

# *Tax Policy*

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## General

General Instone Real Estate is a leading developer of residential real estate in Germany. As a company, we want to be economically successful in the long term and at the same time assume our social responsibility. We therefore act as a responsible taxpayer in accordance with applicable tax laws and regulations, such as by paying real estate transfer tax when purchasing our project properties. Against this background, we want to make an appropriate contribution to the financing of the community in Germany, measured by our financial earning power. The company pays its taxes exclusively in Germany. At the same time, our shareholders and stakeholders expect Instone Real Estate to limit the tax burden to a legally permissible level.

## Classification in our compliance system

It is our goal to act in accordance with the respective tax laws in Germany. Observing the tax compliance requirements is of fundamental importance for Instone Real Estate. Accordingly, Instone Real Estate has adequate business processes to regularly identify and monitor tax risks and their possible interaction with other business risks. In the case of complex tax matters, we coordinate with external tax specialists in order to find an appropriate and proper assessment of these matters.

## Cooperation with the financial administration

A trustworthy and transparent communication with the local tax authorities is very important for Instone Real Estate. We submit the tax returns properly and within the legally permissible deadlines. We prepare the necessary documents for the documentation of the various tax issues in accordance with the applicable laws. If there are any tax questions, we actively use the instrument of binding information in order to find a joint solution to complex tax issues with the respective tax authorities in good time.

## Internal organizational structure

The CFO of Instone Real Estate is regularly informed by the Head of Finance and the Head of Taxes about all important tax issues and their current and future financial effects. This enables the CFO to report to the entire Board of Management and the Supervisory Board on relevant tax issues and possible tax risks, as well as their treatment.

## Reporting

We report and publish our tax positions in accordance with the applicable regulations and requirements (e.g. IFRS or HGB). We publish our tax expenses in the respective fiscal year, our annual tax payments and our effective tax rate transparently in our annual report.

## Tax payment

We almost exclusively pay taxes in Germany.