


The image shows two overlapping forms from the PRI LEA (Leadership Engagement Assessment) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed to assess engagement practices across different types of engagements (Individual/Internal staff, Collaborative, Service provider) and reasons for interaction (To support investment decision-making, To enhance corporate transparency, To enhance corporate practice, To enhance corporate practice for identifying the need to influence corporate behavior).

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> Other specify
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> Other specify
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to influence corporate behavior <input checked="" type="checkbox"/> Other specify

RI TRANSPARENCY REPORT

2014/15

Union Investment



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Private							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
LEI 02	Description of ESG incorporation	✓	Public	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Description of ESG integration	✓	Public	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	⚙	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	-	n/a	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	⚡	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	⚡	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 14	Examples of ESG engagements	✓	Private		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	⚡	n/a		✓					
LEA 19	Confirmation of votes	✓	Private		✓					
LEA 20	Securities lending programme	✓	Private		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	-	n/a		✓					
LEA 24	Shareholder resolutions	-	n/a		✓					
LEA 25	Examples of (proxy) voting activities	-	n/a		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
FI 02	Breakdown of investments by credit quality	✓	Private							✓
FI 03	Description of ESG incorporation	✓	Public	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Private	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
FI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
FI 10	Description of ESG integration	✓	Public	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	🔒	n/a	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	-	n/a	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	
FI 19	Engagement with corporate issuers	✓	Private		✓					
FI 20	Engagement with government issuers	🔒	n/a		✓					

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	✓	Private	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	-	n/a				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	🔒	n/a				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	🔒	n/a		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

Union Investment

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

☐ <10%

☐ 10-50%

☒ >50%

☐ Fund of funds, manager of managers, sub-advised products

☐ Other, specify

☐ Execution and advisory services

OO 01.2 Additional information. [Optional]

Union Investment offers broad asset management expertise in all major asset classes and geographic areas.

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Germany

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

☐ 1

☐ 2-5

☒ 6-10

☐ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

2600

OO 02.4

Additional information. [Optional]

Our headquarter is located in Frankfurt am Main, Germany. Subsidiaries operate in Luxembourg and Poland. With the Bank of East Asia, we run a joint venture in Hong Kong. Furthermore, our pooled funds are distributed via sales agreements in multiple European countries.

OO 03

Mandatory

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

☒ Yes

OO 03.2

List your subsidiaries that are separate PRI signatories and indicate if you would like to report their RI activities in your organisation's consolidated report.

Name of PRI signatory subsidiary (Up to six subsidiaries may be reported)	RI implementation reported here on a consolidated basis
Quoniam Asset Management GmbH	<input type="radio"/> Yes <input checked="" type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No

☐ No

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2014

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		207	923	944	016
Currency	EUR				
Assets in USD		272	690	417	779

OO 04.3

Indicate the total AUM at the end of your reporting year for subsidiaries you have excluded from your report

	trillions	billions	millions	thousands	hundreds
Total AUM		22	931	157	482
Currency	EUR				
Assets in USD		30	074	010	685

OO 04.5

Indicate the level of detail you would like to provide about your asset class mix.

- ☐ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- ☒ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06

Mandatory

Descriptive

General

OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- ☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income – corporate	10-50%	0
Fixed income – government	10-50%	0
Fixed income – other	10-50%	0
Private debt	<10%	0
Private equity	0	0
Property	10-50%	0
Infrastructure	<10%	0

Commodities	<10%	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	0
Other (1), specify	0	0
Other (2), specify	0	0

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- ☒ We incorporate ESG issues into investment decisions on our internally managed assets
- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☐ None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☒ Fixed Income – other
- ☐ Private debt
- ☒ Property
- ☒ Infrastructure
- ☐ Commodities
- ☐ Cash
- ☐ None of the above

OO 11.3	Additional information. [Optional]
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Fixed income - other: Convertible and covered bonds.

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below.
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This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- ☒ Listed Equity incorporation

Direct - Listed Equity active ownership

- ☒ Engagements
- ☒ (Proxy) voting

Direct - Fixed Income

- ☒ Fixed Income - Corporate
- ☐ Fixed Income - Government

Direct - Other asset classes with dedicated modules

- ☒ Property
- ☐ Infrastructure

Closing module

- ☒ Closing module

Union Investment

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1	Indicate if you have a responsible investment policy.
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- ☒ Yes
☐ No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- ☒ Yes
☐ No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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Our responsible investment policy specifically sets out the responsible practices we apply in our investment processes. This policy is modelled on leading national and international standards, which we take into consideration in addition to legal and regulatory requirements. In particular, we apply the following:

- the UN Global Compact,
- the Oslo Convention on cluster munitions and landmines,
- the UN-backed Principles for Responsible Investment (UN PRI)
- the BVI Rules of Conduct,
- the BVI Guidelines for Responsible Investment,
- the Sustainability Code adopted by the German real estate sector.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
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- ☒ Yes

OA 02.2	Provide a URL to your responsible investment policy.
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	URL
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http://www.union-investment.com/dms/institutional/assets/sri/Responsible-Investment-Policy_final_engl/Responsible%20Investment%20Policy_final_engl.pdf

- ☐ No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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- ☒ Yes
☐ Yes, all
☒ Yes, some

OA 02.4	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.
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Policy or document name	URL
Proxy Voting Policy	http://www.union-investment.com/dms/downloads/Proxy-Voting-Policy_engl_150119_11.06h/Proxy%20Voting%20Policy_engl_150119_11.06h.pdf
BVI Code of Conduct	http://www.bvi.de/fileadmin/user_upload/Regulierung/Wohlverhaltensregeln_.pdf
Conflict of Interest Policy	https://institutional.union-investment.de/data/docme/rechtlichehinweise/Allgemeine-Interessenkonflikt-Policy/Name_20111207_Interessenkonflikt-Policy_UIN_.pdf/document/20111207_Interessenkonflikt-Policy_UIN.pdf

☐ No

OA 02.5	Additional information. [Optional]
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Please note our publicly available policies or guidance documents related to responsible investment and other policies are only available in German. On request, we also provide the responsible investment policies in English.

