	22.2	3.2%
Planning cost	42.0	6.1%
Total	688.8	100%

TAG status energy mix 2022 versus Germany 2023



TAG Our responsibility to society

TAG contributes to a more sustainable society through affordable and liveable housing



Key areas of tenant support

1

Tenant satisfaction

- On-site services to satisfy tenant needs
- Focus on the core business of providing tenants with affordable housing
- Support to tenants in the event of rent arrears
- Open communication and information channels

2

Liveable and progressive neighbourhoods

- Ensuring a friendly environment as a basis of sustaining diverse spirit of community
- Promotion of social projects that strengthen solidarity
- Holistic neighbourhood development through various events and activities

Case study: digitalisation in the city of Gera

BeHome

BeHome platform

New project "BeHome" launched in Sept-2020 that connects assistance and emergency call systems with a variety of local services and also provides communication options especially to our older tenants



Community initiatives



TAG offers Activity Lounges at 29 locations accessible to 1/3 of our tenant households to let people come together



Contribute to people living in good conditions and enjoying togetherness and living as neighbours



Kids and youngsters



Families in need



Senior caring

Neighbours



EMMA – the electric shuttle bus

EMMA is a self-driving pilot project that we started in 2019 with local Fischer Academy. The EMMA project is funded by Thuringian Ministry for the Environment, Energy and Nature Conservation



TAG Our employees shape our future

TAG is committed to offering a fair, supportive, empowering working environment to its employees



Key areas of employee empowerment

1

We live our values

- Flat hierarchies and short decision-making channels
- Enhancement of team spirit among all employees
- Social intranet and digitalization
- Involvement of employee representatives

2

Ready for the future with a qualified team

- Employee training and development
- Efficient personnel sourcing
- Fair salaries and incentives

3

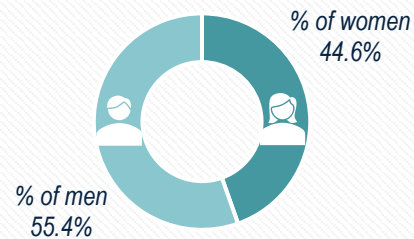
Responsibility and trust for our employees

- Preservation of equality
- Guarantee of occupational health and safety
- Encouraging results-oriented managing and working

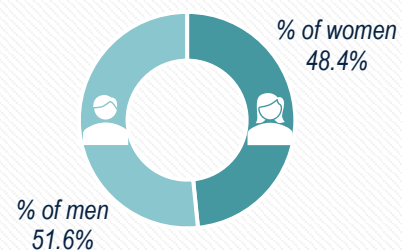
Diversity of employees

Gender diversity and equal women representation at the heart of TAG's business principles and operations

Diversity of management*



Diversity of employees



* 1st and 2nd management level (below the Management Board) in Germany

TAG commitment to its employees



TAG Everyday Heroes (TAG Alltagshelden)

The Project was launched in 2020 to promote social and ecological volunteering by our employees

TAG Social Day

TAG employees are given the opportunity to spend a working day volunteering in a social project of their choice.



TAG Sustainability Committee (Together for a colorful TAG)

The committee has been set up in 2020 to better coordinate and involve our employees in sustainability issues by contributing further ideas on how to save resources.



>> We like the idea that we have an impact within the Company as well as those that create added value for society <<

