

Corporate Governance

Additional Corporate Governance Principles for Co-operation between IVG Immobilien AG and IVG Institutional Funds GmbH (former OIK)

Following the acquisition of 50.1% in Oppenheim Immobilien-Kapitalanlage-Gesellschaft mbH (OIK), the following additional Corporate Governance principles are intended to resolve a potential conflict of interests and lend transparency to the co-operation between IVG Immobilien AG and IVG Institutional Funds GmbH:

1. Both companies enjoy an excellent reputation among capital market players, investors and customers. Safeguarding this reputation is the prime objective.
2. The management bodies of the companies act in the interests of their shareholders/trustors ("investors") and feel an obligation to the goal of increasing corporate value/property assets.
3. Independent and experienced bodies, in particular the Supervisory Board, monitor company management. As regards the respective special assets, investment committees are formed to represent specific investor interests.
4. All transactions between IVG Immobilien AG and IVG Institutional Funds GmbH are carried out on an arm's length basis under standard market conditions. Every transaction is first assessed by a mandatory committee of experts.
5. A conflict of interests when acquiring property is extensively precluded by different investment criteria. IVG Institutional Funds GmbH primarily focuses on acquiring individual properties with long-term leases for its special fund. IVG Immobilien AG, however, specialises in the acquisition of entire property portfolios and/or property with development potential and project developments.
6. The committees of both companies decide on the sale or disposal of property independently of each other, and in doing so are guided exclusively by the interests and decision-making criteria of their own respective company.
7. Where synergies may be leveraged to the benefit of both companies, management will ensure that business opportunities are not leveraged unilaterally.