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.3

Additional information. [Optional]

As a German asset manager, we are trustees for client assets. We see the legal and regulatory constraints as well as codices for investment funds (e.g. BVI Rules of Conduct, BVI Guidelines for Responsible Investment, Corporate Governance Codex) as an expression of our responsibilities and implement them actively for the benefit of our investors. Union Investment is part of the cooperative financial group and, as such, we always feel strongly linked to the cooperative values and principles of responsibility in the community. Our corporate culture is characterised by partnership, professionalism and simplicity and reflects our approach of responsibility in a cooperative sense.

Moreover, as part of our fiduciary duties, we exercise voting authority over client shares and vote them in the best interests of clients. To fulfil our duties, we have adopted policies and procedures for the voting of shares and disclose those policies and procedures to clients on a regular basis.

OA 04

Mandatory

Core Assessed

General

OA 04.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

☒ Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

To avoid potential conflicts of interest to the detriment of our customers, Union Investment has taken various organisational measures. For the investment advisory and portfolio management, these are, in particular:

- Principles for fair advice of the investor and adherence to the agreed investment guidelines
- Placement of orders in accordance with best execution principles
- Principles for the execution of client orders and pooling of orders
- Establishment of areas of confidentiality for individual investment professionals to prevent the misuse of confidential information from the services or the improper influence on these services by these investment professionals
- Code of conduct for private transactions by employees to exclude any discrimination of customer transactions against employee transactions
- Rules on Corporate Governance for Management and Supervisory Board
- Careful selection, training and qualification of our employees
- Conflicts of interest that cannot be avoided despite the measures are disclosed prior to the service

Complying with all the above mentioned obligations is constantly monitored by the independent compliance office in our firm and regularly reviewed by the internal and external auditors.

☐ No

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1 Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

OA 05.2 Indicate how frequently your organisation sets or revises objectives for responsible investment.

- ☒ At least once per year
☐ Less than once per year

OA 05.3 Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
☐ Biannually
☒ Annually
☐ Every two years or less
☐ It is not reviewed
☐ No

OA 06	Voluntary	Descriptive	General
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OA 06.1 List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

☒ Add responsible investment objective 1

Objective 1	Developing and increasing commitment to sustainability across the real-estate sector.
Key performance indicators	Introduction of a service provider qualification which would include investigating the environmental stance of major service providers. Integrating sustainability criteria in leases for portfolio properties.
Describe the progress achieved	Objective achieved.

☒ Add responsible investment objective 2

Objective 2	Further integration of ESG / Sustainability across all major asset classes.
Key performance indicators	Integration of ESG dimension in processes and systems.
Describe the progress achieved	Objective achieved.

☒ Add responsible investment objective 3

Objective 3	Publication of the second Corporate Social Responsibility (CSR) report.
Key performance indicators	Detailed information on areas in which we are taking action – HR management, portfolio management and environmental management.
Describe the progress achieved	Objective achieved.

OA 06.2

List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.

☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	Launch of 'SIRIS PM Client' in the portfolio management as key tool for ESG research and integration.
Key performance indicators	Expanding the number of users within the portfolio management.

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Increased international engagement activities.
Key performance indicators	Appearance on several general meetings with focus on sustainability and 300 proxy votes.

☒ Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	Procedural implementation of a Responsible Investment Policy for the real estate segment.
Key performance indicators	Creation and implementation of a Responsible Investment Policy.

Governance and human resources

OA 07	Voluntary	Descriptive	General
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Union Investment Group is organised in a holding structure. While the holding company is responsible for the strategic development of the group, as well as central tasks such as Human Resources, Accounting, Compliance etc., daily business operations take place according to our segmental structure. Each segment is headed by a segment head, who is responsible for the further specification and realisation of the strategy defined by the executive board.

The sustainability management of Union Investment is based on a broad foundation and is headed by an experienced manager who has known the company for twenty years. He is responsible for merging all the individual activities which occupy an increasingly larger space on product and company levels.

In order to establish the corporate social responsibility at the company level, we have defined a sustainability strategy and introduced a sustainability management system.

Sustainability or Corporate Social Responsibility (CSR) provides the framework for responsible business conduct, which goes beyond the legal requirements. We continually seek dialogue with our stakeholders on sustainability issues. At Union Investment, CSR is organisationally based on four fields of action: people, products, environment and society. Thereby, the field of action organisation and communication serves as a common interface.