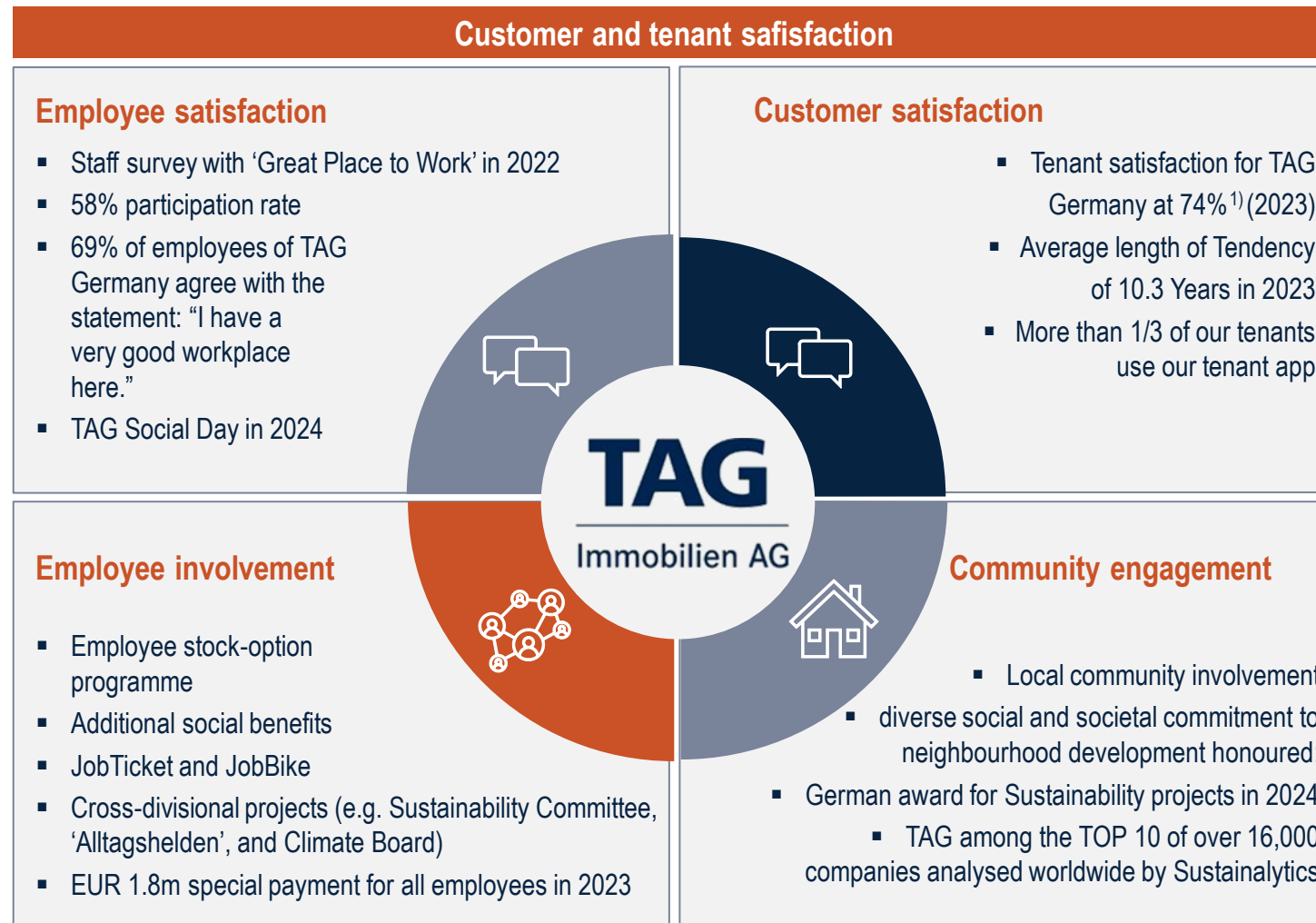
TAG Teamworker

TAG employees are the interface of the company and are actively involved as company's ambassadors in recruiting and attracting new talent as well as engaging with tenants



TAG Stakeholder satisfaction

Active measures taken to strengthen customer and employee satisfaction in Germany



1) The satisfaction rate for Germany was determined from sample surveys of tenants.



TAG ESG ratings

TAG ranks among the top ratings in the real estate sector



4.6
(negligible risk)
2024



sBPR
GOLD
2024



TAG member of
DAX 50 ESG
as of 23 Sep-2024



AA
(7.0 / 10.0)
2024



49 / 100 points
2023¹⁾



C
= Awareness
2023¹⁾



52 / 100 points
2023²⁾



C
= Premium
2024¹⁾

A detailed overview of our ratings can be found on our homepage: <https://www.tag-ag.com/en/sustainability/esg-rating>

1) Not responsive level: rating only based on publicly available information, no participation of TAG in an active rating process in 2024

