

# STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

RREEF America L.L.C.

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# A / Summary

RREEF America L.L.C. ("RREEF") (LEI code 529900ETVH54K2OIRO19), a member of DWS Group<sup>1</sup> ("DWS"), considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of RREEF.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2025 to 31 December 2025 ("Reference Period").

Sustainability factors are defined in the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("Disclosure Regulation") as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. Principal adverse impacts mean negative impacts of investment decisions on those sustainability factors.

RREEF is a non-EU Alternative Investment Fund Manager ("non-EU AIFM") with its registered office in the US, i.e., in a third country outside of the European Union ("EU"). With this statement, RREEF discloses – in line with the Delegated Regulation (EU) 2022/1288 to the Disclosure Regulation ("Delegated Regulation") – the principal adverse impacts of its investment decisions on sustainability factors in its capacity as an FMP only for those financial products of RREEF investing in real estate equity ("Products in Scope"). In addition, this statement does not cover the principal adverse impacts on sustainability factors of RREEF's investments in real estate debt or for liquidity management or cash. These investments for the Products in Scope account for only a small proportion of the investments made by RREEF.

This statement exclusively relates to financial products of RREEF investing in real estate equity. It thus includes information on its impact, and – where applicable – its actions taken and planned regarding:

- Two (2) mandatory principal adverse impacts indicators applicable to investments in real estate assets; and
- One (1) additional principal adverse impact indicator applicable to investments in real estate assets, namely 'greenhouse gas emissions ("GHG emissions")'

Based on the aforementioned indicators, RREEF identifies principal adverse impacts of investment decisions across Products in Scope of this statement. RREEF selected the additional PAIs for disclosure in accordance with the group-wide sustainability strategy as well as factors such as the likelihood and potential severity of an impact, and data availability.

RREEF considers identified adverse impacts as a subset of wider sustainability aspects integrated in investment analysis and the investment process in line with its clients' financial objectives. The Products in Scope solely invest in direct real estate, and therefore the present statement focusses on the consideration of those principal adverse impacts that are relevant for real estate. RREEF's approach to mitigating adverse impacts of its real estate assets comprises, among others, energy audits and certification, implementation of green leases, and various energy performance improvement measures.

The consideration of principal adverse impacts in the investment process requires the availability of data on adverse impacts attributed to existing and planned investments. For real estate assets, data sources depend on the individual principal adverse impacts indicator and include energy performance certificates, utility bills and information provided by property managers.

<sup>1</sup> DWS Group means DWS Group GmbH & Co. KGaA and its subsidiaries consisting of any companies of which DWS Group GmbH & Co. KGaA is the direct or indirect parent company with majority participations (equity or voting capital share of more than 50%), including branches and representative offices.

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Overall, as a fiduciary, RREEF makes investment decisions in the best interests of its clients and in accordance with the applicable product-specific investment strategy, taking into account material risks and other relevant investment considerations. Principal adverse impacts are considered when making an investment decision, but are not, in and of themselves, determinative for any investment decision.

# B / Description of the principal adverse impacts on sustainability factors

## Indicators applicable to investments in real estate assets

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned, and targets set for next reference period	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>								
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.017 [%]	0.016 [%]	0.002 [%]	0.003 [%]	The exposure to fossil fuels in real estate is determined by the functional use of the asset (i.e., storage of fuels on site for the asset use is not considered exposure to fossil fuels). The types of real estate assets with potential exposure to fossil fuel extraction, storage, transport, or manufacture are gas stations, power stations, and various storage assets, such as warehouses and distribution centers. Data on building use and occupier activities is collected for all assets under management. Best efforts are made to check the actual use of the building during its holding period; however, lease conditions can potentially limit the landlord's access to the property and therefore ability to confirm the accuracy of occupier activity data.	Due to extremely low exposure to real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels, no further action or reduction targets, other than continued monitoring of tenant activity and reporting of the exposure, have been deemed required.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets.	N/A	N/A	N/A	N/A	Data on a building's energy rating is obtained for all assets that have them. However, the exclusions <sup>4</sup> to the definition <sup>5</sup> of "energy-inefficient real estate assets" apply to the entire RREEF America LLC portfolio as all assets are located outside of the EU. Therefore, it is not possible to fully assess and report on this indicator using the provided formula. The 100% of AuM is thereby excluded from the assessment and reporting.	Even though formal assessment utilizing SFDR formula is not possible, actions to reduce the share of investments in energy-inefficient real estate assets, i.e., improve energy efficiency of the assets are undertaken as part of asset management. They include data collection and assurance, energy audits and certification, implementation of green leases, and various energy performance improvement measures such as upgrades of a building's heating, ventilation, cooling and lighting systems, insulation etc.