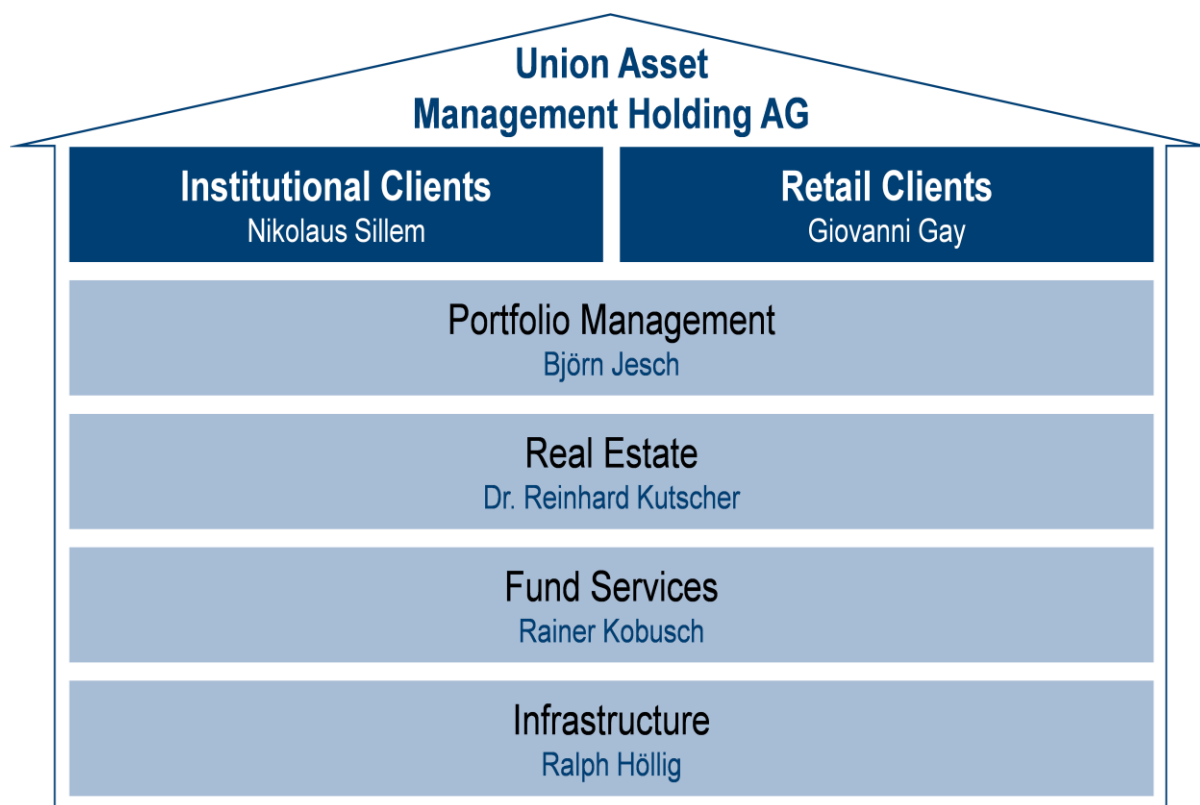
On the product level, our commitment to sustainability is firmly implemented within our investment processes. For this purpose, in 2010, we adopted a sustainability strategy that sets out the framework for conducting our business in a responsible manner. Moreover, our responsible investment (RI) policy specifically sets out the responsible practices we apply in our investment processes. In this context, we have a dedicated Sustainability Research (SR) team of experts, who undertake focused research on environmental, social and governance issues. To this end, the SR team works with specialised external research providers.

Additionally, the SR team benefits from the global expertise of the broader Union Investment fundamental research platform consisting of 17 sector analysts, each of whom have in-depth knowledge and understanding of sectors and companies that their research covers.

Moreover, assets under management in our real estate segment total approximately EUR 25 billion, which makes Union Investment a leading European real estate asset manager. Over 500,000 investors put their trust in the investment expertise and long experience of Union Investment's property fund specialists.

Long-term thinking is fundamental to our real estate investment activity. It is, therefore, no coincidence that our funds increasingly include properties that meet the requirements not only of economic viability but also of ecological and sociocultural sustainability. In-depth expertise and international knowledge transfer form the basis of our decision-making. This applies in particular to the field of sustainability, which presents the real estate sector with many challenges. We are learning more every day, finding answers to a host of questions through our involvement with bodies such as the Urban Land Institute, the German Property Federation (Zentraler Immobilien Ausschuss, ZIA) and the German Sustainable Building Council (DGNB).

☒ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)



To upload the image click the Save button below

OA 08	Mandatory	Gateway/Core Assessed	General
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OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
---------	---

	Roles present in your organisation
--	------------------------------------

- ☒ Board members or trustees
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
 AssetAllocation, Equities, FixedIncome, Asymmetric& Balanced

- ☒ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify
- ☐ Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

25

Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- ☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Within our SRI Team, Florian Sommer is currently a member of the PRI Steering Group Fixed Income and the Former Chair of PRI Working Group Sovereign Bonds (duration 18 months).

- ☐ Asian Corporate Governance Association
- ☐ Association for Sustainable & Responsible Investment in Asia
- ☐ Australian Council of Superannuation Investors
- ☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☒ CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☒ CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

As a member of the International Corporate Governance Network (ICGN), Union Investment has direct and unrestricted access to a wealth of global experience and expertise on corporate governance issues. Conferences, workshops, seminars and regular meetings are held at which proven corporate governance practices are discussed and developed.

- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
Eurosif

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☒ United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☒ Other collaborative organisation/initiative, specify
Carbon Disclosure Project (CDP)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Union Investment supports the Carbon Disclosure Project (CDP), an independent and international nonprofit organisation founded in London in 2000.

Union Investment teamed up with 22 other investors to create the Carbon Disclosure Leadership Index (CDLI). The aim of this activity is to improve the quality of CDP reporting in order to document the investee companies' greenhouse gas emissions and their strategies for reducing these emissions.

- ☐ Other collaborative organisation/initiative, specify
- ☒ Other collaborative organisation/initiative, specify
FNG (Forum Nachhaltige Geldanlagen)

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☐ Basic
☐ Moderate
☒ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

Forum Nachhaltige Geldanlagen (FNG), founded in 2001, is the industry association promoting sustainable investment in Germany, Austria and Switzerland. It has over 150 corporate members, including banks, investment management companies, insurance companies, rating agencies, investment companies, asset managers, financial advisers and NGOs, and around 30 individual members.

Our present goal is to establish a SRI-retail-label for Germany.

Union Investment is on board-level involved in the FNG

- ☒ Other collaborative organisation/initiative, specify

German Sustainability Code

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☒ Basic
☐ Moderate
☐ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	--

Union Investment supports the development of the German Sustainability Code (DNK) which was passed as resolution in 2011 by the German Council for Sustainable Development. The German Sustainability Code visualises the efforts of companies to achieve sustainability in a database. It, thus, creates a greater commitment to do so in a transparent and comparable manner. Union Investment voluntarily reports according to the DNK.

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- ☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☒ Provided financial support for academic or industry research on responsible investment
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☒ Other, specify

Introduction of the "sentiment index for sustainable investment of German institutional investors," which we developed in collaboration with Professor Schäfer, chairholder, University Stuttgart.