2) Discontinued

TAG

2024

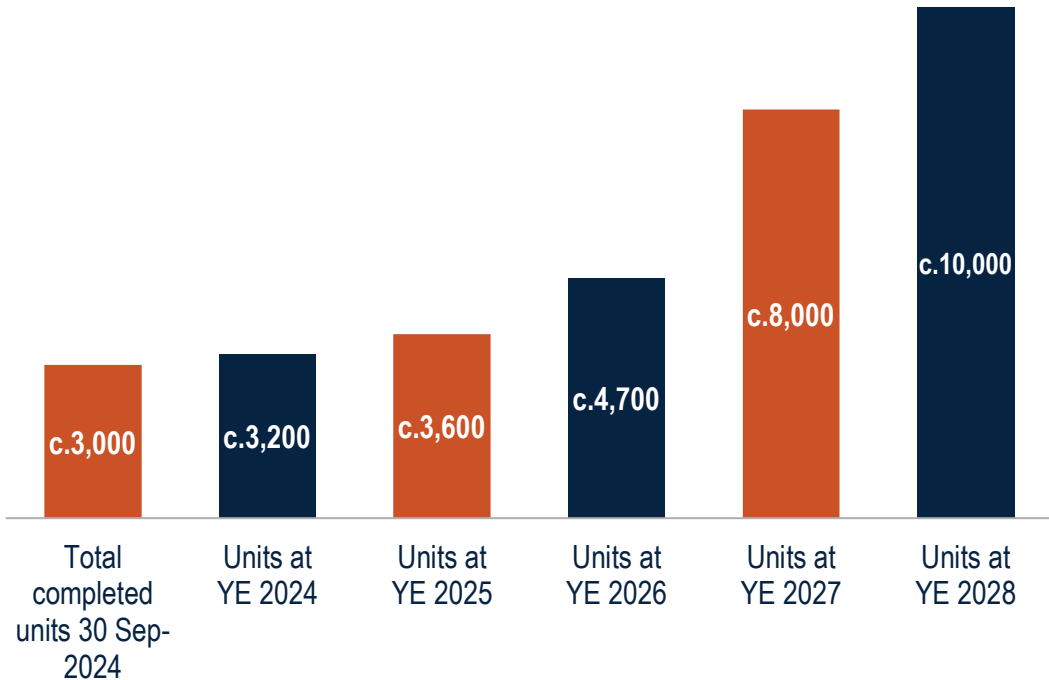
Sustainability in Poland

TAG Establish portfolio of residential properties in Poland

A build-to-sell and build-to-hold platform, based on the fully integrated Vantage and ROBYG business