<sup>3</sup> As of 2025, this indicator applies to all assets under management of RREEF America L.L.C.

<sup>4</sup> The EU Energy Performance Certificates (EPC) scheme does not apply to countries outside of the EU, apart from the UK, and the Nearly zero-energy buildings (NZEB) does not apply to any country outside of the EU.

<sup>5</sup> As per Annex 1 of the SFDR Delegated Act

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Other indicators for principal adverse impacts on sustainability factors

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned, and targets set for next reference period	
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS								
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS								
Greenhouse gas Emissions	18. GHG emissions	Scope 1 GHG emissions generated by real estate assets	6,501,950 [tCO2e]	15,038,000 [tCO2e]	10,824,000 [tCO2e]	10,493,150 [tCO2e]	The Real Estate Business utilizes Global Real Estate Sustainability Benchmark (GRESB) and GHG Protocol-aligned functionality within the ESG data management system to define and calculate the Scope 1 carbon emissions of real estate assets. Data on energy consumption required for calculation of GHG emissions is collected for all assets under management. Best efforts are made to obtain the landlord consumption data; however, utility provider processes can potentially limit the ability to do so. Data coverage for Scope 1 GHG emissions is 98.68% by area and includes 0% estimated data.	Actions to reduce the GHG emissions generated by real estate assets include data collection and assurance, energy audits and certification, implementation of green leases, and various energy performance improvement measures such as upgrades of a building's heating, ventilation, cooling and lighting systems, insulation etc.
		Scope 2 GHG emissions generated by real estate assets	22,567,833 [tCO2e]	47,605,000 [tCO2e]	46,236,000 [tCO2e]	44,490,000 [tCO2e]	The Real Estate Business utilizes Global Real Estate Sustainability Benchmark (GRESB) and GHG Protocol-aligned functionality within the ESG data management system to define and calculate the Scope 2 carbon emissions of real estate assets. Data on energy consumption required for calculation of GHG emissions is collected for all assets under management. Best efforts are made to obtain the landlord consumption data; however, utility provider processes can potentially limit the ability to do so. Data coverage for Scope 2 GHG emissions is 85.78% by area and includes 0% estimated data.	

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Scope 3 GHG emissions generated by real estate assets	114,135,813 [tCO2e]	95,616,000 [tCO2e]	90,234,000 [tCO2e]	87,157,000 [tCO2e]	The Real Estate Business utilizes Global Real Estate Sustainability Benchmark (GRESB) and GHG Protocol-aligned functionality within the ESG data management system to define and calculate the Scope 3 carbon emissions of real estate assets. Data on energy consumption required for calculation of GHG emissions is collected for all assets under management. Best efforts are made to obtain the landlord consumption data; however, utility provider processes can potentially limit the ability to do so. Data coverage for Scope 3 GHG emissions is 81.29% by area and includes 0% estimated data.
Total GHG emissions generated by real estate assets	143,205,597 [tCO2e]	158,258,000 [tCO2e]	149,373,000 [tCO2e]	142,140,000 [tCO2e]	The Real Estate Business utilizes Global Real Estate Sustainability Benchmark (GRESB) and GHG Protocol-aligned functionality within the ESG data management system to define and calculate the total Scope 1, 2 and 3 carbon emissions of real estate assets. Data on energy consumption required for calculation of GHG emissions is collected for all assets under management. Best efforts are made to obtain the landlord consumption data; however, utility provider processes can potentially limit the ability to do so. Data coverage for total GHG emissions is 84.82% by area and includes 0% estimated data.

# C / Description of policies to identify and prioritize adverse impacts of investment decisions on sustainability factors

RREEF takes the requirements of DWS Group's framework to identify and prioritize principal adverse impacts of investment decisions into account.

## DWS Real Estate Global Sustainability Framework Key Operating Document (April 2026)

RREEF's direct real estate business, which is the subject of this statement, is part of DWS Real Estate, and as such applies in full the DWS Real Estate global sustainability framework approach, procedures, and methodologies in relation to the management of ESG aspects and principal adverse impacts in private real estate, as described in this section. The processes are subject to regular annual as well as ad-hoc reviews, as required. The DWS Global Sustainability Framework Key Operating Document ("KOD") has been updated in 2026.

Sustainability factors and related adverse impact indicators relevant for real estate as defined by SFDR<sup>9</sup>, represent a subset of wider ESG aspects which DWS Real Estate consider to be material for real estate investment management. Principal adverse impact indicators are therefore selected, and principal adverse impacts identified, prioritized, and assessed as part of the overall DWS Real Estate processes described below.

### 1. Indicators applicable to real estate investments

When making investments in real estate assets, RREEF considers the two mandatory principal adverse impact indicators applicable to investments in real estate, as disclosed in the table in Section B of this statement. As an additional principal adverse impact indicator, RREEF chooses to disclose and consider greenhouse gas emissions for its real estate investments. In the indicator selection process, RREEF also considered factors such as the likelihood and potential severity of an impact, and data availability.

<sup>8</sup> [Index \(dws.com\)](#)

<sup>9</sup> as set out in Tables 1 and 2 of Annex I of the EU Commission's final text of the Delegated Regulation Level 2 of the Disclosure Regulation ("DeiReg Level 2") for assessing principal adverse impacts of investment decisions on sustainability factors

### *Methodology*

The critical points for assessment and management of principal adverse impacts as identified in Section B of this Statement, are sustainability due diligence during asset acquisition and active asset management.

The sustainability due diligence process is completed prior to the acquisition of all new assets, addressing the ESG aspects, including principal adverse impacts. Transactions team will include risk findings and mitigation recommendations in the Investment Committee (IC) memo. The findings from the sustainability due diligence are also included in the investment committee memo for its consideration and decision regarding the approval of an acquisition.

During the holding period for equity investments, principal adverse impact indicators identified in Section B of this Statement are assessed in the asset management process through data collection and analysis, risk reviews including energy audits, identification, and implementation of performance improvement measures, and building energy certification.

### *Margin of error*

The data utilized for the sustainability due diligence and annual risk review is in part reliant on collaboration with third parties. For equity investments, this includes, without limitation, tenants' operational energy consumption, and therefore Scope 3 GHG emissions. To address the issue, RREEF employs the following strategies: disclosure of data coverage, procurement of anonymized aggregated data, where available, continual engagement with tenants, and implementation of green leases clauses, including sharing energy consumption data.

### *Data sources*

Relevant data sources for consideration of principal adverse impacts of investment decisions on sustainability factors in direct real estate investments include as set out below:

1. Exposure to fossil fuels: engaging with lease contract and third-party property managers to determine the exposure of extraction, storage, transport, or manufacture of fossil fuels.
2. Energy efficiency: energy performance certificate provided by the asset seller or obtained by the third-party property manager upon expiry.
3. Greenhouse gas emissions: utility bills (to tenants and landlords) stating consumption of energy. Calculation of corresponding GHG emissions is completed by Measurabl.

Data on energy consumption and resulting GHG emissions is collected for all assets under management. Best efforts are made to obtain the landlord and occupier consumption data; however, utility provider processes and/or lease conditions can potentially limit the ability to do so. RREEF utilizes the limited data estimation feature provided by Measurabl<sup>10</sup>, and within GRESB Reference Guide Estimation Methodology<sup>11</sup> limits. RREEF further reports primary and estimated data coverage.

<sup>10</sup> [How do Meter Reading Estimates Work? – Measurabl Help Center](#)

<sup>11</sup> [GRESB Documents](#)

## 2. Governance

Sustainability governance at DWS Group starts with the DWS Executive Board, which has the overall responsibility for managing the business activities of DWS Group. This includes responsibility for managing sustainability-related risks and opportunities. To enable a focus on sustainability topics, the Executive Board has delegated its responsibility for the implementation of the sustainability strategy to the DWS Group Sustainability Committee, which reports to the DWS Executive Board regularly and as required. The committee is mandated to implement the sustainability strategy as approved by the DWS Executive Board at the fiduciary and corporate levels across business and infrastructure areas and legal entities.

The DWS Executive Board established the DWS Group Risk and Control Committee with the mandate to oversee all aspects of risk, control and liquidity for DWS Group. This includes responsibility for approving key risk management principles and thresholds related to sustainability risks and adverse impacts, the recommendation of overarching risk appetite parameters and the monitoring of risk limits for risk resources available to the business.

The DWS Reputational Risk Committee is responsible for oversight, coordination, and management of reputational risks. It takes preventive decisions on matters which might trigger reputational risk, in alignment with DWS's risk appetite.

Further details on DWS Group's sustainability governance set-up can be found in DWS Group's Sustainability Statement integrated in the Annual Report 2025

The various DWS Group's divisions are responsible for setting up, maintaining, and reviewing policies, processes, and frameworks through which the sustainability strategy is implemented in the divisional processes. This includes the above mentioned policies to identify and prioritize principal adverse impacts in the group's investment strategy.

The DWS Real Estate sustainability team is responsible for designing the overall approach for assessment and management of principal adverse impacts. RREEF's investment committee is responsible for reviewing and approving the approach or recommending to the relevant governing body for approval. The investment committee is further responsible for considering risks when making decisions on acquisitions, asset management and dispositions.