☐ No

OA 11.3

Additional information. [Optional]

We are delighted to report that our award-winning SRI approach has been recognised externally and acknowledged with various awards. Furthermore, our team members have contributed in terms of keynote presentations, academic articles and other publications.

Our achievements in sustainable investing were recognised in November 2014 when we were recognised as the "Best Asset Manager 2015" in the Socially Responsible Investing (SRI) category for Germany, Austria and Switzerland in the FERI EuroRating Management Awards, an award we received for the second time after 2013.

More specifically within our SRI Team, Florian Sommer is currently a member of the PRI Steering Group Fixed Income and the Former Chair of PRI Working Group Sovereign Bonds (duration 18 months). He has published papers on corruption and sovereign bonds risks, was a sponsor of the PRI Guide Fixed Income and a speaker at our annual sustainability conference. Furthermore, in June 2014, Florian co-authored an impressive report with another colleague at Union Investment on the topic of corruption entitled "Corruption and the risks of losses on government bonds" (click on link). He is regularly quoted in newspapers regarding ESG issues.

Ingo Speich is a member of the "Schmalenbach Gesellschaft" Working Group - Reporting Corporate Governance and attends various annual corporate governance conferences within the industry and also conferences offered by Union Investment. Some of his recent publications include "CSR und Finance - Intangibles: "Forderung institutioneller Investoren nach aussagekräftiger extrafinanzieller Berichterstattung" (click on link) (Springer Verlag, 2014) and "Nachhaltige Geldanlagen" (Frankfurt School, 2014). He is regularly quoted in newspapers regarding governance and sustainability matters.

Union Investment

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEI 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	PRI 1
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LEI 01.1

Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.

Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active – fundamental and other active strategies

	% of internally managed listed equities
--	---

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

LEI 02	Voluntary	Descriptive	PRI 1
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LEI 02.1

Provide a brief overview of how you incorporate ESG issues into listed equity investments.

As an active manager, we take ESG issues into account in the context of fundamental analysis as we believe ESG provides an enhanced insight. In particular, ESG issues can provide an additional insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks.

In addition, we employ for our dedicated SRI assets a combination of SRI approaches covering exclusion screening, best in class, and sustainable thematic strategies.

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied - you may (estimate +/- 10%)	<div> <div></div> <div>%</div> </div> 99
--	---

- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☒ All three strategies combined

Percentage of actively managed listed equities to which each strategy or combination of strategies is applied - you may (estimate +/- 10%)	<div> <div></div> <div>%</div> </div> 1
--	--

- ☐ No incorporation strategies applied

	Total actively managed listed equities
--	--

100%

LEI 03.2 Describe your primary reasons for choosing a particular ESG incorporation strategy.

As an active manager, we take ESG issues into account in the context of fundamental analysis, as we believe ESG provides an additional insight. In particular, ESG issues can provide an enhanced insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks. Therefore, ESG integration helps us to make better informed investment decisions.

LEI 03.3 Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

As an active asset manager, we implement the findings of our ESG analysis in our investment decisions. In extreme cases, this can result in issuers being excluded from the investment universe. For instance, we no longer invest in stocks that do not comply with the Oslo Convention on cluster munitions or anti-personal mines.

We also manage a small number of equity funds with a dedicated thematic approach in addition to ESG integration and screening.

LEI 04	Voluntary	Additional Assessed	PRI 1
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LEI 04.1 Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- ☒ Raw ESG company data

Indicate who provides this information

- ☒ ESG research provider
 - ☒ Sell-side
 - ☒ In-house – specialised ESG analyst or team
 - ☐ In-house – analyst or portfolio manager
- ☒ Company-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
 - ☒ Sell-side
 - ☒ In-house – specialised ESG analyst or team
 - ☒ In-house – analyst or portfolio manager
- ☒ Sector-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
 - ☒ Sell-side
 - ☒ In-house – specialised ESG analyst or team
 - ☒ In-house – analyst or portfolio manager
- ☒ Country-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
 - ☐ Sell-side
 - ☒ In-house – specialised ESG analyst or team
 - ☒ In-house – analyst or portfolio manager
- ☒ Screened stock list

Indicate who provides this information

- ☒ ESG research provider
 - ☐ Sell-side
 - ☒ In-house – specialised ESG analyst or team
 - ☐ In-house – analyst or portfolio manager
- ☒ ESG issue-specific analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☐ Other, specify

LEI 04.2	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.
-----------------	---

Union Investment is using SIRIS for ESG Research. SIRIS stands for Sustainable Investment Research Information System and is Union Investment's proprietary ESG Research platform. SIRIS draws on data from more than 3 different rating agencies, public sources, and proprietary research from Union Investment analysts / portfolio managers. SIRIS integrates ESG in portfolio management by making ESG measurable and manageable across portfolios and its benchmarks for different asset classes.

LEI 04.3	Indicate if you incentivise brokers to provide ESG research.
-----------------	--

☒ Yes

LEI 04.4	Describe how you incentivise brokers.
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The quality of ESG research and other ESG services is considered half-yearly in the broker review process that determines the broker list and ranking.

☐ No

LEI 05	Voluntary	Additional Assessed	PRI 1
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LEI 05.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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- ☒ Engagement
 - ☒ We have a systematic process to ensure the information is made available.
 - ☐ We occasionally make this information available.
 - ☐ We do not make this information available.
- ☒ (Proxy) voting
 - ☒ We have a systematic process to ensure the information is made available.
 - ☐ We occasionally make this information available.
 - ☐ We do not make this information available.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1
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LEI 06.1

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

- ☒ Negative/exclusionary screening

Screened by

- ☒ Product
☒ Activity
☐ Sector
☐ Country/geographic region
☒ Environmental and social practices and performance
☐ Corporate governance

Description

ESG screening is primarily being used to provide an enhanced understanding of risks. In extreme cases, this can result in issuers being excluded from the investment universe. For instance, we no longer invest in stocks that are involved in producing cluster bombs or anti-personell landmines.

