

Net Zero Commitment

BarmeniaGothaer Asset Management AG

December 2025

Our Net Zero Commitment

BarmeniaGothaer is a member of the Net Zero Asset Owner Alliance (NZAOA). The NZAOA is a UN-backed initiative that brings together institutional investors with the aim of achieving the transition to a low-carbon economy. By joining the Net-Zero Asset Owner Alliance, members commit to individually transitioning their own investment portfolios to net-zero greenhouse gas emissions by 2050 - consistent with a maximum temperature rise of 1.5 C. The NZAOA has published a Target Setting Protocol, which requires members to set interim targets every five years in line with article 4.9 of the Paris Agreement and report on the progress. The Target Setting Protocol outlines requirements and recommendations for members in setting targets. Members are encouraged to set targets against four parts. The minimum expectation is that Alliance members shall set targets on three parts with engagement being a mandatory target.

The alliance's four-part target setting approach includes:

- Sub-Portfolio targets
- Engagement targets
- Sector targets and
- Financing transition targets

The Target Setting Protocol is reviewed and published annually, increasing the scope of target requirements and adjusting existing guidance in line with the most recently available, scientific findings. BarmeniaGothaer Asset Management AG is committed to setting net-zero targets consistent with the framework of the NZAOA¹.

The following section outlines BarmeniaGothaer's current as well as previous interim targets.

Sub-Portfolio Targets

Equities and corporate bonds

Reduction of financed greenhouse gas emissions (Scope 1 + 2) per million euros of invested assets by 60% –for equities and corporate bonds respectively – up until 31.12.2029 compared to 2021.

The following target applied to the Gothaer Insurance Group's capital investments until the end of 2024:

Reduce financed GHG emissions (Scope 1 + 2) per million € invested by 25% each for equities and corporate bonds by Dec. 31, 2024 compared to 2021. As at 31.12.2024, greenhouse gas reduction of 48% per million euros invested was achieved for corporate bonds compared to the base year 2021. The target set was therefore achieved. The Gothaer Insurance Group's equity portfolio was liquidated in 2021, making the achievement of the target obsolete.

Real Estate

The directly held real estate portfolio will be aligned with CRREM's science-based 1.5-degree decarbonisation pathway by the end of 2029.

¹ This obligation relates exclusively to the assets of the Barmenia-Gothaer Group. Public funds and the unit-linked life insurance assets are excluded from this obligation.

The following target applied to the Gothaer Insurance Group's capital investments until the end of 2024:

Reduction of financed GHG emissions (Scope 1 + 2) per m² in the RE Equity Portfolio (with a stake of 25% or higher) by 20% by Dec. 31, 2024 compared to 2021. As at 31.12.2024 the reduction in emissions per m² compared to the base year 2021 was 26%.

Engagement Target

Engagement activities with at least 20 issuers in the portfolio, as well as with external managers, to actively advance the topic of Net Zero

Sector Targets

Coal Energy

Complete phase-out of the coal-based energy industry by 2030 at the latest in the European Union and OECD countries and by 2040 at the latest in all other countries. For this, the threshold value for the maximum permissible share of revenue that the company can generate from the mining or generation of electricity from coal will be continuously reduced in accordance with the published [phase-out plan](#).

Oil & Gas sector

By the end of 2027, Gothaer aims to hold in its portfolio only those companies from the oil and gas sector that have adopted and communicated credible decarbonization plans to achieve net zero targets by 2050. To achieve this target, an internal methodology has been developed to identify portfolio companies that are net zero aligned. A company is considered to have a credible net zero decarbonization plan if one of the 4 criteria is met:

- a) Investment in clean energy or taxonomy-aligned investments of more than 30%
- b) Implied Temperature Rise (ITR) below 2 degree
- c) High TPI (Transition Pathway Initiative) score (management score of at least 4, carbon score of at least "below 2 degrees")
- d) "Aligned" or 'Achieving Net Zero' status according to the Net Zero Investment Framework (NZIF)

Companies that are in the engagement process can still be held until the end of the engagement period. We obtain data for the above criteria from our data provider MSCI ESG Research and from the Transition Pathway Initiative².

With regard to the exclusion criteria in the respective sectors, we refer to [our responsible investment policy](#).

² <https://www.transitionpathwayinitiative.org/>

Targets for financing climate solutions

New investments in impact or thematic investments amounting to €2 billion between 2025 and the end of 2029.

Until the end of 2024, Gothaer Insurance Group had the following target for its investments:

Annual investments of €200 million in impact and thematic investments. This target was consistently achieved every year. Between 2022 and 2024, nearly €1 billion was invested in impact and thematic assets.