

Equity Residential  
ANNUAL MEETING OF SHAREHOLDERS  
20<sup>TH</sup> JUNE 2024  
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr. Mark Parrell,  
Dear Mr. Stephen Sterrett,  
Dear Mr. David Neithercut,  
Dear Members of the Board,

DWS Investment GmbH, also acting on behalf of funds of DWS Investment S.A. (incl. SICAVs and PLCs) and certain institutional mandates of DWS International GmbH, all according to delegation agreements (hereafter DWS), is one of the largest asset managers in Europe. As a responsible investor in Equity Residential, it is part of our fiduciary duty to express our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2024 annual general meeting of shareholders (AGM), we would like to share our questions with you. We would greatly appreciate your answers in written form. Please note that we will also share our questions on our website ([www.dws.com](http://www.dws.com)) on the day of your AGM. Thank you for your consideration.

### **Independence and Composition of Key Committees of the Board**

Qualified, experienced and independent directors are essential for competent and effective decision-making processes at board and committee level. Having a majority of independent members serving on the board as well as an independent chairperson is important for us to ensure challenging board discussions.

We appreciate the work of Ms. Linda Bynoe, Ms. Mary Kay Haben, Mr. John Neal and Mr. Mark Shapiro. However, as their tenure with the company has exceeded ten years as of the ensuing AGM, it contradicts our DWS Corporate Governance and Proxy Voting Policy with respect to director independence. As a result, the Board's independence percentage is 45%.

Our DWS Corporate Governance and Proxy Voting Policy requires that the board must have a majority of independent directors.

#### **QUESTION 1: Will you consider appointing additional independent directors in the near future to ensure majority of independent directors on the Board?**

Our expectation on independence also extends to the board's committees. Having at least 50% independent members serving on the board's committees is important for us to ensure challenging discussions and decision making.

We observe a 40% independence ratio of the Corporate Governance Committee, due to the reasons stated above.

Further, the Compensation committee has a non-independent chairperson. This falls short of the expectation of our DWS Corporate Governance and Proxy Voting Policy, which requires an independent chairperson on key committees.

#### **QUESTION 2: Do you have any plans to reconstitute the Corporate Governance Committee to ensure majority independence in the near future?**

**QUESTION 3: Would you consider appointing an independent chair on the Compensation committee before the next AGM?**

**Overboarding**

Directors should not hold excessive number of mandates. Directors must ensure that they have sufficient time and capacity to fulfil their board commitments. DWS considers directors overboarded in case they hold more than five external non-executive mandates. For directors who hold executive positions on any board, our limit is two additional non-executive mandates. Further, due to their extended responsibilities, DWS attributes an additional mandate to members assuming the role of CEO, chair position of the board or the chair position of the audit committee.

In this regard, we note that Ms. Angela M. Aman is currently overboarded according to our DWS Corporate Governance and Proxy Voting Policy.

**QUESTION 4: Are there any plans for Ms. Angela M. Aman to reduce her overall mandates by the next AGM?**

**Rotation of External Auditors**

We place high value on the quality and independence of auditors. A strong degree of transparency regarding the audit fees, the proportionality and limitations on audit and non-audit fees, the tenure of the audit firm and the lead audit partner is key for DWS to assess whether ratifications for audit firms are deemed responsibly.

We regard regular rotation of both the audit firm (after ten years at the latest) and the lead audit partner (after five years at the latest) as a reasonable measure to ensure reliable, independent and critical evaluation of a firm's accounts.

We note that Ernst & Young LLP have been associated with the company since 1996.

**QUESTION 5: Can we expect a rotation of the audit firm before the next AGM?**

**Executive Remuneration**

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. Our expectation is that the board ensures full transparency, clear and plausible key performance indicators for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives and the amount ultimately granted is in line with performance.

While the company has an existing clawback policy for the incentive arrangements of executive directors, its applicability does not expand beyond cases of accounting restatements and is therefore not considered robust.

We regard relevant and adequate bonus-malus mechanisms (including clawbacks) and reasonable deferral periods for executives as key elements of a sustainable, long-term oriented compensation structure. A robust clawback mechanism sets out the scope of and defines the conditions under which parts of the remuneration are to be reclaimed by the board. This should include cash and equity-based elements and should cover

restatements as well as compliance breaches, misconduct and performance-related restatements that extend to sustainability aspects.

**QUESTION 6: Would you consider expanding the applicability of the company's clawback policy to events such as gross misconduct; fraud; malpractice and reputational damage to the business?**

Additionally, as per the company's remuneration arrangements, no meaningful shareholding requirements i.e., no share ownership guidelines for executive directors are in place or they include unvested or unearned awards.

**QUESTION 7: Would you consider incorporating meaningful executive shareholding requirements into the remuneration system?**

To conclude, we would like to thank all members of the Board and all the employees of Equity Residential on their commitment and dedication.

Thank you in advance for your answers.