- ☒ Positive/best-in-class screening

Screened by

- ☒ Product
☒ Activity
☐ Sector
☐ Country/geographic region
☒ Environmental and social practices and performance
☒ Corporate governance

Description

Positive/best-in-class screening is being applied to our dedicated SRI assets.

- ☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
☒ Universal Declaration of Human Rights
☒ International Labour Organization Conventions
☒ United Nations Convention Against Corruption
☐ OECD Guidelines for Multinational Enterprises
☐ Other, specify

	Description
--	-------------

Norms-based screening is being applied to our SRI assets.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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Screening criteria are defined by Union Investment's SRI Team using its Sustainable Investment Research Information System (SIRIS). For our institutional SRI assets screening criteria are being established together with the clients according to their ESG preferences and values.

LEI 07	Mandatory	Core Assessed	PRI 1
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LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
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- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

LEI 07.2	Additional information. [Optional]
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We have a dedicated and proprietary ESG Research platform called SIRIS (Sustainable Investment Research Information System), where all ESG data/research is being analysed and stored.

SIRIS stands for Sustainable Investment Research Information System and is Union Investment's proprietary ESG Research platform. SIRIS draws on data from more than 3 different rating agencies, public sources, and proprietary research from Union Investment analysts / portfolio managers. SIRIS integrates ESG in portfolio management by making ESG measurable and manageable across portfolios and its benchmarks for different asset classes.

LEI 08	Voluntary	Additional Assessed	PRI 1
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LEI 08.1	Indicate which processes your organisation uses to ensure that fund criteria are not breached
-----------------	---

- ☒ Checks are performed to ensure that stocks meet the funds' screening criteria. These checks are:
- ☒ Systematic
 - ☐ Occasional
- ☒ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

LEI 08.2	If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.
-----------------	--

Our compliance system (pre and post trade) prevents that securities enter or stay in portfolios that are on a specified exclusion list. If there is a breach, relevant securities have to be sold within a grace period.

(B) Implementation: Thematic

LEI 09	Mandatory	Descriptive	PRI 1
---------------	------------------	--------------------	--------------

LEI 09.1	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
-----------------	--

- ☒ Environmentally themed funds
- ☐ Socially themed funds
- ☐ Combination of themes

LEI 09.2	Describe your organisation's processes for sustainability themed funds. [Optional]
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We have a dedicated environmental thematic fund which focusses on climate change themes. In addition, sustainable themes are part of the SRI approach of several of our SRI funds. We have developed our own sustainable thematic taxonomy and our SRI Team is analysing companies according to their exposure to sustainable themes. All this information is regularly updated in SIRIS.

(C) Implementation: Integration of ESG issues

LEI 10	Voluntary	Descriptive	PRI 1
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LEI 10.1	Describe how you integrate ESG factors into investment decision making processes.
-----------------	---

As an active manager, we take ESG issues into account in the context of fundamental analysis, as we believe ESG provides an additional insight. In particular, ESG issues can provide an enhanced insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks. Therefore, ESG integration helps us to make better informed investment decisions.

LEI 11	Mandatory	Core Assessed	PRI 1
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LEI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
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ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

Communication

LEI 18	Mandatory	Core Assessed	PRI 2,6
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LEI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
----------	---

- ☒ We disclose it publicly

Provide URL

<http://www.union-investment.com/homepage/about-us/responsible-investment/un-principles-for-responsible-investment.html>

Provide URL

http://www.union-investment.com/dms/institutional/assets/sri/Responsible-Investment-Policy_final_engl/Responsible%20Investment%20Policy_final_engl.pdf

LEI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

LEI 18.3

Indicate the information your organisation proactively discloses to the public regarding your approach to ESG incorporation.

- ☒ Broad approach to ESG incorporation
☐ Detailed explanation of ESG incorporation strategy used

LEI 18.4

Indicate how frequently you typically report this information to the public.

- ☐ Quarterly or more frequently
☐ Between quarterly and annually
☐ Less frequently than annually
☒ Other, specify

Our approach on ESG Integration is described in our RI Policy which is publically available. The Policy is updated as appropriate.

LEI 18.5

Indicate the information your organisation proactively discloses to clients/ beneficiaries regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
☒ Detailed explanation of ESG incorporation strategy used

LEI 18.6

Indicate how frequently you typically report this information to clients/beneficiaries.

- ☐ Quarterly or more frequently
☒ Between quarterly and annually
☐ Less frequently than annually
☐ Other, specify
- ☐ We disclose it to clients and/or beneficiaries only
☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Union Investment

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
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LEA 01.1	Provide a brief overview of your organisation's approach to engagement.
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As an active investor, we encourage companies to embrace sustainability and adopt good corporate governance. In particular, Union Investment's engagement approach is multidimensional. It focuses on constructive dialogues with companies and engagement activities at annual general meetings, including speaking and voting. These activities are supported by regular investor meetings and visits to companies ahead of their annual general meetings.

LEA 02	Mandatory	Gateway	PRI 1,2,3
--------	-----------	---------	-----------

LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other, specify To drive and increase the value of our investments for our clients by promoting sustainability opportunities or reducing sustainability risks such as reputational risks. <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☒ Yes

LEA 03.2 Describe how you identify and prioritise engagements.

The process includes regular meetings and workshops with our engagement clients to identify and to prioritise current/relevant engagement topics and targets.

☐ No

LEA 04	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 04.1 Indicate if you define specific objectives for your engagement activities.

☒ Yes

- ☒ Yes, for all engagement activities
- ☐ Yes, for the majority of engagement activities
- ☐ Yes, for a minority of engagement activities

☐ No

LEA 04.2 Indicate if you monitor the actions that companies take following your engagements.

☒ Yes

- ☒ Yes, in all cases
- ☐ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

LEA 04.3 Describe how you monitor and evaluate the progress of your engagement activities.