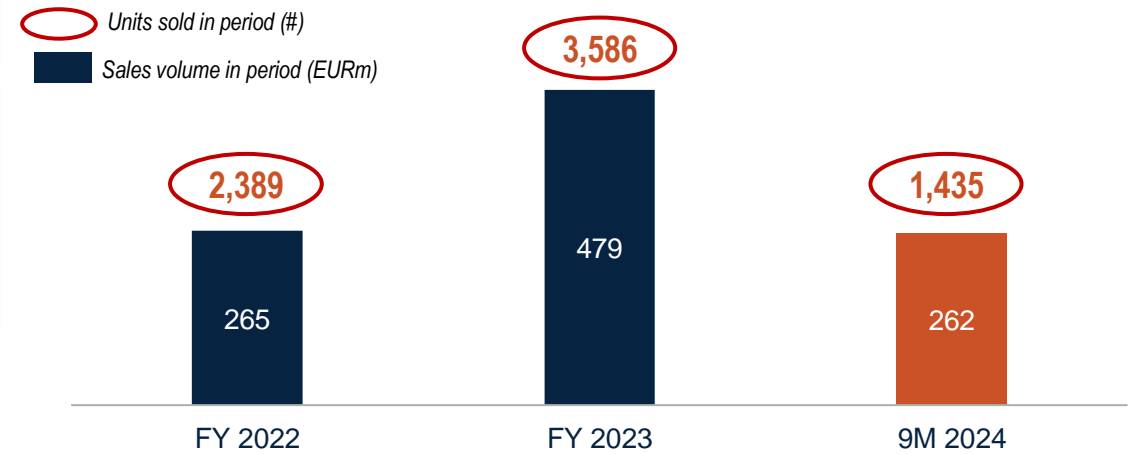


Overview of the Polish Build-to-Hold (BTH) portfolio

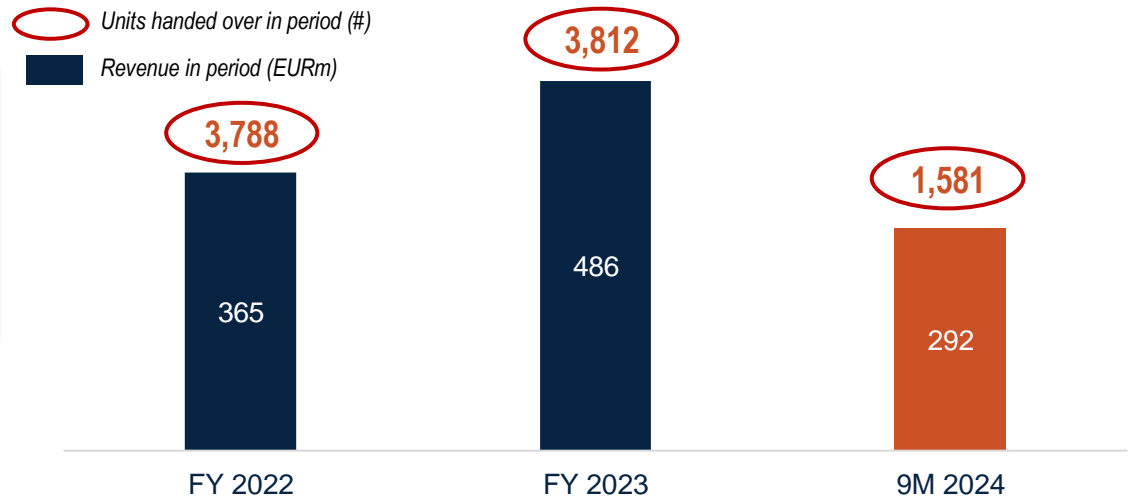


Overview Build-to-Sell (BTS)

Units sold and sales volume



Units handed over and revenue¹⁾



1) incl. Landbank sales

TAG Sustainable residential housing in Poland

Creating people and planet friendly spaces



1

Responsibility

- to do business responsibly, to choose local companies to work with,
- to care for the environment, to manage our business responsibly
- while respecting the needs of our stakeholders
- for the results of our activities and for reducing our carbon footprint
- by using only certified materials, respecting the environment, using
- energy from renewable sources and caring for biodiversity.

2

Care

- about the employees
- about the clients
- about environment

3

Support

- for (local) communities
- for victims of the war in Ukraine
- for those most in need

Renewable energy and on ROBYG construction sites:

2021 – 54%

2022 – 85%

2023 – 100%



In 2023, we reduced in comparison with last year. ROBYG Group's total emissions in Scopes 1 and 2 by 48.7%.¹¹

Emissions from the construction process per m² were 3.85 kg/year k - 37% less than in 2022 (6.10 kg/year).¹²

ROBYG HUMAN BALANCE



Smart House System by Keemple



green and recreational areas



playgrounds



outdoor gyms



multi-functional fields



schools and kindergartens



co-working spaces



proximity to transport



shops, services, restaurants



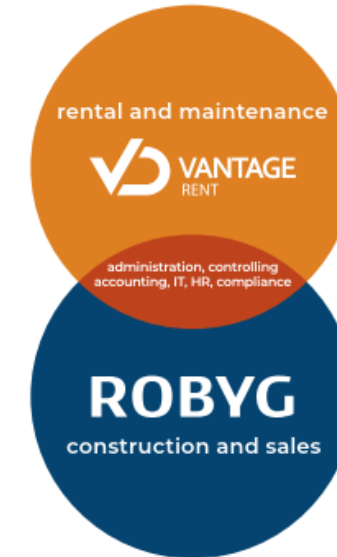
barrier-free housing estates

TAG Our low emission solutions Poland portfolio



Buildings stand for energy efficiency

<p>492 employees and associates</p>	<p>0 accidents on our construction sites</p>	<p>100% employees trained in compliance and health and safety</p>
<p>100% electricity powering our construction sites comes from renewable energy sources</p>	<p>48.7% reduction of the Group's total Scope 1 and 2 emis- sions by 48.7% relative to 2022</p>	<p>61,71Kwh/m² Primary Energy (PE) demand in buildings completed in 2023</p>
		<p>100% settlements equipped with biodiversity and low-carbon features</p>



Case study: '15-minute city' concept - Jasień district in Gdansk



Project	Jasień district
Location	Gdansk, Poland
Usage	Residential
Units	~ 3,700 flats
Apartment sizes	26 – 122 sqm
Land area	~ 41 ha
Green area	~ 19 ha



Jasień district will meet the needs of different groups of residents; easily accessible for people with disabilities, by means of appropriate entrances, lifts, and parking spaces



Playgrounds and recreational areas as well as commercial spaces to serve needs of the residents



Ecological design with roofs with photovoltaic panels to foster energy efficiency and lower CO₂ emissions

