



ESG STATEMENT & PRINCIPLES

AUGUST 2021 v2

TAURUS INVESTMENT HOLDINGS



OUR RATIONALE AND ESG COMMITMENT

Taurus Investment Holdings, LLC (“Taurus”) is a Real Estate Private Equity Firm and active deal participant in thirty markets around the world. We invest together with global private and institutional investors who wish to benefit from our knowledge of local markets, decades of experience, successful track record, and forward-thinking approach to real estate. Taurus delivers investors meticulously selected international investment opportunities in a wide variety of forms and structures.

Responsible investment considers the environmental, social, and governance (“ESG”) dimensions of investments. As a conscious steward of our investors’ capital, Taurus recognizes the critical role real estate plays in the commerce and wellbeing of the communities we serve in addition to the importance of care and respect for employees and business partners alike in facilitating the success of assets and transactions. Taurus also understands the urgency for real estate owners and operators to assume a larger responsibility in reducing global greenhouse gas emissions and intends to steer the sector’s efforts to tackle climate change.

Prudent management of environmental, social, and governance issues forges a better business and a better world. By employing ESG components as a building block of company policy, we can generate a positive impact on the long-term value creation for our investors, the preservation of capital through more resilient operations, and the maximization of employee, occupant, and community welfare.

Taurus believes ESG is not a standalone process. Rather, ESG is a journey of constant revision and adaptation that should be deeply embedded in the way we operate. As we delineate in this document, Taurus is committed to actively identifying material ESG issues, incorporating ESG standards into our business, and persistently refining programs across all levels of our governance to ensure that:

- We will, to the fullest extent possible, take into consideration ESG dimensions in our investment analysis and portfolio management processes;
- We will endeavor to sustain our pioneer status in the evolution of ESG practices within the real estate investment management industry;
- We will seek to evolve the ESG narrative through our thought leadership and continuously improve our own ESG oversight and metrics tracking; and
- We will communicate our ESG goals and progress against these goals to our owners and partners as part of our commitment to transparency and accountability.

This document outlines Taurus’ ESG approach and our core principles for each sector.

ENVIRONMENTAL

Linking efficient energy as well as water consumption and use with the provision of high-quality working or living spaces for our tenants, Taurus strives to operate our real estate assets in a best-in-class manner. Taurus has a long history of environmental stewardship which reflects our German founders' deep beliefs in sustainability. Our dedication in action includes:

- Construction of a logistics park in Groß Gerau (2010/2011) **certified with gold according to DGNB** (German Sustainable Building Council) (today's platinum standard) - ([LINK](#));
- Construction of the **first Passive House** multi-family rental project in New York City (2016) - ([LINK](#));
- Construction of **Discovery Tech**, a part of Central Florida Research Park (CFRP), first spec **LEED gold building**;
- Development and construction of **Whisper Valley** located in Austin, Texas: "**Sustainable Community of the Year**" in 2019 as voted by Green Builder Media ([LINK](#));
- Construction of a logistics park in Dietzenbach (2016), **certified with gold according to DGNB** (German Sustainable Building Council) - ([LINK](#));
- Construction of a mixed-use technopark in Trivandrum, Kerala Province, India, **pre-certified to LEED Gold standard**, and Platinum standard remains the target – ([LINK](#));
- Current construction of a logistics portfolio in 2 German metropolitan regions built according to the **DGNB Gold Standard** with the first building built exceeding standards as requested by Amazon – ([LINK](#));
- Upcoming construction of a technopark in Hannover which will also be certified according to DGNB – ([LINK](#));
- Deep retrofit of a 404-unit, 1972-vintage apartment community, **South Winds**, a flagship project for Taurus to renovate an existing multi-family housing complex with **rooftop solar, advanced heat pumps, building energy efficiency, and water conservation** improvements.

As part of Taurus' pledge to sustainability, we internally funded and created two subsidiary companies that fuse clean energy and energy efficiency technologies with our real estate expertise. Both EcoSmart Solution and RENU Communities will be transformational for Taurus in leading the real estate sector through its decarbonization journey:

EcoSmart Solution: Founded in 2014 and controlled by Taurus, EcoSmart Solution ("ESS") is a renewable energy infrastructure developer and owner as well as a Net-Zero Capable Home service provider for new residential and mixed-use master planned communities in the United States. Devised to capture the shift to

carbon neutral “electrified” homes, ESS selected the technological innovation hub of Austin, Texas for our headquarters and Whisper Valley as our flagship project. As an infrastructure company, ESS develops, owns, and maintains community geothermal GeoGrids™ with the objective of supplying heating, cooling, and domestic hot water to master planned communities, homeowners, and commercial properties throughout the USA. Being a service provider, ESS offers developers, home builders, and, ultimately, homeowners the opportunity to purchase turn-key solutions, equipment, and energy monitoring systems with options for EV charging and home power resiliency in the form of the “ESS Package” to create carbon-neutral capable built environments. More details can be found at: www.ecosmartsolution.com

RENU Communities: Founded in 2019, RENU is a comprehensive energy solutions and service provider for the built environment with an initial focus on the multi-family property segment. Our unique approach brings together a broad-based retrofit strategy encompassed by innovative technology solutions and upgrades integrated into a fully proprietary energy ecosystem. These upgrades begin with building envelope/energy efficiency measures and can extend to onsite renewable generation and broader electrification technologies such as energy storage, ground- and air- sourced heat pumps, and electric vehicle charging for our tenants. In order to deliver increased asset value through lower operating costs and a better living space for our tenants, the RENU team works closely with Taurus’ real estate investment teams to analyze, design, implement, and finance custom energy enhancements. RENU aims to fully electrify the built environment, and, where economically viable for the tenant and the property owner, to target net zero energy from a building’s energy usage with deep decarbonization. More details can be found at: www.renucommunities.com