Engagement activities are long-term and involve an on-going process and dialogue with the target companies. For the engagement activities including the monitoring and evaluation, we make use of our proprietary database and information system called SIRIS (Sustainable Investment Research Information System). With that system, the next tasks and/or achievements could be documented and communicated with the internal staff and clients.

☐ No

Process for engagements conducted via collaborations

LEA 05	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 05.1

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

LEA 05.2

Describe how you identify and prioritise collaborative engagements.

The process includes regular meetings and workshops with our engagement clients to identify and to prioritise current/relevant engagement topics. As a result, selective collaborative engagements will be joined and performed, if required as a lead investor.

☐ No

LEA 06	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 06.1

Indicate if the collaborative engagements in which you are involved have defined objectives.

☒ Yes

- ☒ Yes, for all collaborative engagement activities
- ☐ Yes, for the majority of collaborative engagement activities
- ☐ Yes, for a minority of collaborative engagement activities

☐ No

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

☒ Yes

- ☒ Yes, in all cases
- ☐ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

LEA 06.3

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

For all engagement activities (including the monitoring and evaluation) with Union Investment as a lead investor within the collaborative engagement, we make use of our proprietary database and information system SIRIS (Sustainable Investment Research Information System). With that system, the next tasks and/or achievements could be documented and communicated with the internal staff and clients.

☐ No

General processes for all three groups of engagers

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
--------	-----------	-----------------------	-------

LEA 10.1

Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
---------------	------------------	----------------------	----------------

LEA 15.1 Indicate whether your organisation proactively discloses information on its engagements.

- ☐ We disclose it publicly
- ☒ We disclose it to clients and/or beneficiaries only

LEA 15.5 Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.

Engagement information disclosed

- ☒ Details of the selections, priorities and specific goals of engagement
- ☒ Number of engagements
- ☒ Breakdown of engagements by type/topic
- ☒ Breakdown of engagements by region
- ☒ An assessment of the current status of the engagement
- ☒ Outcomes that have been achieved from the engagement
- ☐ Other information

LEA 15.6 Indicate how frequently you typically report engagements information

- ☐ Disclosed continuously (prior and post engagements)
- ☐ Disclosed quarterly
- ☒ Disclosed annually
- ☐ Disclosed every two years or less
- ☐ Other, specify
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions

Overview

LEA 16	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 16.1

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

Exercising voting rights: Our portfolio managers regularly influence the management and business policy of public limited companies at annual general meetings in the interests of investors and for the benefit of the invested assets. The approach taken by Union Investment is to support all actions that will sustainably increase the value of the company in the long-term and to vote against any action that is not in line with this objective. A binding voting policy is required if we are to exercise the voting rights entrusted to us transparently and consistently. We have, therefore, defined comprehensive voting guidelines, some of which are based on the recommendations of the German Corporate Governance Code (e.g. in respect of capital measures). So that the interests and requirements of investors focused on sustainability are adequately taken into consideration, the guidelines were deliberately made stricter than the German Corporate Governance Code's recommendations. The guidelines are set out in the Union Investment Proxy Voting Policy. We use the research of our service providers but vote by our own. For that, we use our proprietary IT-based platform, PROVOX, for performing, monitoring and recording votes.

Process

LEA 17	Mandatory	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 17.1

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

Approach

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☒ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

Based primarily on

- ☐ the service provider voting policy signed off by us
- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf.

LEA 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
-----------------	---

☐ Yes, in most cases
☒ Sometimes, in the following cases:

- ☐ votes in selected markets
- ☒ votes on certain issues (all markets)
- ☐ votes for significant shareholdings (all markets)
- ☒ other, explain

By request of the companies and by company meetings prior to/after the votings.

☐ No
☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
-----------------	---

☒ We do track or collect this information

	Votes cast (to the nearest 1%)
	%
	80

	Specify the basis on which this percentage is calculated
--	--

☐ of the total number of ballot items on which you could have issued instructions
☐ of the total number of company meetings at which you could have voted
☒ of the total value of your listed equity holdings on which you could have voted
☐ We do not track or collect this information

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
--------	-----------	---------------	---------

LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
-----------------	--

☒ We disclose it publicly

provide URL

<http://www.union-investment.com/homepage/about-us/responsible-investment/union-investment-as-active-shareholder.html>

LEA 26.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

LEA 26.3

Indicate the voting information your organisation proactively discloses to the public.

Indicate how much of your voting record you disclose

- ☐ All voting decisions
☐ Some voting decisions
☐ Only abstentions and opposing vote decisions
☒ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
☐ Explain some voting decisions
☐ Only explain abstentions and votes against management
☒ No explanations provided

LEA 26.4

Indicate how frequently you typically report voting information to the public.

- ☐ Continuously (primarily before meetings)
☐ Continuously (soon after votes are cast)
☐ Quarterly or more frequently
☒ Between quarterly and annually
☐ Less frequently than annually
☐ Other, specify

LEA 26.5

Indicate the voting information your organisation proactively discloses to clients/beneficiaries.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
☐ Some voting decisions
☐ Only abstentions and opposing vote decisions
☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
- ☐ Explain some voting decisions
- ☒ Only explain abstentions and votes against management
- ☐ No explanations provided

LEA 26.6

Indicate how frequently you typically report voting information to clients/beneficiaries.

- ☐ Continuously (primarily before meetings)
 - ☐ Continuously (soon after votes are cast)
 - ☐ Quarterly or more frequently
 - ☒ Between quarterly and annually
 - ☐ Less frequently than annually
 - ☐ Other, specify
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

Union Investment

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

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Overview

FI 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	PRI 1
-------	---	-----------------	-------

FI 01.1	Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.
---------	--

	Fixed income – corporate
--	--------------------------

Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

	Percentage of internally managed fixed income - corporate
--	---

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

ESG incorporation in actively managed fixed income

FI 03	Voluntary	Descriptive	PRI 1
-------	-----------	-------------	-------

FI 03.1	Provide a brief overview of how you incorporate ESG issues in fixed income investments.
---------	---

	Fixed Income - Corporate
--	--------------------------

As an active manager, we take ESG issues into account in the context of fundamental analysis as we believe ESG provides an enhanced insight. In particular, ESG issues can provide an enhanced insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks.

