

Principal Global REITs Responsible Investment and Engagement Policy Statement

Principal Global Investors has been a signatory to the United Nations Principles for Responsible Investment (UN PRI) since 2010, highlighting the firm's dedication to Environmental, Social and Governance (ESG) issues. UN PRI works to achieve a sustainable global financial system by encouraging the adoption of six principles and collaboration on their implementation; by fostering good governance, integrity, and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures, and regulation.

Principal Global REITs believes that incorporating ESG factors into our investment process results in a more holistic approach to investment decision-making. ESG factors are one of many investment factors that our team of investment professionals consider when assessing a company.

By engaging with companies that we invest in, we encourage greater awareness of ESG issues, and potentially maximise shareholder value and long-term returns.

We use UN PRI's six Principles as a framework:

- **We incorporate ESG issues into investment analysis and decision-making processes.** ESG factors are one of the investment factors that our investment professionals consider as part of our investment process and which influence our investment decision-making. ESG factors are incorporated into our company research reports, whereby companies with superior ESG ratings are viewed more favourably.
- **We are active owners and incorporate ESG issues into our ownership policies and practices.** We exercise active ownership by not investing in companies with poor ESG practices that we deem to have a material impact on shareholder value. Activism is not a central tenet of our investment process, but we will engage with companies to discuss ESG issues with the objective of improvement where appropriate. When exercising voting rights, we will vote in a manner that maximises shareholder value, while taking into account ESG factors.
- **We seek appropriate disclosure on ESG issues by the entities in which we invest.** We encourage greater transparency in ESG reporting and support the integration of ESG reporting into standard financial reporting. We support shareholder initiatives and resolutions that promote ESG disclosure.
- **We promote acceptance and implementation of the Principles within the investment industry.** We support regulatory or policy developments that enable implementation of the Principles.
- **We work together to enhance our effectiveness in implementing the Principles.** We support the use of investor reporting as a source of learning and are open to addressing any emerging ESG issues. We support appropriate collaborative initiatives that enhance the effective implementation of the Principles.
- **We report on our activities and progress towards implementing the Principles.** We will communicate with clients about ESG issues when requested, and we will complete ESG questionnaire requests from clients to promote the disclosure of our ESG practices.

Disclosures

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