Coupled with our work in ESS and RENU, Taurus occupies board leadership or membership positions in the following organizations associated with advancing real estate and/or sustainable energy management:

- Building Owners and Managers Association (BOMA)
- American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)
- GEOEXCHANGE Organization
- Global Real Estate Institute (GRI) Club
- Urban Land Institute (ULI)

Moving forward, Taurus will seek to build on our track record through our 5 core environmental principles:

- Leverage our first mover experience at the intersection of real estate and energy to be an innovator in building decarbonization, electrification, and resiliency;
- Embed energy resilience and healthy living space solutions into our new property acquisitions where such solutions offer the opportunity to both improve the lives and wellbeing of our tenants and strengthen the economic performance of our properties;
- Expand on our entrepreneurial nimbleness and prudent risk-taking to continuously innovate in the financing, improvement, and operation of sustainable real estate;
- Explore new ways to measure, track, and report the environmental footprint of our portfolio, offices, and employee activity to drive steadfast advancement;
- Subscribe to all environmental standards as required by the law and review environmental implications in all business dealings.

SOCIAL

Taurus acknowledges our employees, partners, and customers prosper when social diversity, equity, and inclusion are fostered within and outside the company. Taurus is committed to complying with all employment regulations applicable to our business. In addition to EEO compliance, Taurus strives to cultivate an atmosphere that promotes diversity and employee welfare. A more productive and inclusive working community begins with nurturing a healthy workplace committed to the health, safety, and professional development of employees across an array of backgrounds and experiences.

Taurus embodies these ideals in the core values underlying our ways of working:

- *Respect* – We treat everyone with respect and seek to understand key issues affecting the communities that we do business.
- *Transparency and Responsiveness* – We endeavor to be transparent in our interactions and responsive to community questions and concerns.
- *Fairness* – We strive to treat affected parties with respect, fairness and consistency.

Keeping with our aim to be drivers of social change, Taurus will prioritize improvements in the social dimensions of our company, particularly in Diversity, Equity, and Inclusion, through our 4 fundamental principles:

- Strive to attract, retain, and promote team members from underrepresented populations across race and ethnicity, gender, age, sexual orientation and within all levels of our organization to enhance our decision-making and to reflect the richness and complexity of the society in which we operate;
- Recognize the symbiotic relationship with the communities we call home, invest in, and operate and dedicate time to care for its citizens, habitats, and environment;
- Promote the education and growth of all our community members;
- Undertake to strengthen our management bench through recruiting, retention, and training to boost the effectiveness and efficiency of our organization.

As part of our commitment to realizing the potential of our employees, Taurus encourages team members to pursue further education to better support diversity and inclusion in human capital management, procurement and strategic communications, as well as join and participate in networks that facilitate business relationships and enable connections with our communities.

With Taurus' support, our employees actively give back to their communities through on-site volunteering, board guidance, and philanthropy. Listed below are a few organizations Taurus is involved with:

- Habitat for Humanity
- Family Reach
- Trees Atlanta

At Taurus, we have developed a charitable gifts program that matches employee contributions up to a certain limit each calendar year. In honor of a former employee, Taurus has also created the John Carroll Award to celebrate the exceptional execution of Taurus' values and professional ideals. Our devotion to education is exemplified through our employee reimbursement of higher education provided passing grades. Taurus' promotion of education extends to the communities that support us as we offer paid intern positions for 6 months throughout the year to the students of Cristo Rey Boston High School in Dorchester, Massachusetts. In addition, Taurus deepens employee-community relationships through our employee-led charitable initiatives such as Taurus's support for "[Water for South Sudan](#)."

GOVERNANCE

For Taurus, trust and reliability form the basis of every partnership. With that, Taurus has established sound governance policies that investors and employees will be able to trust and rely upon with confidence.

Our existing governance procedures include:

- Conducting mandatory annual compliance and governance training for all employees and investment representatives;
- Ensuring that all employees, including management, sign an ethics declaration annually as outlined in the Taurus Employee Handbook;
- Providing high levels of investor transparency and decision rights across all investment, divestment, and operating activities;
- A formal Investment Committee process that comprises of explicit decision-making and follow-ups as well as quarterly reviews with Managing Directors which are then summarized and reported to the Board.

As Taurus grows and matures, our governance will adapt commensurately based on 2 guiding principles:

- Retain an unwavering commitment to ethics, keeping this pledge as the cornerstone of all of our decisions and interactions, internal and external to Taurus, and as fundamental to displaying reliability and maintaining trust with our constituents.
- Incorporate financially impactful ESG dimensions into investment/divestment and operating decisions to preserve and increase value for our investors.

OUR ESG PROCESS AND OVERSIGHT

Across every level of Taurus, we will look for ways to weave ESG factors and oversight into our portfolio management, management policies, and business practices. We believe that prudent evaluation, management, and implementation of ESG components will ensure that these ESG factors remain grounded in our company and will continue to evolve.

Taurus has assembled an internal team to identify ESG material issues specific to our company, incorporate ESG standards into our processes, and monitor our ESG progress and goals. Our ESG team is comprised of dedicated global professionals with team members based in the US, UK and Europe. Because we believe it is important to build a team with a wide variety of experience and expertise, our ESG team is made up of no less than 7 individuals within the firm that meet quarterly, and on an as needed basis.

Taurus' ESG Committee will be responsible for deploying our ESG approach throughout all levels of the company and investment practices as well as monitoring our overall performance against our ESG goals and policies.



Taurus Investment Holdings