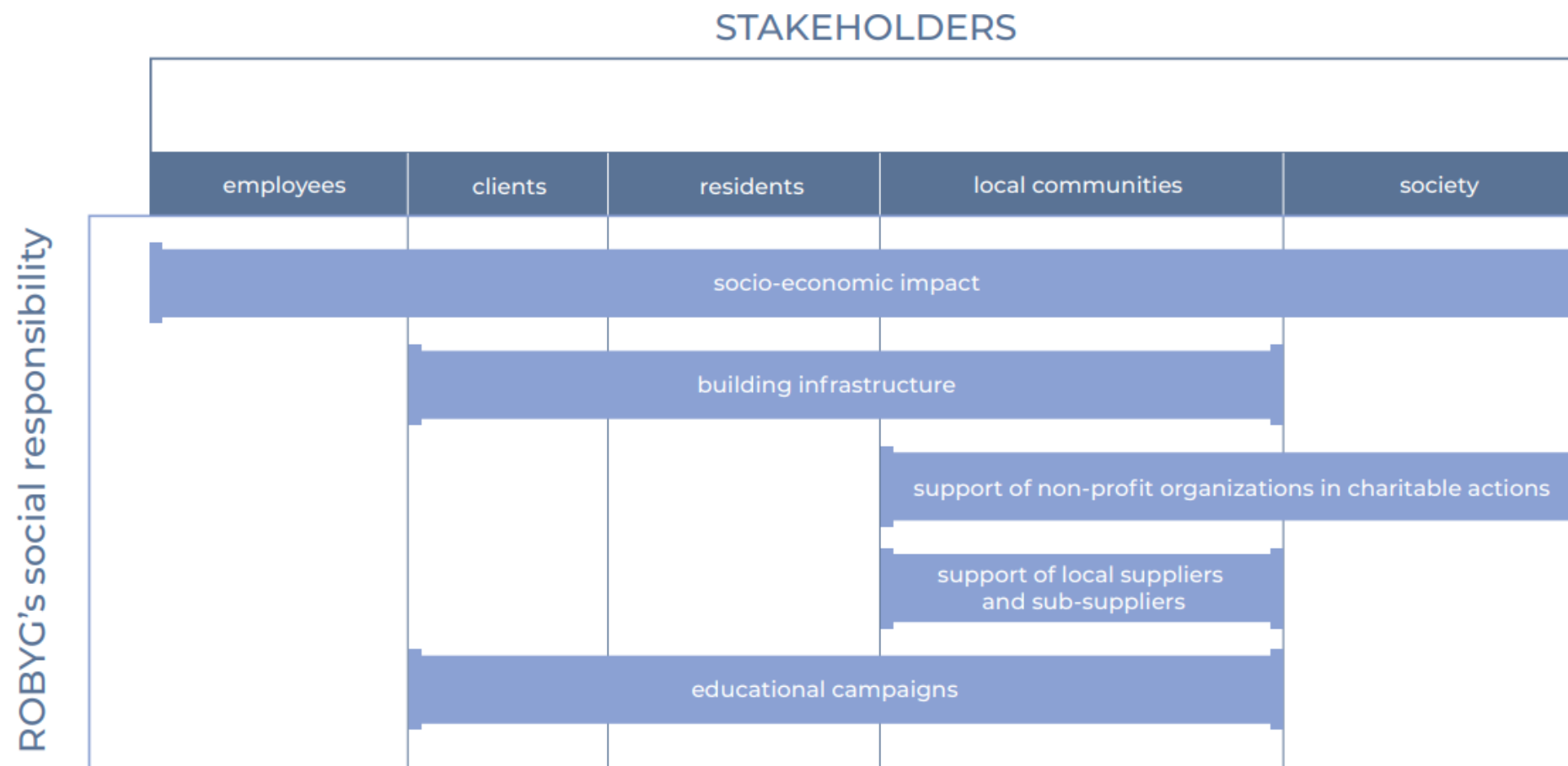


Common areas equipped with motion-sensing LED lightening; apartments with smart home system by 'Keemple'

>> In designing and building the '15-minute city' concept in 97% of ROBYG's housing estates makes it easy for residents to abstain from short car journeys. <<

TAG Our responsibility to stakeholders

Building new integrated communities



TAG

2024

Verena Schulz | Kati Pohl
ESG/ Sustainability

Phone: +49 40 380 32-305

Fax: +49 40 380 32-388

nachhaltiger@tag-ag.com

Dominique Mann
Head of Investor & Public Relations

Phone: +49 40 380 32-305

Fax: +49 40 380 32-388

ir@tag-ag.com

TAG Immobilien AG

Steckelhörn 5
20457 Hamburg

Phone: +49 40 380 32-0

Fax: +49 40 380 32-388

www.tag-ag.com