The DWS Real Estate transaction team is responsible for undertaking the acquisition risk review during sustainability due diligence, as further described below.

The DWS Real Estate asset management team is responsible for consideration of principal adverse impacts during the holding period, as further described below.

The Risk management team within RREEF is responsible for monitoring principal adverse impacts. To this end, this team, in collaboration with the DWS Real Estate sustainability team, regularly assesses their materiality and inputs into risk review processes of sustainability due diligence and active asset management.

## D / Engagement policies

Engagement with investee companies through shareholder dialogue does not apply to private direct real estate investment, RREEF therefore exercises active engagement at the asset level through direct ownership and control. This includes ongoing interaction with property managers, tenants, developers, and service providers to influence operational, financial, and ESG outcomes. Through this active asset management approach, RREEF seeks to enhance long-term value and sustainability performance across the portfolio.

## E / Reference to international standards

DWS Group or RREEF, as the case may be, is a member of, adheres to, or is guided by the following key sustainability-related responsible business conduct codes and internationally recognized standards for due diligence and reporting (non-exhaustive list).

### 1. Overarching standards and initiatives

DWS Group is a signatory to the United Nations-backed Principles for Responsible Investment (PRI), a voluntary set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice.

### 2. Standards and initiatives for real estate

#### *Global Real Estate Sustainability Benchmark (“GRESB”)<sup>12</sup> (PAII 18)*

RREEF utilizes a third-party assessment and benchmarking system GRESB to identify and align with best industry practices for sustainable real estate investment management. GRESB is a third-party ESG benchmark and reporting framework providing absolute and peer-relative measurement and validation of real estate portfolio on management, development, and performance components. GRESB uses a consistent methodology to compare performance across different regions, investment vehicles and property types.

GRESB Real Estate Reference Guide (“Reference Guide”)<sup>13</sup> identifies building certification schemes and energy ratings which have been accepted for full or partial recognition. The Reference Guide further sets out data estimation methodology.

The Reference Guide is reviewed on an annual basis by GRESB. RREEF refers to this Reference Guide when considering principal adverse impacts (PAIs) on ESG factors.

#### *Carbon Risk Real Estate Monitor (“CRREM”)<sup>14</sup>*

With regard to transition risk, DWS Real Estate utilises the CRREM methodology to assess the potential for assets to become misaligned with decarbonisation pathways and therefore exposed to increased transition risk (PAII 17, 18, additional PAII 18 of Table B Annex I of the Delegated Regulation). CRREM provides science-based, asset-level decarbonisation pathways for energy use and carbon emissions, calibrated by property type, geography and other relevant building characteristics. This enables an assessment of an asset’s current and projected performance against a Paris-aligned trajectory and supports the identification of the point at which the asset may exceed the relevant carbon threshold or “misalignment” pathway if no mitigating actions are taken.

During the sustainability due diligence process, CRREM analysis is used to estimate misalignment risk based on the asset’s energy and carbon intensity and to inform investment decision-making accordingly. Where primary data is limited at acquisition stage, the assessment is undertaken by specialist ESG consultants as part of the sustainability due diligence process. The findings are incorporated into Investment Committee materials and, where relevant, reflected in the business plan for the asset, including the identification of potential improvement measures and decarbonisation priorities. In this way, CRREM supports the consideration of adverse sustainability impacts associated with carbon performance as part of the Fund’s broader transition risk assessment. Information on the data sources for PAIs 17, 18, and additional PAII 18 can be found in Section C of this Statement.

<sup>12</sup> [GRESB | Global ESG Benchmark for Real Assets](#)

<sup>13</sup> [GRESB Documents](#)

<sup>14</sup> [CRREM Foundation – The Global Standard for Transition Risk in Real Estate](#)

## F / Historical comparison

In this statement on principal adverse impacts of investment decisions on sustainability factors, RREEF also provides in the above Section B 'Description of the principal adverse impacts on sustainability factors' a historical comparison of the reference period for the calendar year 2025 ("Reference period 2025") covered by this statement, with the previous reference periods of the calendar years 2024 ("Reference period 2024"), 2023 ("Reference period 2023"), and 2022 ("Reference period 2022").

## G / Glossary

AIF	Alternative Investment Fund
AUM	Assets Under Management
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ESG	Environmental, Social, Governance
EPC	Energy Performance Certificates
FMP	Financial Market Participants
GHG	Greenhouse gas emissions
GRESB	Global Real Estate Sustainability Benchmark
IEA	International Energy Agency
NZEB	Nearly zero-energy buildings
PAI	Principal adverse impact
PAII	Principal adverse impact indicator
PRI	Principles for Responsible Investment
RTS	Regulatory technical standards
SFDR	Sustainable Finance Disclosure Regulation