In addition, we employ for our dedicated SRI assets a combination of approaches: exclusion screening, best in class and sustainable thematic strategies.

Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
-------	-----------	-----------------------	-------

FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	<table border="1"> <tr> <td data-bbox="798 616 877 705"></td><td data-bbox="877 616 1402 705">%</td></tr> <tr> <td data-bbox="798 705 877 772">100</td><td data-bbox="877 705 1402 772"></td></tr> </table>		%	100	
	%				
100					

- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

As an active manager, we take ESG issues into account in the context of fundamental analysis, as we believe ESG provides an enhanced insight. In particular, ESG issues can provide an enhanced insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks. In extreme cases, this can result in issuers being excluded from the investment universe. For instance, we no longer invest in stocks that do not comply with the Oslo Convention on cluster munitions or anti-personal mines.

(A) Implementation: Screening

FI 06

Mandatory

Descriptive

PRI 1

FI 06.1

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

Type of screening

- ☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☒ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☐ Corporate governance

	Description
--	-------------

ESG screening is primarily being used to provide an enhanced understanding of risks. In extreme cases, this can result in issuers being excluded from the investment universe. For instance, we no longer invest in securities that are involved in producing cluster bombs or anti-personell landmines.

- ☒ Positive/best-in-class screening

Screened by

- ☒ Product
- ☒ Activity
- ☐ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
--	-------------

Positive/best-in-class screening is being applied to our SRI assets.

- ☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☐ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
--	-------------

Positive/best-in-class screening is being applied to our dedicated SRI assets.

FI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

Screening criteria are defined by Union Investment's SRI Team using its Sustainable Investment Research Information System (SIRIS). For our institutional SRI assets, screening criteria are being established together with the clients according to their ESG preferences and values.

FI 07**Mandatory****Core Assessed****PRI 1****FI 07.1**

Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.

- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☒ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

FI 07.2

Additional information. [Optional]

We have a dedicated and proprietary ESG Research platform called SIRIS (Sustainable Investment Research Information System), where all ESG data/research is being analysed and stored.

SIRIS stands for Sustainable Investment Research Information System and is Union Investment's proprietary ESG Research platform. SIRIS draws on data from more than 3 different rating agencies, public sources, and proprietary research from Union Investment analysts / portfolio managers. SIRIS integrates ESG in portfolio management by making ESG measurable and manageable across portfolios and its benchmarks for different asset classes.

FI 08**Voluntary****Additional Assessed****PRI 1****FI 08.1**

Indicate which processes your organisation uses to ensure that fund criteria are not breached in corporate fixed income investments.

- ☒ Checks are performed to ensure that issuers meet the funds' screening criteria. These checks are:
 - ☒ Systematic
 - ☐ Occasional
- ☒ Automated IT systems prevent investment managers from investing in excluded bonds or those that do not meet positive screening criteria
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

FI 08.3

Additional information.

Our compliance system (pre and post trade) prevents that securities enter or stay in portfolios that are on a specified exclusion list. If there is a breach, relevant securities have to be sold within a grace period.

(C) Implementation: Integration of ESG factors

FI 10

Voluntary

Descriptive

PRI 1

FI 10.1

Describe how you integrate ESG issues into investment decision-making processes.

As an active manager, we take ESG issues into account in the context of fundamental analysis, as we believe ESG provides an additional insight. In particular, ESG issues can provide an enhanced insight on risks, such as event risks, regulatory risks, litigation risks and reputation risks. Therefore, ESG integration helps us to make better informed investment decisions.

FI 11

Mandatory

Core Assessed

PRI 1

FI 11.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

Communication

FI 18

Mandatory

Core Assessed

PRI 2,6

FI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

- ☒ We disclose it publicly

Provide URL

<http://www.union-investment.com/homepage/about-us/responsible-investment/un-principles-for-responsible-investment.html>

Provide URL

http://www.union-investment.com/dms/institutional/assets/sri/Responsible-Investment-Policy_final_engl/Responsible%20Investment%20Policy_final_engl.pdf

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

FI 18.3

Indicate the information your organisation proactively discloses to the public regarding your approach to ESG incorporation.

- ☒ Broad approach to ESG incorporation
☐ Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information to the public.

- ☐ Quarterly or more frequently
☐ Between quarterly and annually
☐ Less frequently than annually
☒ Other, specify

Our approach on ESG Integration is described in our RI Policy which is publically available. The Policy is updated as appropriate.

FI 18.5

Indicate the information your organisation proactively discloses to clients/ beneficiaries regarding your approach to ESG incorporation.

- ☐ Broad approach to ESG incorporation
☒ Detailed explanation of ESG incorporation strategy used

FI 18.6

Indicate how frequently you typically report this information to clients/beneficiaries

- ☐ Quarterly or more frequently
 - ☒ Between quarterly and annually
 - ☐ Less frequently than annually
 - ☐ Other, specify
- ☐ We disclose it to clients/beneficiaries only
 - ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Union Investment

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 05	Mandatory	Core Assessed	PRI 1-6
-------	-----------	---------------	---------

PR 05.1 Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

PR 05.2 Provide a URL if your RPI policy is publicly available. [Optional]

https://unternehmen.union-investment.de/dms/unternehmen/Unternehmen/UMH/Verantwortungsbewusste_Anlagestrategie/Responsible_Investment/20130219_Richtlinie_fuer_verantwortungsvolles_Investieren_final_deu.pdf

☐ No

Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
-------	-----------	---------------	-----------

PR 06.1 Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☐ Yes

☒ No

☐ Not applicable as our organisation does not fundraise

PR 06.5 Additional information. [Optional]

However, responsible investment aspects are publically available in Union Investment's annual report and in the responsible investment policy. The sustainability measures as described in the annual report applies to the whole building portfolio and all funds.

Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
-------	-----------	---------	-------

PR 08.1 Indicate if your organisation typically incorporates ESG issues when selecting property investments.

☒ Yes

PR 08.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

Hyperlink

https://unternehmen.union-investment.de/dms/unternehmen/Unternehmen/UMH/Kennzahlen/Gesch_ftsbericht/UI_GB_2013_EN-highres.pdf

1. Sustainability is a key criterion in our investment strategy and in the due-diligence process for real estate purchases or for indirect investments in real estate. Pages 182-198
2. We will instruct our property managers to collect consumption data for properties, to record changes in the data and to report to us on a regular basis. Minimum annual targets for improving consumption data with also be agreed with property managers and the achievement of these targets will be monitored. Pages 182-198
3. When selecting our asset and property managers and other service providers, we will give preference to companies that explicitly adopt sustainable principles and actively support our efforts in this respect. Pages 182-198
4. Our service providers will be required to identify and achieve quick-fix improvements in sustainability when fitting out or operating portfolio properties. Pages 182-198
5. We will be proactive in raising awareness of the sustainable operation of our properties among our asset and property managers, their employees and our tenants. Pages 182-198
6. We will endeavour to introduce green leases into our portfolio on a gradual basis and/or we will require more of our service providers to sign them. Pages 182-198
7. We will commission reviews of our real-estate portfolios to determine whether they are eligible for certification and we will have them certified if financially viable. Pages 182-198
8. When converting, restructuring or carrying out major maintenance work on portfolio properties, we will instruct our service providers to achieve significant improvements in sustainability. Pages 182-198
9. We will regularly share information and the opportunities for further improving sustainability in our portfolios with other real-estate portfolio holding companies, and we will create increased transparency in the sector. Pages 182-198

☐ No

PR 10**Mandatory****Core Assessed****PRI 1,3****PR 10.1**

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.

ESG issues

☒ Environmental

List up to three typical examples of environmental issues

energy consumption & carbon emissions

water consumption

waste generation

☒ Social

List up to three typical examples of social issues

user comfort (e.g. barrier free access; support of electric bicycles)

safety & security measures (e.g. fire emergency systems, video surveillance)

health measures (smoke-free buildings, buildings free of hazardous or dangerous materials)

☒ Governance

List up to three typical examples of governance issues

service providers (Property Manager) need to sign an environmental code of conduct
research and network activities to promote a sustainable development of the real estate sector
supporting charities and community groups

Post-investment (monitoring and active ownership)

Overview

PR 14	Mandatory	Gateway	PRI 2
-------	-----------	---------	-------

PR 14.1 Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

PR 14.2 Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☐ We consider ESG issues in community engagements related to our properties
- ☐ We consider ESG issues in other post-investment activities, specify

PR 14.3 Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

Union Investment conducts internal "sustainability investment checks" (SI-Check) for all assets annually. The sustainable investment check is a questionnaire on the "sustainability quality" of a building in the categories: energy, resources, economy, user comfort, location and operation. For existing building, the SI-check is used as a tool to identify building potentials.

Furthermore, Union Investment introduced the "Portfolio Sustainability Management" system where consumption data (energy consumption, carbon emissions, water consumption, waste generation) qualitative data (SI-Check) and further sustainability specific data (energy pass, certifications) is monitored.

☐ No

Property monitoring and management

PR 15	Mandatory	Core Assessed	PRI 2,3
-------	-----------	---------------	---------

PR 15.1	Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.
----------------	--

- ☐ >90% of property assets
- ☒ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 15.2	Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
----------------	--

ESG issues

- ☒ Environmental

	List up to three example targets per issue
--	--

To ensure transparency and to monitor Union Investment's portfolio, our target is to gather consumption data of at least 75 % of our rental areas

A process for the creation and administration of energy passes of real estate properties has been implemented --> 100% energy passes where required

Introduction and implementation of green leases for new tenancies of German office buildings. Aim is to implement Green Leases for further countries and property types.

- ☒ Social

	List up to three example targets per issue
--	--

Implementation of a service provider qualification. Analysing the environmental performance of all relevant service providers.

Participating in studies, initiatives and ratings like ESI, Sire, GRESB and Scope.

- ☒ Governance

	List up to three example targets per issue
--	--

Sustainability performance targets are included in employee's balanced score cards. Sustainability is a target for asset managers, fund managers and executive employees.

All relevant service providers of Union Investment need to fulfil certain sustainability standards (e.g. ISO 14.001, EMAS, EN 16.001, OHSAS 18.001)

Consideration of a responsible investment policy for the real estate business and process implementation of a responsible investment policy for the real estate segment.

- ☐ We do not set and/or monitor against targets

Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
--------------	------------------	----------------------	--------------

PR 17.1	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
----------------	---

- ☐ >90% of active developments and refurbishments
- ☒ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.
----------------	--

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☐ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☐ Other, specify

Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
--------------	------------------	----------------------	--------------

PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- ☐ >90% of occupiers
- ☐ 51-90% of occupiers
- ☒ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

PR 18.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---

- ☐ Distribute a sustainability guide to occupiers
- ☒ Organise occupier events focused on increasing sustainability awareness
- ☐ Deliver training on energy and water efficiency
- ☐ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☒ Carry out occupier satisfaction surveys
- ☐ Other, specify

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.
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- ☒ Disclose publicly

	provide URL
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https://unternehmen.union-investment.de/dms/unternehmen/Unternehmen/UMH/Kennzahlen/Gesch_ftsbericht/UI_GB_2013_EN-highres.pdf

PR 23.2	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
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- ☒ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- ☒ Other property reporting standards, specify
ZIA Kodex
- ☐ No property specific reporting standards are used

PR 23.3	Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.
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- ☒ Yes

PR 23.4	Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.
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- ☒ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

PR 23.5

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify
- ☐ No
- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries