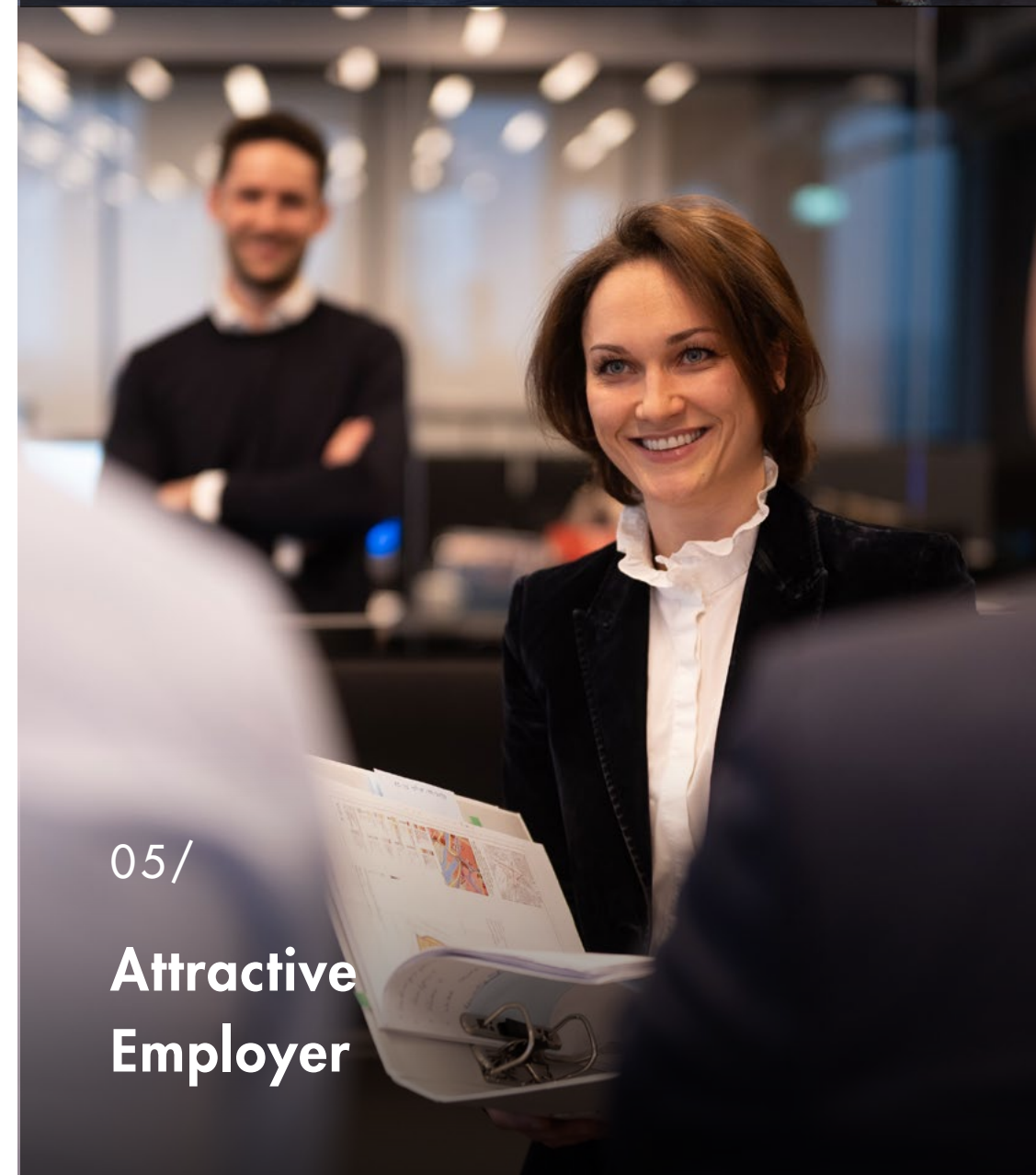
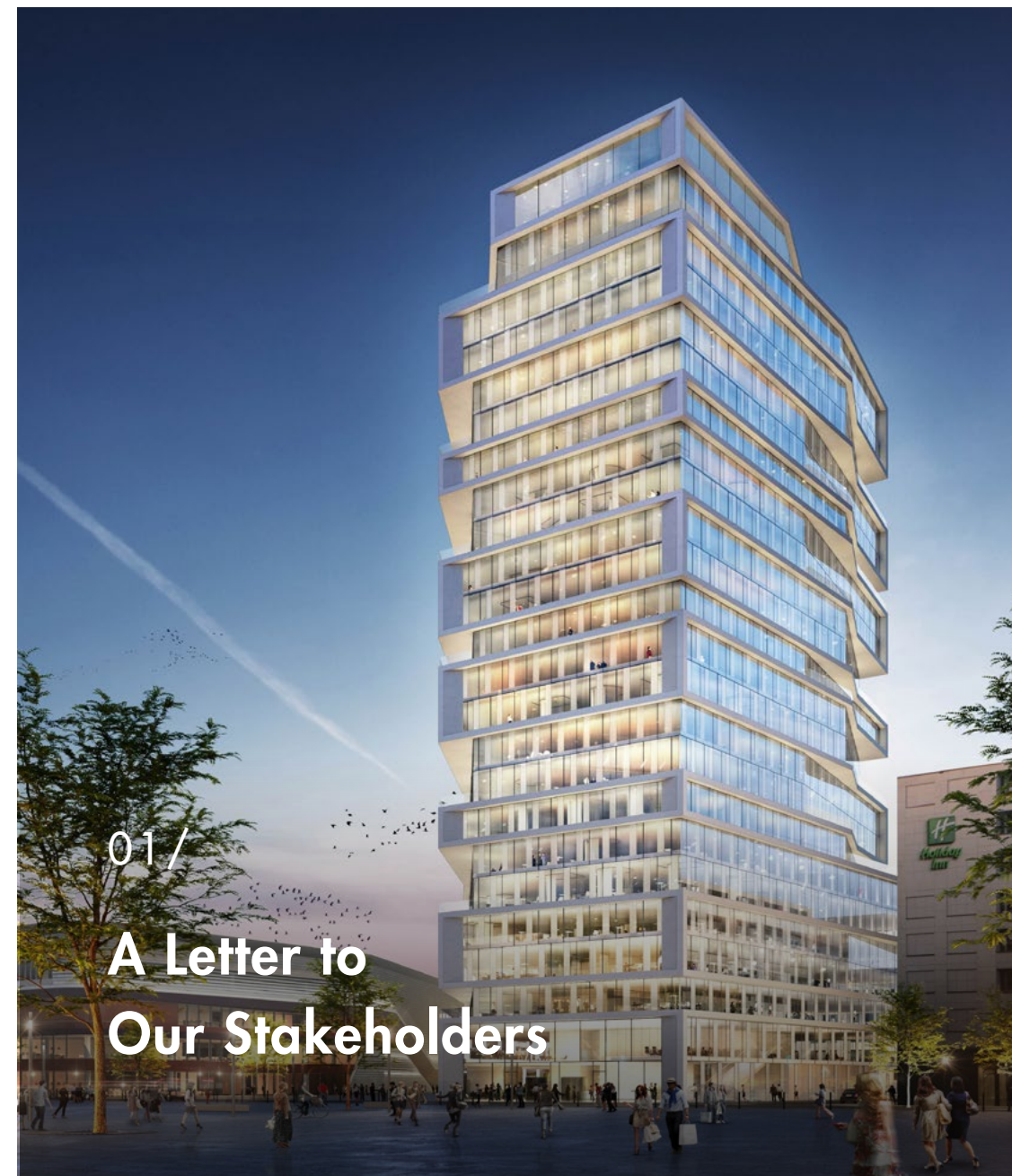




CARE CREATES VALUE

SUSTAINABILITY REPORT 2020. SIGNA DEVELOPMENT SELECTION AG.

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Dear Partners,
Stakeholders,
and Colleagues,

Sustainability is firmly anchored in our corporate values and is a key factor in our economic success. High economic, environmental, and social standards have enabled us to successfully position SIGNA Development Selection AG (SDS) as one of Europe’s leading real estate developers. With our sustainability strategy, we are helping to make cities attractive for the users of today and tomorrow. In the 2020 fiscal year we set important points of emphasis with a strong commitment to a sustainable real estate industry and our dedication to future-proof real estate and urban area development projects. Our extraordinary growth is proof that economic success and sustainable growth spur each other on.

At SDS, our development projects are guided by the trends of the future to ensure that our real estate can be used for many decades to the satisfaction of tenants, residents, and the city. We have always demonstrated extraordinarily high standards when creating timeless buildings and rethinking cities. In the past year, we reached another important milestone in this effort by developing and approving our sustainability strategy called “Our

sustainable SIGNAture 2025.” It documents our goal of making SDS into one of the leading real estate developers in the field of sustainability. In November 2020, we signed the United Nations Global Compact (UNGC) to underscore this commitment. The UNGC is an open forum pursuing the vision of an inclusive and sustainable global economy. We support its Ten Principles and contribute to meeting the Sustainable Development Goals. This publication is our effort to transparently document our sustainability management efforts. For this reason, our reporting currently follows the requirements of the Global Reporting Initiative’s (GRI) Core option.

IMMEDIATELY AFTER APPROVING OUR STRATEGY WE HAD OUR OBLIGATION TO SUSTAINABILITY MEASURED BY TAKING PART IN AN INTERNATIONAL ESG RATING CONDUCTED BY THE RENOWNED RATING AGENCY SUSTAINALYTICS. In March 2021 we received an excellent result that made our company proud. We immediately took first place in our peer group and second place among 278 participating companies from the real estate development sector. This put us in the top 1% of real estate developers. It is further proof of our role as a dependable and responsible partner to our stakeholders. The following are our three material sustainability topics: sustainable buildings, being an attractive employer, and pursuing responsible corporate management.

One example of real estate development in line with the SDS sustainability standard is our UP! project in Berlin. Following extensive renovation to the core of the existing building, we are creating attractive loft offices with ceiling heights of up to five meters and retail areas. The building’s environmental footprint benefits from the fact that we have left the support structure of the existing building intact, thereby reusing a large share of the materials. When choosing new materials, we gave preference to those certified as environmentally friendly. A heat exchanger in the sewer system ensures a sustainable supply of climate-friendly heating and cooling.

WE HAVE POSITIONED OURSELVES AS AN ATTRACTIVE EMPLOYER WITH OUR “LEAVE YOUR SIGNATURE 2025” EMPLOYER BRANDING CAMPAIGN. This provides our employees with a tool for their day-to-day work. On the one hand, they can use it to contribute to the sustainable development of our real estate and urban areas. In addition, our Code of Conduct provides guidance on how letting our values guide our conduct can leave a lasting impression on anyone we interact with. We also set high sustainability standards for our business partners. These are laid down in our Code of Conduct for Business Partners. Due to the COVID-19 pandemic, the past year was very unusual for us and our stakeholders and changed the way we operate our daily busi-

ness. We would like to thank our team and our stakeholders for their commitment under these new conditions and strict safety measures. Despite the unusual circumstances, we were able to grow in Austria, Germany, and Northern Italy, while at the same time making significant progress in systematically integrating sustainability criteria into our business model. We are looking forward to further developing our strategy and continuing to incorporate sustainability into the fabric of our Company.

Happy reading! We look forward to a dialogue with you.

SINCERELY,

THE MANAGEMENT BOARD OF
SIGNA DEVELOPMENT SELECTION AG

CHRISTOPH STADLHUBER
TIMO HERZBERG
MANUEL PIROLT
TOBIAS SAUERBIER
CLAUS STADLER
MICHAEL MÖSTL



SIGNA DEVELOPMENT SELECTION AG

BUSINESS MODEL AND VALUE CHAIN

02



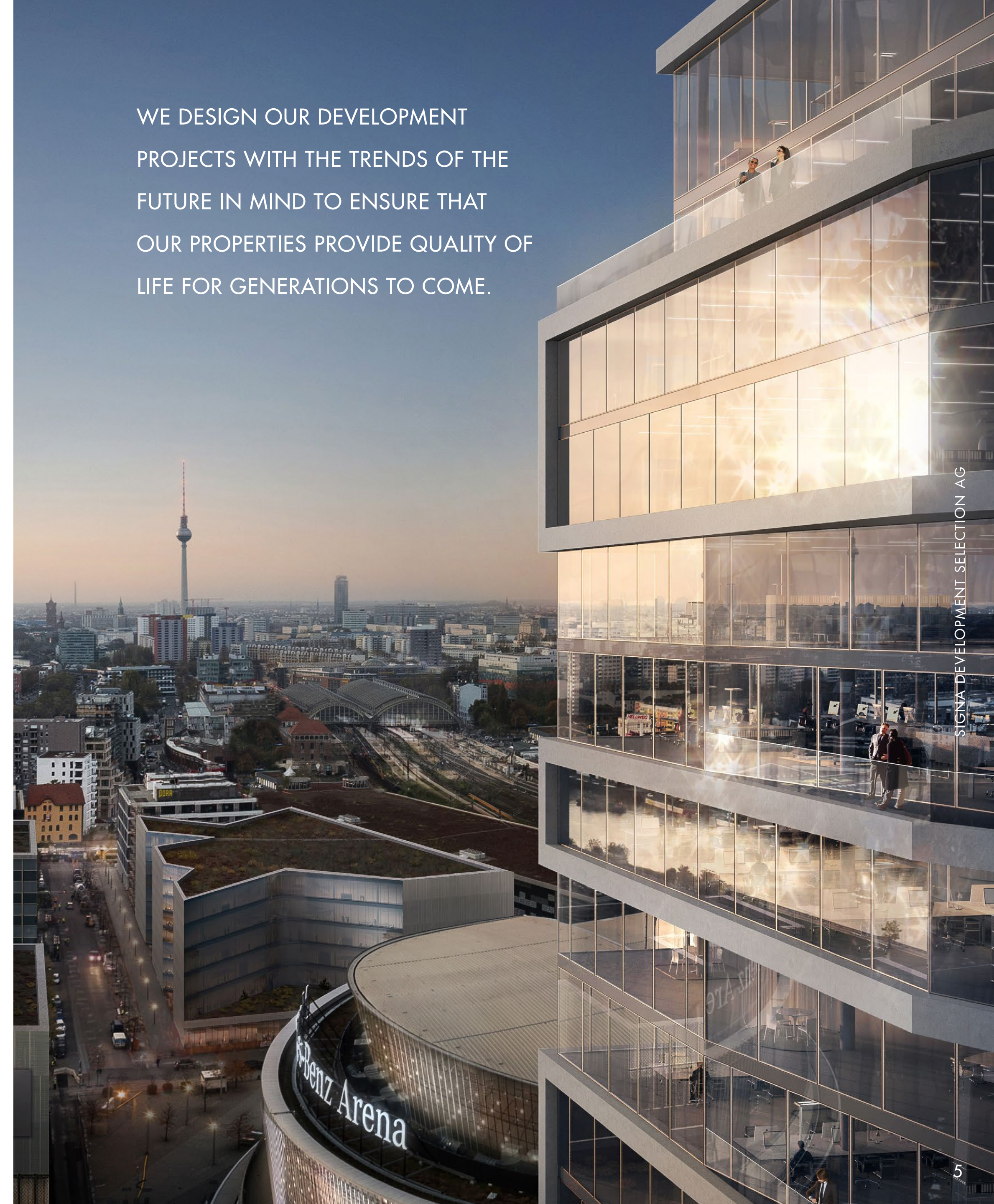
OUR BUSINESS MODEL

SIGNA Development Selection AG (SDS) is part of the SIGNA Group of Companies, which is a group of privately managed, independent entities operating in different sectors. The focus is on real estate and retail.

SIGNA Real Estate comprises five independent groups and individual companies. These include SIGNA Prime Selection, SIGNA Development Selection, SIGNA US Selection, SIGNA Innovations, and SIGNA Luxury Hotels. Within each business area, we develop a comprehensive portfolio of extraordinary real estate projects and innovative concepts. SIGNA Development Selection AG (SDS) purchases, develops, and optimizes classic commercial and residential real estate in economically

strong urban city centers in Germany, Austria, and Northern Italy. The company follows a buy/develop/sell strategy. The sale of our real estate secures cash flow for further projects. It also includes the conversion or renovation and modernization of properties from our Property Optimization Portfolio in accordance with green building criteria. Our gross asset value in 2020 was €4.1b. Currently, our portfolio encompasses 51 projects with a gross development value (GDV) of €8.2b.

WE DESIGN OUR DEVELOPMENT PROJECTS WITH THE TRENDS OF THE FUTURE IN MIND TO ENSURE THAT OUR PROPERTIES PROVIDE QUALITY OF LIFE FOR GENERATIONS TO COME.



In a dynamic market environment, we have succeeded in asserting ourselves since our foundation in 2014 and have grown profitably year after year. We have built up SDS to become one of the largest project development companies in Europe — thanks, among other things, to our high standard of quality and sustainability. Together with our partners, we are shaping the cities of tomorrow.

Our holistic development projects span office buildings and towers, larger residential construction projects, retail space, and hotels in central locations with good transport links. We also develop entire urban areas by cleverly combining various forms of usage. This enables us to combat both the increasing need for space caused by growing cities and daily commuter traffic into the city center. In addition, by meeting the challenges of demographic change, digitalization, new mobility concepts, and changing working environments, we are making our own contribution to sustainable urban development.

We have a varied and diversified supply chain for our development projects. It extends from multinational construction companies through

national service providers all the way to small regional workshops and suppliers. Wherever possible and wherever it makes good sense to do so, we engage local contractors and use regional products. This helps us to achieve our goal of reducing transport emissions, safeguarding jobs in the region, and generating value for the municipalities in which we operate.



“WE ARE CREATING
TOMORROW’S
DOWNTOWN TODAY:
*multi-faceted, and mixed-use
neighborhoods for a vibrant
cityscape.*”

TIMO HERZBERG Chief Executive Officer Germany



THE SUCCESS FACTORS AT SIGNA DEVELOPMENT SELECTION AG

FOCUS ON URBAN CITY CENTERS

We consider attractive sites to be particularly important to our project development activities. For us, these are central locations with excellent transportation connections.

WE DESIGN LIVING SPACES

In addition to traditional real estate development projects, we also design entire urban areas and city districts — future-oriented, sustainable, and livable.

SUSTAINABILITY

We are strongly committed to the principle of sustainable development.

CONTRIBUTION TO URBAN DEVELOPMENT

As a partner to cities, we want to achieve the objective of the EU Action Plan together with them — through sustainability-oriented planning and construction.

SOLID FINANCIAL BASIS

This gives us the liquidity to purchase large, highly promising development projects as the foundation for strong growth.

FORWARD SALES MODEL FOR STABLE CASH FLOW

We achieve a stable operating cash flow through the sale of our development projects, often via forward sales.

CORPORATE DNA

We are always looking for new, visionary concepts and implementing them with experience, entrepreneurial spirit, professional management, and solid capital resources.

HIGH QUALITY

All of our buildings are certified in accordance with international standards and with a national standard as well.

FAR-REACHING NETWORK

Together with far-sighted visionaries such as the Supervisory Board, internationally renowned and recognized local architects and other experts, we are able to create social added value with our business model.

MOTIVATED EMPLOYEES

Our success is made possible by our employees. We want to be an attractive employer for them.



373

employees at 11 sites

1,481,000 m²

project development pipeline

100%

of our buildings are certified in accordance with
sustainability criteria

51

development projects, of
which 9 in construction

10.6

Low risk. The Sustainalytics ESG rating puts SDS in the
top 1% of real estate developers

€8.3B

gross development value

OUR VALUE CHAIN

ACQUISITION OF PLOTS OF LAND OR DEVELOPMENTS IN GOOD LOCATIONS

Project Development Portfolio



Property Optimization Portfolio



We rely on a widely diversified development portfolio. Our business model is thus supported by several pillars, and we are able to act quickly and flexibly. The main pillars are development projects on one hand and property optimization projects on the other.

We stand for everything that sets a successful and future-oriented project developer apart: development activities that meet the highest standards of profitability, technology, and sustainability. We are experienced in all project phases ranging from acquisition through planning and construction management to completion and property optimization.



SOURCING AND ACQUISITIONS:
ACQUIRING PLOTS OF LAND OR
DEVELOPMENTS IN ATTRACTIVE
LOCATIONS

We conduct detailed due diligence ahead of every acquisition. We lay the foundation for the success of our project development activities by selecting the best sites and structuring our investments.

PROJECT PLANNING

As soon as a project is secured and the vision has been defined, we begin with planning, a phase during which we involve architects, engineers, and interior architects and address financial and organizational matters. Not until these activities are finished do we start on actual construction.

We ensure that the entire project development process runs smoothly. We develop the optimal mix of uses for our urban area development projects. In addition, we coordinate service providers, manage regulatory approval processes, and initiate architectural competitions.

SDS considers it particularly important to conclude forward sales with institutional investors as soon as possible. This serves to minimize the exit risk— for us and our stakeholders.

CONSTRUCTION MANAGEMENT

We ensure the highest degree of planning certainty by applying selective criteria in choosing experienced partners for the individual awarding of project elements. We continually monitor the project budgets and exercise strict control over costs, quality, and schedules during the construction phase.

OPTIMIZING EXISTING BUILDINGS

In addition to traditional construction activities, the optimization — in other words the renovation and modernization — of previously rented projects represents a key factor for us as a project developer in creating value. We optimize our portfolio by engaging in active real estate property management. We ultimately sell our projects in the medium to long term in order to strengthen our cash and cash equivalents and to invest in new projects.



SIGNA DEVELOPMENT SELECTION AG

SUSTAINABILITY MANAGEMENT

03



OUR APPROACH TO SUSTAINABILITY

SIGNA Development Selection AG is committed to responsible corporate management. As one of the largest project development companies in Europe, we are creating modern, versatile urban areas and city neighborhoods, making cityscapes more dynamic with our high-quality real estate developments. In the process, we are following the principles of sustainable development.

In addition to economic interests, we systematically factor environmental and social issues into our business decisions and value chains. Economic success, integrity, and social responsibility carry equal weight at our Company.

COMMUNICATION
ON PROGRESS



UN GLOBAL COMPACT

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

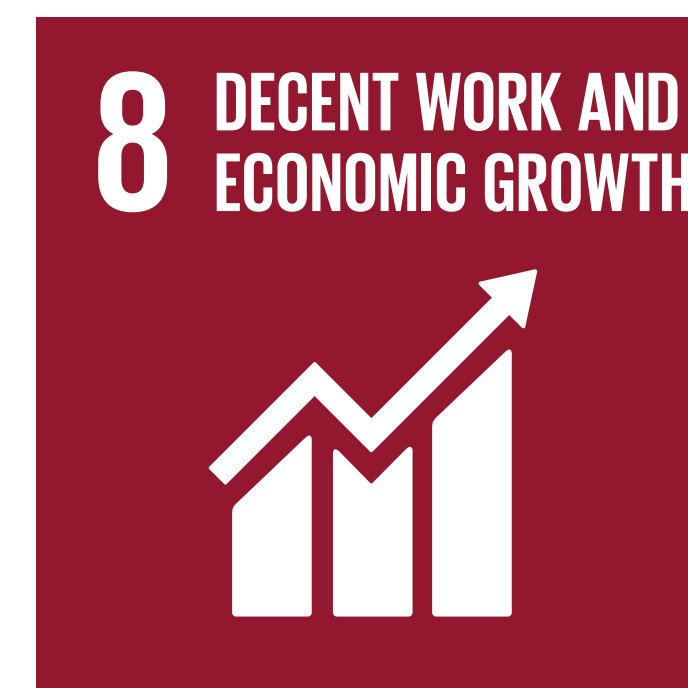
We welcome feedback on its contents.

WE JOINED THE UN GLOBAL COMPACT (UNGC) IN 2020 TO FURTHER REINFORCE OUR COMMITMENT TO SUSTAINABILITY.

This United Nations alliance is the world’s largest and most important initiative for responsible corporate governance. We do our day-to-day business according to the UNGC’s Ten Principles, including human rights, labor standards, environmental protection, climate action, and corruption prevention.

SUSTAINABLE DEVELOPMENT GOALS

As a multinational corporation, we have additionally committed to the UN's Sustainable Development Goals (SDGs), which entered into force in early 2016. The SDGs set out 17 specific goals for more sustainable development by 2030. Our greatest impact is on SDG 11 Sustainable Cities and Communities and SDG 13 Climate Action (see the section on "Sustainable Buildings"). We feel we can make a contribution to a fair and more just world by pursuing the following SDGs:





“OUR DEVELOPMENT PROJECTS
MEET THE HIGHEST SUSTAINABILITY
STANDARDS – NOT ONLY BECAUSE
WE DEEPLY BELIEVE IT IS THE RIGHT
THING TO DO, *but because our
investors do, too.*”

MANUEL PIROLT Chief Financial Officer

OUR SUSTAINABILITY ORGANIZATION

FOR SEVERAL YEARS NOW, WE HAVE APPLIED THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT TO ALL OF OUR PROJECTS AND OUR ACTIVITIES AS AN EMPLOYER. We have put in place an organization that allows us to systematically implement our strategy in all key areas of the Company. We are confident that the increasing integration of sustainability aspects into our business workflows is a major factor in our business success and stakeholder satisfaction. The latter is crucial: Without our partnerships with tenants, business partners, investors, and municipalities, we would be unable to effectively prioritize new challenges and opportunities, and successfully align our Company with sustainability principles. We consider sustainability to be the responsibility of the entire Company. SDS's Management Board is generally responsible for the sustainability of our Company, decides strategy and goals, and integrates sustainability into the business strategy. Support is

provided by the ESG Council, which determines and approves operational measures and responsibilities. In 2020, the Head of ESG Strategy & Sustainable Finance was tasked with developing and implementing the sustainability strategy, as well as specifying actions to be taken in support and defining the KPIs to measure the success of the sustainability strategy. We additionally made a point of emphasizing the topic of sustainability in five operational ESG workstreams in order to embed our ESG strategy deeply into our business operations. This enables us to promote transformation in all areas of our Company's activities: Sustainable Buildings (asset management and development projects), Attractive Employer, Corporate Governance and Compliance, Public Relations, and Sustainable Finance. In these committees, we plan and implement measures and report on department- and segment-specific topics so that the necessary information is guaranteed to flow through all business areas.

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EMPLOYEES ENSURE THAT OUR SUSTAINABILITY STRATEGY IS COMMUNICATED AND IMPLEMENTED WITHIN THE COMPANY.

MONITORING

SDS MANAGEMENT BOARD
Christoph Stadlhuber

STRATEGY & CONTROLLING

ESG COUNCIL

HEAD OF ESG STRATEGY
& SUSTAINABLE FINANCE

IMPLEMENTATION

OPERATIONAL ESG WORKSTREAMS

/ SUSTAINABLE BUILDINGS
Asset management
Development projects

/ ATTRACTIVE EMPLOYER
/ COMPLIANCE
/ PUBLIC RELATIONS
/ SUSTAINABLE FINANCE



MATERIALITY ANALYSIS

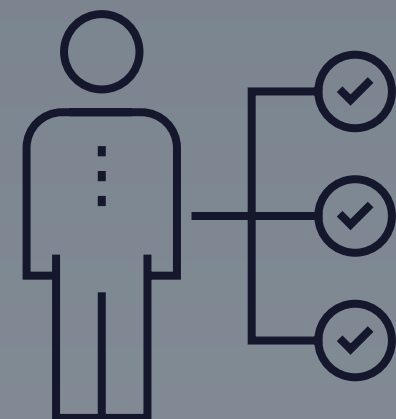
SINCE FOUNDATION, SDS HAS BEEN INCORPORATING SUSTAINABILITY TOPICS INTO OUR BUSINESS MODEL.

That means that we take sustainable development principles into account in all of our projects. With the help of a systematic materiality analysis, we determined our report content and the KPIs we needed to calculate in 2019. First, we used benchmarks, peer group reports, and employee surveys to analyze whether these issues were relevant to the various stakeholders of SDS, such as investors, tenants, government agencies, and employees. Then we validated the results with the Management Board and again conducted an in-house assessment in the reporting period. The material topics for SDS can be summarized in three strategic action areas:



Sustainable Buildings

- / Energy and emissions during planning, construction, and operation
- / Health and safety of end users
- / Recyclability and longevity of construction materials
- / Sustainable mobility



Attractive Employer

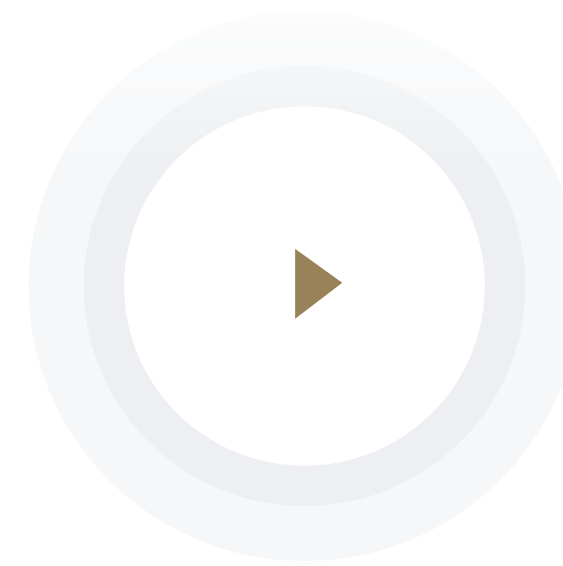
- / Employee satisfaction
- / Training, continuing education, and knowledge management
- / Diversity and equal opportunity



Corporate Governance and Compliance

- / Business compliance, including anti-corruption and money laundering prevention
- / Regional value creation

We collaborate with our stakeholders to further work on our material topics and continually adapt the materiality analysis. In addition, we regularly exchange information with tenants, banks, and investors, in Supervisory Board meetings, with municipal planning boards, etc. on sustainability issues.



DIALOGUE WITH CITIES AND MUNICIPALITIES IN ALL PROJECT PHASES

Neighbors and the municipalities in which our properties are located play a particular role in this stakeholder dialogue. This is why we include them in the process starting with the planning phase. Each of our construction projects has ombudspersons who act as direct contacts for our stakeholders. When we undertake projects, we inform neighbors and actively manage the project to ensure they are affected as little as possible by traffic, noise, and the sight of our construction sites. We maintain this dialogue during the entire course of the project. Good examples of an extensive stakeholder dialogue are the BEL & MAIN Vienna project and the PARKAPARTMENTS AM BELVEDERE.

CONSTRUCTIVE DIALOGUE WITH OUR STAKEHOLDERS

As a real estate company, we are part of society. The existing properties we renovate or new properties in which we invest have a positive effect on cityscapes and a sustainable impact on the environment and many people's lives. It is important for us and for the success of our business to achieve consensus

about our investments that satisfies all stakeholders. We reach this consensus through regular and transparent dialogue on a basis of trust, which we also value because this provides us with the chance to identify opportunities and challenges. And it shows us the ways we can tackle these effectively.

OUR STAKEHOLDERS AND THEIR INTERESTS

Business partners/ customers

- Personal communication
- Events/meetings
- Print and online publications
- Surveys on tenant satisfaction
- PR
- Social media
- Participation in indices

Employees/ potential employees

- ESG performance
- Internal media
- Surveys
- Social media
- Training courses
- Events

Financial community/ investors

- Investor events
- Conference calls
- Image brochures and booklets
- ESG reporting
- Participation in indices
- PR
- Website
- Social media
- Events

Cities and municipalities

- Events
- Citizen involvement
- Personal discussions
- Construction site walk-throughs
- Print and online publications
- Social media
- PR

Media representatives

- Personal discussions
- PR
- Online publications
- Events



ACHIEVING UNITY WITH BUSINESS PARTNERS

Among our important stakeholders are our business partners, such as construction companies. We raise their awareness and provide them with information in our Code of Conduct for Business Partners to ensure that they deal appropriately with social and environmental risks, environmentally hazardous materials, and waste. For addition information, see “Sustainable Buildings.”

OUR EMPLOYEES ARE OUR CALLING CARD

Our employees are also a top priority for us. They generally live in the regions where our projects are located, making them part of our “cities and municipalities” stakeholder group. Above all, however, our employees plan and coordinate our services and are responsible for ensuring that everything runs to the satisfaction of our stakeholders. Without them, our business would never be successful. Preserving properties

for future generations requires us to recruit and retain qualified employees as an attractive employer. More information on this topic is provided in the “Attractive Employer” section.

Because our properties often help shape the cityscape, we are tightly intertwined in local communities. We must also observe many laws and regulations. How we do this is described in the “Corporate Governance” section.

“MAINTAINING AN ACTIVE
DIALOGUE WITH STAKE-
HOLDERS THROUGHOUT
THE PROJECT LIFE CYCLE
GIVES US NEW PERSPECTIVES
*and valuable insights for our
development projects.*”

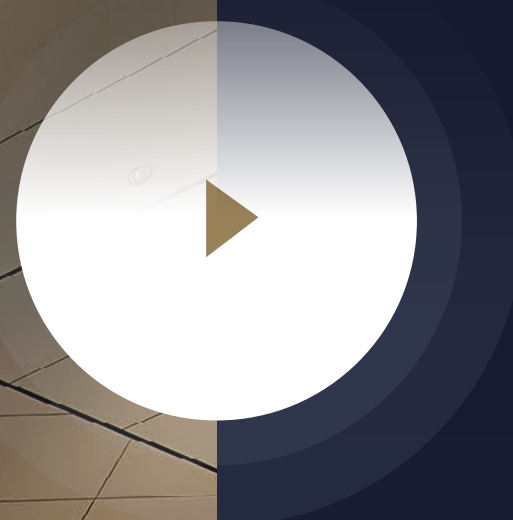
CLAUS STADLER Management Board member



PARKAPARTMENTS AM BELVEDERE

STAKEHOLDER DIALOGUE ACROSS A VARIETY OF CHANNELS





AN OASIS OF GREEN WITHIN WALKING DISTANCE OF THE VIENNA MAIN STATION: The three residential towers of the PARKAPARTMENTS AM BELVEDERE offer residential comfort for different life plans, family constellations, and age groups. A long-distance view is guaranteed, even in the lowest apartments, by a pillar construction that lifts the buildings above the treetops. The residents have their own garden area with a secured entrance, and the historic garden of Belvedere Palace is in the immediate vicinity. SDS enters into dialogue with its stakeholders in many different ways. A virtual reality tour enabled potential buyers and major investors to get an initial impression even before the project was completed. Those who preferred face-to-face interaction could visit a furnished model apartment and receive a personal consultation.

DURING THE CONSTRUCTION PHASE, WE SHARED IMPORTANT MILESTONES SUCH AS THE TOPPING-OFF CEREMONY, THE COMPLETION, AND EVEN A VISIT BY THE ARCHITECT RENZO PIANO WITH THE PUBLIC. We organized guided tours for young up-and-coming architects and architectural enthusiasts in which the project manager reported on the development work in detail. The construction site was also made available for the film team of an Austrian crime thriller as well as for an art project from Belvedere 21.



THE SMART EQUIPMENT IN THESE APARTMENTS SETS THEM APART.

Automatic exterior shade elements limit direct sunlight on the floor-to-ceiling glass elements that let ample daylight into the rooms. The windows have ceramic frames that reflect the sunlight. Ceilings are cooled by means of district cooling, ensuring good indoor temperature control. Water pipes have been built into the ceiling for this purpose and quietly lower the temperature without creating a draft or making the air dry.

The community spaces include a storage room for baby carriages, an in-house gym, package delivery boxes, and an indoor washroom for rinsing off a muddy dog, etc. Every cellar compartment has its own electrical outlet for charging e-bikes or powering other equipment. Numerous e-charging stations in the underground parking garage guarantee the residents' e-mobility.

THE APARTMENTS OFFER SUSTAINABLE COMFORT FROM A SOCIAL VIEWPOINT AS WELL:

A digital concierge can provide any information needed about the building and the area, and residents can use the concierge service as a notice board. A multi-functional community room with a kitchen and access to the garden area serves to promote a friendly neighborhood feel. It can be used for larger dinner parties, children's birthdays or neighborhood get-togethers.



BEL & MAIN RESIDENCES IN VIENNA

VIRTUAL VIEWINGS ARE A HUGE DRAW DURING LOCKDOWN

BEL & MAIN VIENNA IS AN SDS PROJECT WITH FOUR ATTRACTIVE BUILDINGS IN A CENTRAL LOCATION IN VIENNA. The development takes its name from the area nestled between the historic Belvedere Palace and Vienna's main station. The 18-story residential tower with its striking,

geometric grid facade and 209 apartments is especially eye-catching. The overall complex consists of a total of 450 living units, an office building and a hotel with 134 rooms. This gives the urban area a variety of uses. It is only a short distance to local shops at Vienna's main station nearby. A tree-filled plaza that connects all of the building segments with each other and the Schweizergarten park across from the residences offers space for relaxation.



FOR THIS PROJECT, WE ENGAGED IN EXTENSIVE DIALOGUE WITH STAKEHOLDERS THAT PROVED IMMENSELY POPULAR AS A RESULT OF OUR NEW WAY OF ADDRESSING POTENTIAL TENANTS AND OUR RESPONSE TO THEIR NEEDS DURING THE COVID-19 PANDEMIC.

For the first time in Austria and Germany, interested parties from all over the world can view the BEL & MAIN Residences in Vienna comfortably and entirely digitally, access an interactive description of their desired apartment, and even conclude a leasing contract via the RENT ONLINE PORTAL. In addition, an online apartment finder displays a thoughtfully designed 3D view of the residential building and a 360-degree panorama view of its surroundings.

THE CONTACT-FREE TOUR IS LED BY THE SIGNA ROBOT AVA. IT IS ALSO AVAILABLE ON SUNDAYS AND CAN, ON REQUEST, BE COMFORTABLY TAKEN FROM ANY LOCATION OF THE VIEWER'S CHOICE.



Consultations and tours for interested parties were also available via WhatsApp or FaceTime. This made it possible for SDS to maintain a contact-free dialogue even during the COVID-19 pandemic and enabled interested parties who could not or did not want to take part in an on-site appointment to find the right apartment for their needs. In order to provide the most realistic impression possible, we also created a large number of graphic renderings, project videos, and photos.

We exchanged thoughts and ideas with our stakeholders regarding all important project milestones, for example on the occasion of the topping-off ceremony in October 2019, which was accompanied by a press conference. We organized tours for the real estate management students of the Vienna University of Applied Sciences in order to share our experience with them.

In developing the buildings, we paid special attention to sustainability. The buildings are heated and cooled with district heating and cooling;

a room control unit in the apartments is programmed to prevent simultaneous heating and cooling of one room. Rainwater is collected and used to water the green areas on the ground and the rooftops. These have a positive impact on the microclimate and help to absorb excess rain. The underground parking garage offers 62 e-charging stations. All cellar compartments are large enough to store e-bikes and equipped with electrical outlets for charging them.

OUR GOAL FOR THIS PROJECT IS CERTIFICATION IN ACCORDANCE WITH LEED GOLD AND ÖGNI GOLD STANDARDS.



COMPREHENSIVE SUSTAINABILITY STRATEGY

IN THE PAST FISCAL YEAR, WE DEVELOPED OUR SUSTAINABILITY STRATEGY FOR THE COMING FIVE YEARS.

In “Our sustainable SIGNAture 2025,” we defined targets and actions and stipulated key performance indicators and time horizons. During development of this strategy, we implemented the initial operational actions in our three action areas: Sustainable Buildings, Attractive Employer, and Corporate Governance and Compliance.

Among other things, we put in place a Green Finance Framework to finance sustainable real estate projects according to specified criteria — for example, buildings that use at least 20% less energy than stipulated by national regulations or properties certified to particularly exacting standards. We have already significantly improved our ESG performance. Our efforts are confirmed by the very good rating we received from the prominent rating agency Sustainalytics.

As part of our sustainability activities in the past fiscal year, we expanded our internal and external reporting and already fulfill the requirements of the GRI’s Core option.

An overview of the GRI disclosures reported can be found in the GRI index in the annex. We intend to keep supplementing our reporting to meet growing transparency requirements.

“OUR SUSTAINABLE SIGNATURE 2025”



SUSTAINABLE BUILDINGS

9 targets
20 actions



ATTRACTIVE EMPLOYER

6 targets
18 actions



CORPORATE GOVERNANCE AND COMPLIANCE

11 targets
30 actions





“SUSTAINABILITY IS ONE OF THE MOST IMPORTANT FACTORS IN CORPORATE GOVERNANCE TODAY. *Our ESG strategy paper entitled ‘Our sustainable SIGNAture 2025’ outlines a path to decarbonization for the real estate sector as well as other key objectives.*”

NATALIE WIERZBICKI Head of ESG Strategy & Sustainable Finance

ALL OUR ROADMAP 2020 GOALS ACHIEVED — OUR PLAN UP TO 2025



Implementation of the ESG Strategy

Ongoing implementation of the ESG strategy
“Our sustainable SIGNature 2025”
(see Our Sustainability Program)

Targets | Actions

Regular measurement of defined KPIs

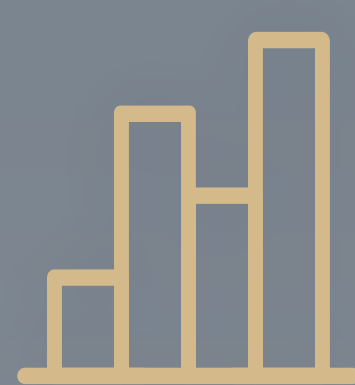


Communication and Reporting

Continual updating of the ESG report according to the GRI Standards

From 2022/23 publication of the EPRA Sustainability Best Practices Recommendations (sBPR) indicators in the ESG report

Regular dialogue with stakeholders on ESG issues



ESG Rating

Regular third-party evaluation of corporate ESG performance

Recertification of the ESG risk rating by Sustainalytics

Evaluation and possible participation in additional ESG ratings



Sustainable Finance

Identification of projects for development and optimization that can be financed with sustainable instruments

Approval of a Green Finance Framework and second-party opinion

Inclusion of green finance products in our financing strategy






SIGNA DEVELOPMENT SELECTION AG

SUSTAINABLE BUILDINGS

04





THE PARIS AGREEMENT SETS OUT THE GLOBAL PLAN OF ACTION TO LIMIT GLOBAL WARMING TO WELL BELOW 2 DEGREES CELSIUS ABOVE PREINDUSTRIAL LEVELS. AGAINST THIS BACKGROUND, WE ACTIVELY ASSUME RESPONSIBILITY FOR CLIMATE AND ENVIRONMENTAL PROTECTION AS A PARTNER TO CITIES AND MUNICIPALITIES.

Buildings play a significant role in the use of natural resources, the consumption of energy, and the emission of greenhouse gases such as carbon dioxide (CO₂). It is estimated that buildings are responsible for around a third of global CO₂ emissions and energy consumption.¹ The real estate industry therefore has both considerable potential for cutting emissions and consumption, and a responsibility to contribute to the sustainable development of society.

Our real estate projects in Austria, Germany, and Northern Italy therefore focus on sustainable planning and development:

/ Construction and optimization of buildings in accordance with green building standards, reducing environmental stress

/ Sustainable development of living spaces through development of entire urban areas

As a future-oriented project developer, we want to meet the highest standards of profitability, technology and sustainability. Our extensive experience in all project phases ranging from acquisition through planning and construction management to completion and property optimization enables us to implement ambitious, sustainable concepts. We create security for ourselves and our stakeholders through early conclusion of forward sales with institutional investors.

It is in the design phase of development projects that the greatest impact can be had on the sustainability of the real estate. By means of careful planning, we can reduce negative environmental and social impacts across the entire life cycle of the real estate and strengthen positive influences. We are continually developing our guidelines and are planning to develop our own guidelines for sustainable construction for our development projects.

¹ IEA/UNEP 2019 Global Status Report for Buildings and Construction, p. 12

WITH DEVELOPMENT PROJECTS
IN ATTRACTIVE LOCATIONS
IN MAJOR METROPOLITAN
AREAS, WE PLAY AN IMPORTANT
ROLE IN INTEGRATED
URBAN DEVELOPMENT.

Their lasting success requires participation and approval from all stakeholders involved. To this end, we first identify the relevant stakeholder groups for each individual project and then involve them in the process from the early stages (see “Stakeholder Dialogue” in the “Sustainability Management” section).

IN LINE WITH OUR MISSION
OF MAKING A CONTRIBUTION TO
SUSTAINABLE URBAN DEVELOPMENT,
WE VIEW ALL OUR PROJECTS FROM A
LONG-TERM PERSPECTIVE AND PURSUE
FUTURE-PROOF CONCEPTS FOR THEIR
FUTURE USERS. To ensure that our buildings
fully meet the needs of our stakeholders now and
many years in the future, we analyze changes in
cities and develop smart usage concepts for real
estate and urban areas. This enables us to lock in
satisfied tenants for the long term and guarantees
future owners the ability to make flexible changes
in the way buildings are used as an answer to

structural change in the needs of cities. We often
plan a mixed-use property with retail on the lower
floors, for example, and office, residential, or hotel
tenants on the upper floors. In our larger residen-
tial construction projects as well, we thoughtfully
combine different forms of usage while gathering
suggestions from our stakeholders as part of an
extensive dialogue with them. During this process,
we can draw on our extensive experience in the
implementation of mixed-use concepts. In all our
projects, we always take great care to combine
highly efficient use of space with quality of life.
Socially assisted housing is always part of our
portfolio as well. We are also planning to include
social housing in our concepts for our newly built
apartments in Austria. In this housing, a rent
ceiling set by the government (currently €4.97
net rent per m²) may not be exceeded for a
40-year period. The share of planned assisted
social housing in the German projects in Frankfurt,
Berlin, and Munich also meets the statutory
requirements.



IMPLEMENTATION OF SUSTAINABLE BUILDING MEASURES IS THE RESPONSIBILITY OF FIVE DIFFERENT OPERATIONAL ESG PROJECT TEAMS.

These are coordinated by the Head of ESG Strategy & Sustainable Finance. Our project teams are interdisciplinary in accordance with the topic of the measures so that all employees can contribute their specific knowledge. By distributing responsibilities, we are able to optimally implement our goals and measures. We regularly report on our progress in our ESG Council meetings and therefore directly to the Management Board.

WE CONTINUALLY RAISE AWARENESS OF THE SUSTAINABILITY OF OUR BUILDINGS AMONG OUR EMPLOYEES.

For instance, they are regularly briefed at management events and instructed on best practice via the Company's intranet. Our project reports include quarterly updates on the status of our sustainability goals. The ESG Council is also instrumental in raising awareness within the Company. Representatives of various business areas staff this committee, which promotes the interdisciplinary exchange of knowledge within SDS.

ENVIRONMENTAL FOOTPRINT OF OUR BUILDINGS

OUR FOCUS ON DEVELOPMENT PROJECTS ENABLES US TO DESIGN REAL ESTATE PROPERTIES AND URBAN AREAS THAT ARE HOLISTICALLY SUSTAINABLE. Our goal is for our projects to meet the highest possible sustainability standards and be certified as green buildings. This includes a good mix of usage types, good mobility concepts, and reducing of environmental stress in construction and future operation through state-of-the-art technologies and materials. Accordingly, our team analyzes the opportunities and limitations in the development of the real estate — as well as in the optimization of our existing properties — and determines the relevant possibilities along with our stakeholders.

For certification purposes, we have our buildings assessed according to an extensive point system in all phases of their life cycle. This is primarily done

according to the international certification system LEED or in some cases with additional well-known national standards such as DGNB and ÖGNI. Examples of properties built or renovated

according to the highest sustainability standards possible include the projects UP! and Schönhauser Allee in Berlin as well as the urban area development project VIENNA TWENTYTWO.



100%
OF OUR DEVELOPMENT
PROJECTS ARE EXPECTED
TO BE CERTIFIED
AS GREEN BUILDINGS.

CERTIFICATIONS OBTAINED BY SDS



Leadership in Energy and Environmental Design (LEED) is a green building classification system used worldwide. This voluntary certification program assesses buildings according to an extensive point system throughout all phases of their life cycles in the following categories: sustainable construction sites, water efficiency, energy, atmosphere of the inside spaces, materials and resources, air quality in buildings, innovation, and the design process.

LEED certification can be obtained at four levels: Certified, Silver, Gold, or Platinum.



The Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft, "ÖGNI" (Austrian Sustainable Building Council) promotes sustainability in the construction and real estate industries in Austria. An ÖGNI-certified building — known as a Blue Building — adheres to sustainability criteria throughout the entire life cycle of the property, including environmental, economic, and sociocultural factors, process quality, technical quality, and location. This quality label is available in Silver, Gold, and Platinum.

SIGNA is one of 125 founding members of ÖGNI.



The Deutsche Gesellschaft für Nachhaltiges Bauen — DGNB e. V. — (German Sustainable Building Council, "GSBC") aims to develop and promote sustainable planning, construction, and use of real estate. Its quality label is available at the Bronze (only for existing buildings), Silver, Gold, and Platinum levels. The GSBC method assesses the environmental, economic, sociocultural, technical, and process quality of properties over their entire life cycle along with the quality of their location, a parameter not included in the overall assessment, however. Certification is awarded regardless of the property's status, i.e., existing/renovated building, new construction, building in use, or urban area.

The certificate can be adapted to country-specific conditions (e.g., ÖGNI).

“WE DESIGN ALL OF OUR PROPERTIES TO MEET THE HIGHEST SUSTAINABILITY STANDARDS, *while also looking for ways to reduce the environmental footprint.*”

CHRISTOPH STADLHUBER Chief Executive Officer Austria

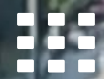


URBAN AREA DEVELOPMENT PROJECT VIENNA TWENTYTWO

AT HOME, AT WORK, AND AT PLAY IN THE HEART OF VIENNA

04 SUSTAINABLE BUILDINGS

SIGNA DEVELOPMENT SELECTION AG



ONE OF THE LARGEST URBAN DEVELOPMENT PROJECTS IN VIENNA: A MIXED-USE URBAN AREA WITH RESIDENCES, HOTELS, AND OFFICE SPACES IS BEING CREATED ON THE NORTHERN TIP OF THIS CITY ON THE DANUBE. LOCAL SHOPS, MUNICIPAL AUTHORITIES, AND SERVICE PROVIDERS ARE ALL NEARBY. RESTAURANTS AND LARGE GREEN SPACES OPEN TO THE PUBLIC ENHANCE QUALITY OF LIFE, ESPECIALLY IN THE EVENINGS AND ON WEEKENDS.

The complex, developed by SIGNA together with ARE DEVELOPMENT, consists of six buildings of different heights connected by a ground-level zone. It was designed with sustainability in mind: The newly created plaza is vehicle-free: subway, tram, bus, and Vienna Airport Lines stations are all in the immediate vicinity. The city center can be reached in approximately ten minutes. Local recreation areas such as the Danube Island are right at the doorstep.

AN ENERGY CONTROL CENTER SUPPLIES THE URBAN QUARTER WITH ENERGY FOR HEATING AND COOLING. ONLY RENEWABLE ENERGIES ARE USED FOR THIS PURPOSE. One hundred percent of the electricity for the entire power generation plant comes from renewable sources. In addition to green electricity, these include six geothermal circuits with 146 geothermal depth probes and a well system. The remaining share of the hot water and the pleasant space heating is generated by a composite heating and cooling system, which also provides cool air in summer.

Heat input in winter as well as extraction of heat in summer take place via invisible building component activation in the ceiling. In the winter months, heating operation in the residential areas is supported by underfloor heating. Primary energy consumption is significantly reduced thanks to energy recovery via a high-performance combined circulation system. This system uses exhaust air, both in the summer and the winter months, for this purpose. Fresh air is pre-conditioned in an energy-efficient manner via heat exchangers. This system also handles the majority of the temperature conditioning as well as aeration and ventilation of the garage.

MIXED USAGE OF THIS URBAN AREA CREATES ENERGETIC SYNERGIES AMONG THE BUILDING COMPONENTS. Excess exhaust heat, for example, is transported to the energy control center where it is saved or used for other buildings in the complex as heating or cooling energy. As a result, existing energy is used as efficiently as possible. We are seeking LEED certification for the buildings in the VIENNA TWENTYTWO complex. A pre-certificate has already been attained. The entire site will undergo urban area certification in accordance with ÖGNI after construction is completed.



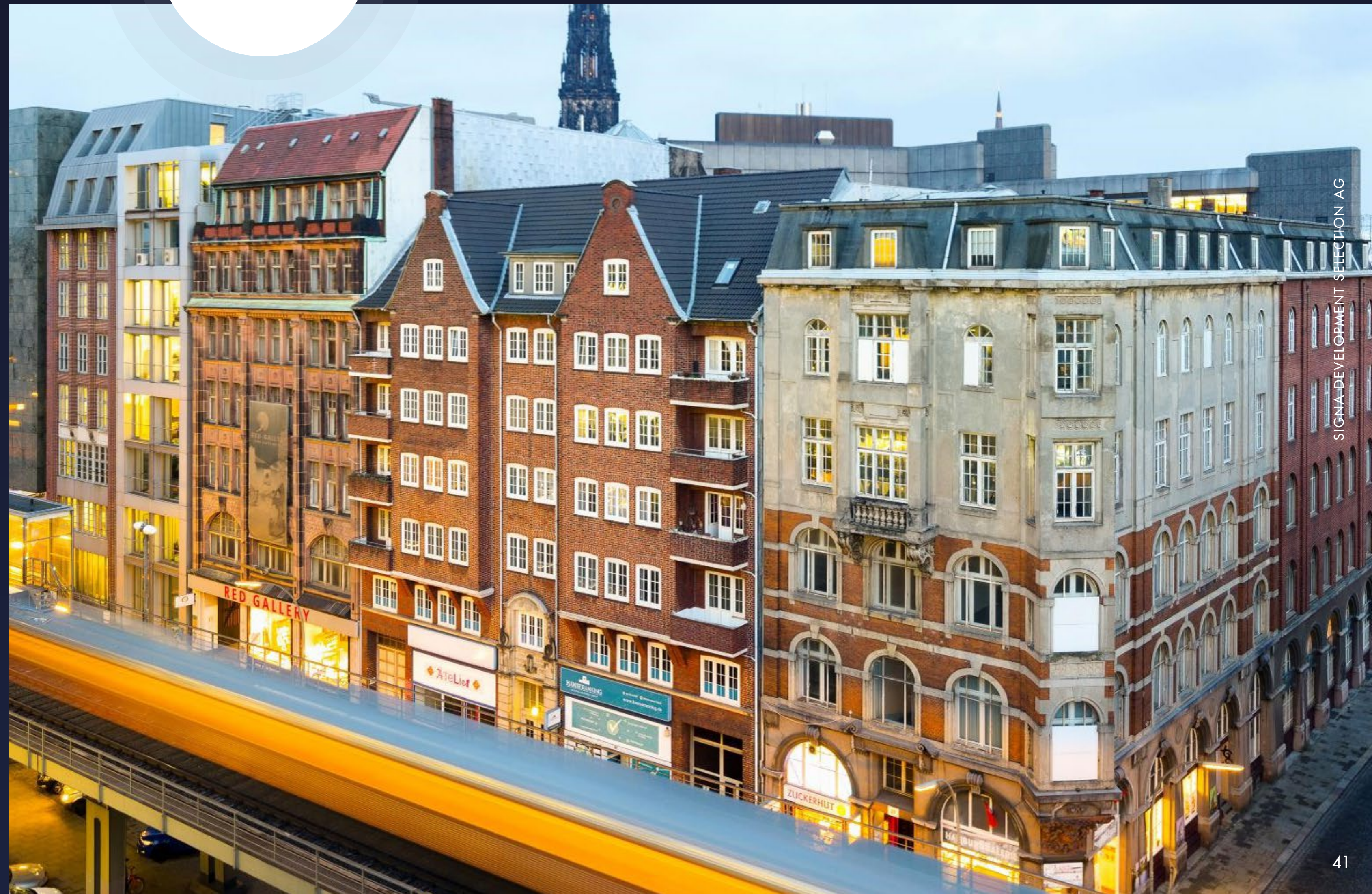
FLÜGGERHÖFE

A NEW LEASE ON LIFE FOR THIS LANDMARK HAMBURG TRADING OFFICE

THE GLAMOR FROM A HUNDRED YEARS AGO CAN STILL BE SEEN AND FELT EVERYWHERE. NOW WE WANT TO RESTORE IT TO ITS FORMER GLORY:

The FlüggerHöfe are an ensemble of landmarked Hamburg trading offices on the canal between the city center and the Speicherstadt warehouse district. Their brick facades are typical of the old Hanseatic city of Hamburg.

The project requires intensive cooperation with the historical monument society Denkmalverein Hamburg and the city. The team occasionally calls in historians as well. The public is also being included in the project. In a video, one of the architects offers a guided tour of the building and the courtyard, highlighting both the charm of the buildings and their deterioration while describing exactly what must be done to revitalize them. And that is a demanding task!



ONE VERY SPECIAL FEATURE: THE OLDEST PATERNOSTER ELEVATOR IN THE WORLD IS LOCATED IN THE FLÜGGERHÖFE. WE WANT TO ENSURE THAT IT CAN BE MADE OPERATIONAL AGAIN.

We also want to maintain and carefully restore the former salesroom of the Flügger company with its luxurious wooden fittings, along with the majestic stairway with its marble stairs and the light-colored wall tiles.

During the renovation work, we will bring the ensemble up to current efficiency standards. All of the building technology will be updated, the bent steel-framed windows will be exchanged for new ones true to the original style, the roof surface will be insulated, and the damaged facade of the inner courtyard will be restored and planted with greenery.

Sustainable mobility is an integral part of the concept. Because the narrow sidewalk only offers enough room for just under a dozen visitors' bicycles, a total of 36 bicycle stands will be created for employees on the basement level. They will be able to comfortably reach these stands via a stairway with a bicycle conveyor belt. Charging stations for e-bikes are planned as well.



LEED Gold certification is the objective for this environmentally sustainable urban development project.

ENERGY AND EMISSIONS DURING PLANNING, CONSTRUCTION, AND OPERATION

OUR GOAL IS TO CONTINUALLY REDUCE THE ENERGY CONSUMPTION OF OUR REAL ESTATE AND THE ASSOCIATED CO₂ EMISSIONS.

We regard it as our corporate and social responsibility to develop buildings that can be managed in a resource-saving manner that benefits both the user and the environment, even though we are not responsible for this phase as the owner.

INTEGRATION OF SUSTAINABILITY CONCEPTS

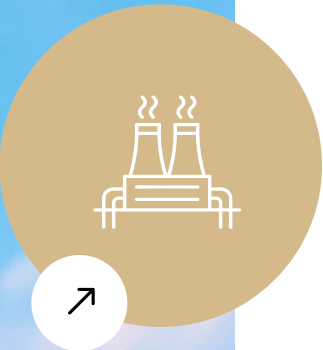
- / ENVIRONMENTALLY FRIENDLY BUILDING TECHNOLOGY
- / USAGE-BASED SYSTEM MANAGEMENT
- / INTEGRATION OF RENEWABLE ENERGIES
- / USE OF LOCAL RESOURCES
- / ENERGY-EFFICIENT FAÇADES
- / DEMAND-CONTROLLED VENTILATION

We take multiple perspectives and the principles of sustainability into account in renovations, new construction and operation.

AS PART OF OUR EXTENSIVE PLANNING ACTIVITIES, WE DRAW UP PROJECT-BASED ENERGY CONCEPTS FOR OUR BUILDING SYSTEMS EARLY ON IN THE DEVELOPMENT PROCESS AND HAVE PRE-CERTIFICATION CARRIED OUT IN THIS STAGE WHENEVER POSSIBLE. OUR GOAL IS TO EARN GREEN BUILDING CERTIFICATES FOR ALL NEW DEVELOPMENTS.

In order to increase energy efficiency in operation in the future, during the planning phase we examine such ideas as the possibility of generating energy from wastewater via a heat exchanger or obtaining district heating and district cooling.

We also use energy-saving technologies (such as heat recovery, heat pumps, efficiency pumps and LED bulbs) and renew energy systems in property optimization buildings. We are always evaluating the option of using alternative energy sources and implement them when the assessment is positive.



Our Berlin UP! project, for example, uses wastewater to generate energy for heating and cooling.

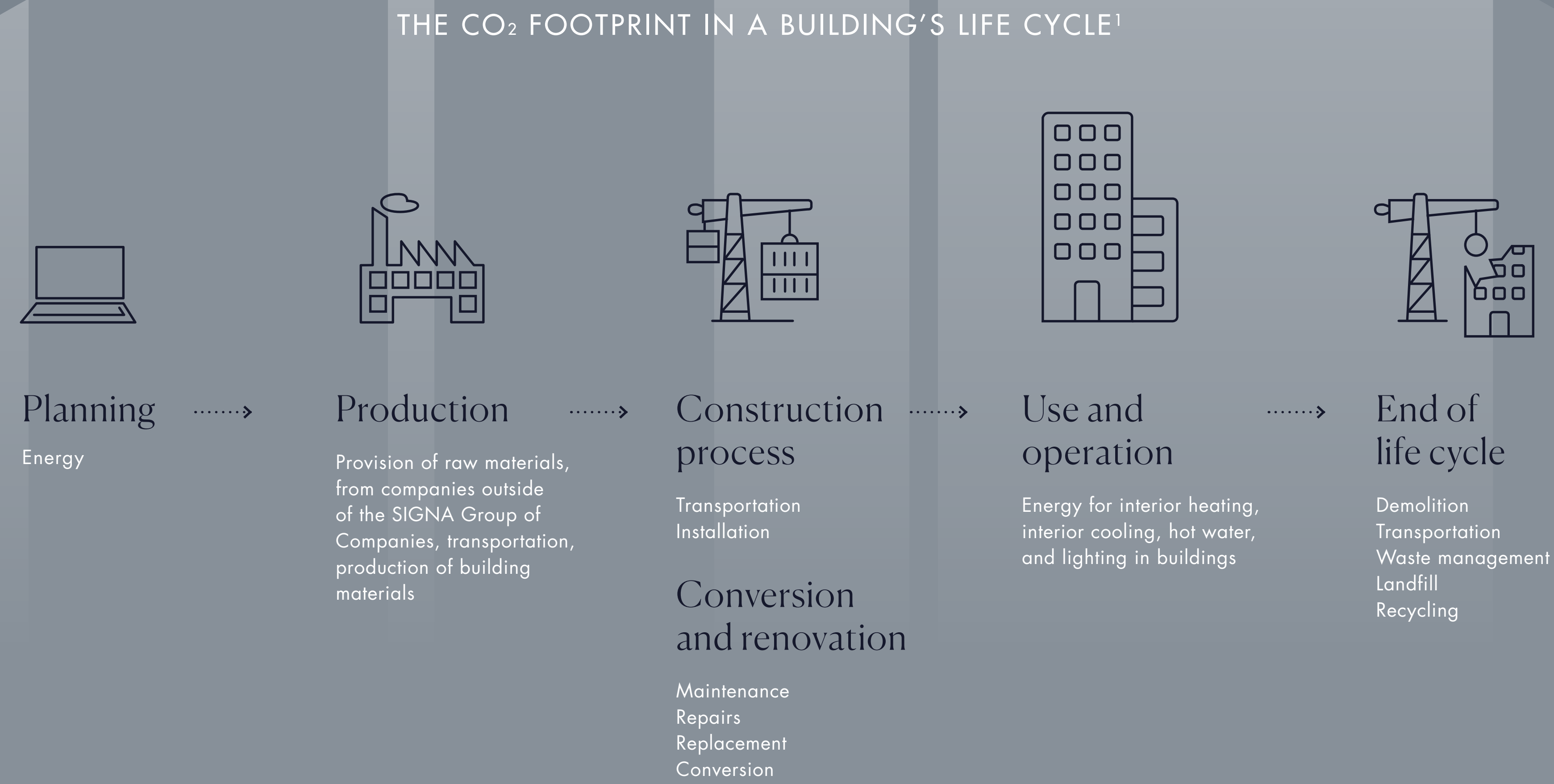
The BEAM project in Berlin will rely on the use of existing building structures.



In addition, our Schönhauser Allee project is notable for an especially diverse mix of energy sources.



The Havelwerke in Berlin will also use solar energy.



GREENHOUSE GASES ARE EMITTED THROUGHOUT THE ENTIRE LIFE CYCLE OF A BUILDING — THREE-QUARTERS OF THE TOTAL DURING THE USE PHASE. Our goal is therefore to reduce the energy consumption of a building and its users as much as possible through the use of optimized supply systems and renewable energies. The manufacture of construction materials also generates one-fifth of the

emissions in a building's life cycle. We are therefore striving to optimize or reduce material consumption and use as many less CO₂-intensive components and materials as possible. We are currently rolling out data collection software and examining how we can systematically collect consumption data for our development projects as well. Life cycle analyses, which will be conducted for all our development projects, will also help generate this information.

¹ Sources: Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR)
Online Publication No. 17/2020, Fig. 3, and GSBC publications

“TO SUPPLY ENERGY FOR
OUR PROJECTS WE USE
COST-EFFECTIVE, *robust, and*
highly efficient HVAC technology.”

TOBIAS SAUERBIER Management Board member





SCHÖNHAUSER ALLEE

EXPOSED BRICK WALLS STEEPED IN HISTORY MEET
A MODERN GLASS FACADE
IN BERLIN'S PRENZLAUER BERG



OUR SCHÖNHAUSER ALLEE PROJECT CLOSES THE FINAL GAP BETWEEN BUILDINGS TORN OPEN BY WORLD WAR II ON SCHÖNHAUSER ALLEE.



The brick wall facing the former Königsstadt brewery has now been visibly integrated into the new building as a cultural legacy. The street side is lined with a modern glass facade, while the back, in the true style of old Berlin, opens onto a courtyard made possible by the plot depth of 120 meters. The ground floor will be devoted to stores and restaurants, while the five upper floors offer space for offices with flexible surface areas that support multiple uses as well as room for recreation and communication zones — everything that drives creative enterprises in Prenzlauer Berg.

The building is exemplary in terms of sustainability. Its energy consumption is recorded, displayed and evaluated automatically through smart metering. It is heated via district heating. In addition, heat recovery and a compression refrigeration machine supply heating and cooling for the building technology. In order to conserve resources, LED lights supply basic lighting and help presence detectors reduce consumption.

Green lease aspects will contribute to sustainability during usage of the property as well. For example, future tenants must obligate themselves to use certain resource-saving fittings and sanitation ce-

ramics and monitor their annual drinking water consumption. Private modes of transport are not necessary to reach the building: It is extremely well connected to Berlin local public transport — the subway, tram, and bus station is 300 meters away. The basement floor will house a bicycle garage.

We will seek multiple certifications for our Schönhauser Allee project: LEED Gold, WELL Core Silver, and WiredScore Silver. We have already obtained the pre-certificate for LEED Gold.

HEALTH AND SAFETY OF END USERS

Over the course of a development project, we give affected tenants and direct neighbors advance notice of its construction activities and schedules. Facility managers and project managers are also involved at an early stage. This enables processes to run smoothly at the properties and avoids possible dangers or public spaces in which people may feel threatened or very uncomfortable. In the event of a conflict of interests, such as unavoidable construction noise, we seek solutions in dialogue with neighbors, in order to minimize the negative impact. Because we review possible optimization concepts early on, we are able to integrate solution approaches directly into the planning process.

WE ADHERE STRICTLY TO THE STRINGENT SAFETY REGULATIONS IN AUSTRIA, GERMANY, AND ITALY, FOR EXAMPLE WITH REGARD TO FIRE PREVENTION OR THE DISPOSAL OF HARMFUL SUBSTANCES. We deploy safety and health coordinators on our construction sites to ensure that the companies and service providers we engage comply with the applicable standards. In the 2020 fiscal year, there were no known violations related to the effects of our activities on health or safety during construction activities that led to a fine or a warning or that constitute a breach of other voluntary safety codes of practice.



THE SAFETY, PHYSICAL HEALTH, AND WELL-BEING OF PROPERTY USERS IS A TOP PRIORITY FOR US. Every day, our buildings accommodate employees, visitors, tenants, suppliers, and service providers. To prevent potential health and safety risks, we conduct detailed due diligence ahead of every major acquisition.

PLANNING



- / What potential health and safety risks could arise?
- / Coordinating early on with facility managers and/or project managers
- / Avoiding dangers and trouble spots
- / Informing tenants and neighbors about construction activity and schedules

CONSTRUCTION



- / Actively avoiding conflicts and unfavorable situations for affected parties caused by construction sites
- / Ensuring compliance with applicable standards on construction sites by employing safety and health coordinators

USE



- / Developing optimized processes even in advance
- / Avoiding adaptations during ongoing operation



RECYCLABILITY AND LONGEVITY OF CONSTRUCTION MATERIALS

WE PAY CLOSE ATTENTION
TO THE CONSTRUCTION MATERIALS WE
USE IN CONSTRUCTING AND RENOVAT-
ING PROPERTIES ACCORDING TO GREEN
BUILDING STANDARDS.

This includes decreasing the quantity of materials used by optimizing designs, because considerable carbon emissions result above all from the production of steel and concrete. In our new developments, we do not build anything that cannot be recycled. When carrying out our property optimization projects, we first investigate how much of the existing structure we can reuse or integrate into the new structure. To the extent it is technically and practically feasible, this is the most effective way to recycle. As a rule, we adhere to the German Circular Economy Act and the Austrian Waste Management Act in all of our projects. Moreover, as early as the planning phase, we take care to use environmentally friendly and durable

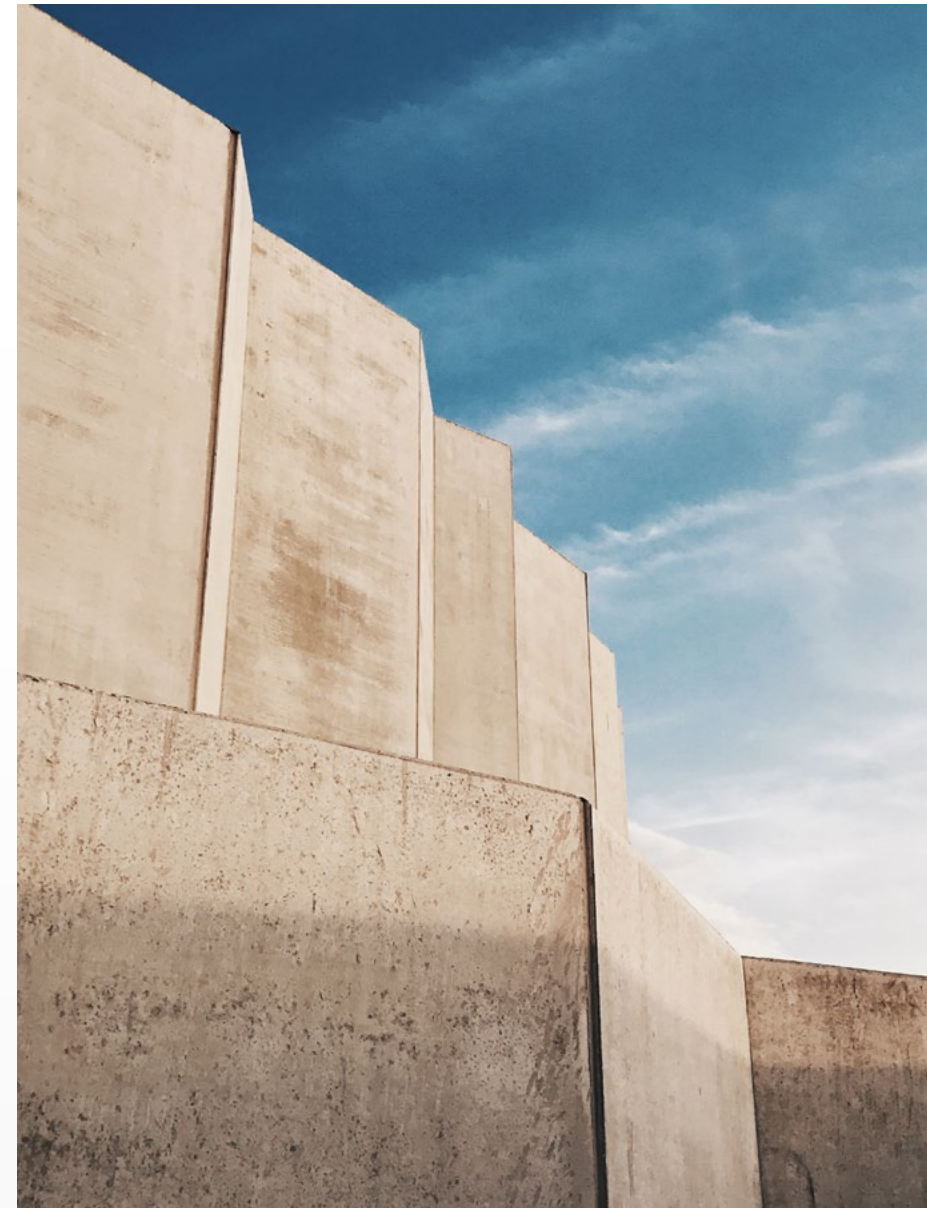
construction materials. We choose flooring, sealants, paints, and coatings with the lowest levels of VOC (volatile organic compound) emissions possible. This guarantees particularly high-quality interior air quality later in the use phase. Subsequent recyclability plays an important role in the use of concrete and steel products, and when wood is used, we take care to source sustainable products that are Forest Stewardship Council (FSC) certified. Our sustainable building approach is also reflected in the certifications we strive for, such as LEED Gold or Platinum. In 2021, we will compile a list of materials not permitted to be employed in the construction or renovation of our properties.

Our employees have gained a wealth of experience through the certification process. They also receive regular training in management events and relevant information via our intranet.

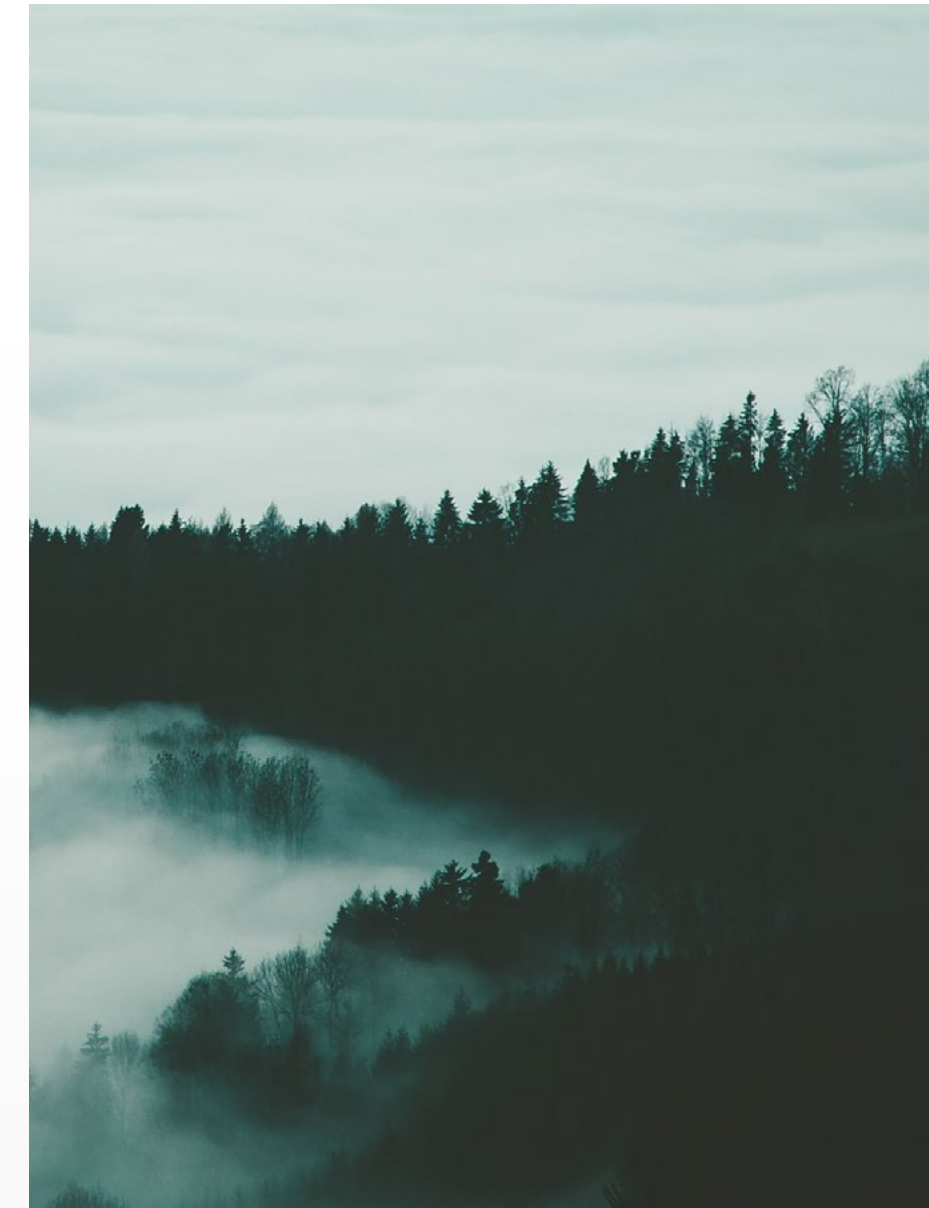
SUSTAINABLE USE OF CONSTRUCTION MATERIALS



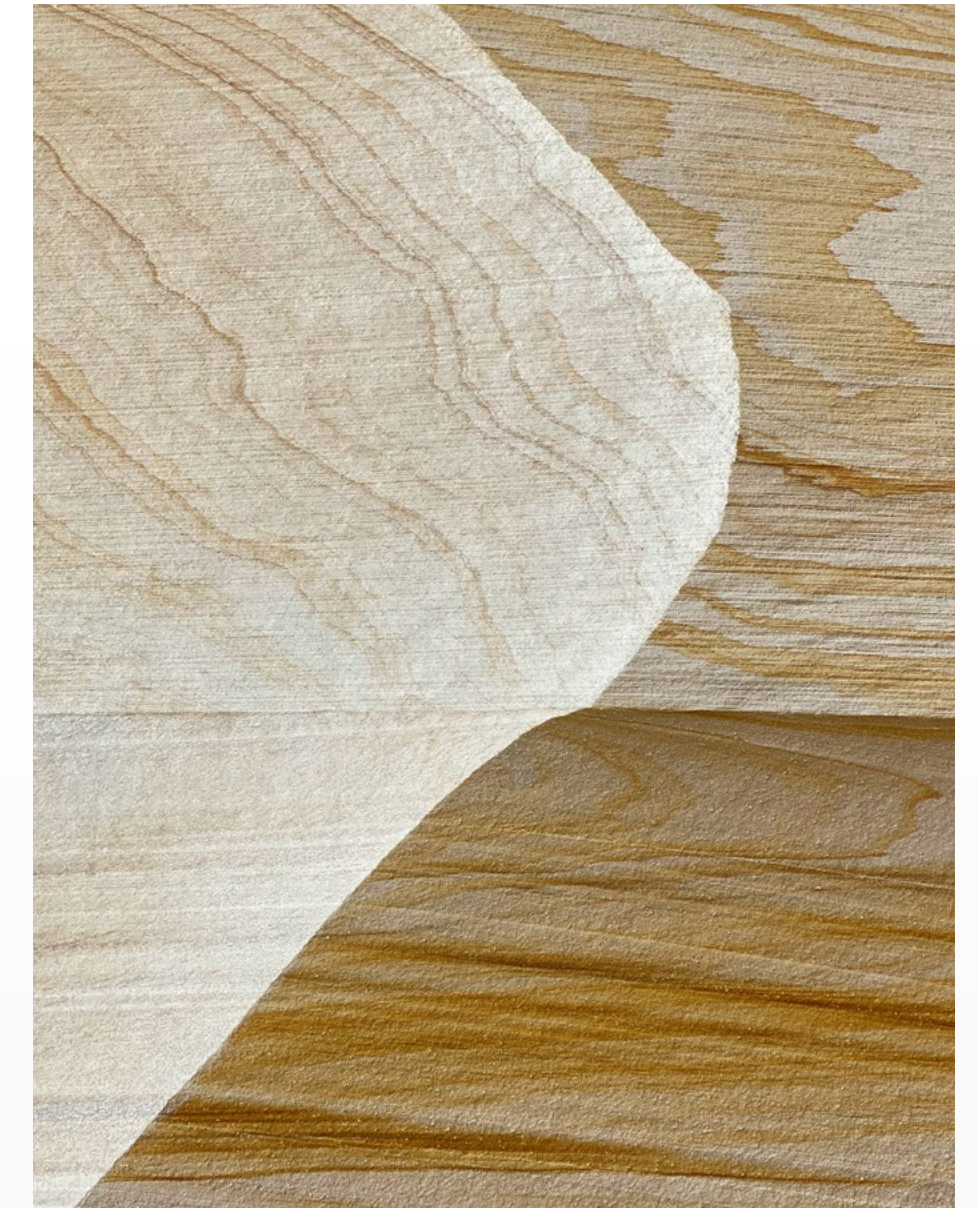
USING EXISTING
BUILDING STRUCTURES



USING RECYCLABLE
CONCRETE AND STEEL



PRIORITIZING ENVIRONMENTALLY
FRIENDLY CONSTRUCTION
MATERIALS



USING FSC-CERTIFIED WOOD
WHEREVER POSSIBLE

UP! REVITALIZATION PROJECT AT BERLIN'S OSTBAHNHOF STATION

UPCYCLING THE MASSIVE CONCRETE SKELETON IMPROVES THE ENVIRONMENTAL FOOTPRINT OF THE NEW WORKING SPACE

SIGNA DEVELOPMENT SELECTION AG





“WE TRY TO LIMIT THE ENVIRONMENTAL IMPACT OF OUR CONSTRUCTION MATERIALS WHEREVER POSSIBLE BY USING ONLY WHAT IS NECESSARY AND PRIORITIZING ECO-FRIENDLY MATERIALS, *e.g., recyclable concrete, FSC-certified wood, sustainable paints and coatings, while also minimizing waste and sourcing materials locally.*”

REINER MÜLLER Head of Development Berlin



CUTS WERE USED TO CREATE MORE ENTRANCES FOR LIGHT IN THE FORMER MONOLITHS AT BERLIN'S OSTBAHNHOF STATION. THE INTERIOR WAS COMPLETELY STRIPPED UNTIL ONLY THE SHELL CONSTRUCTION WAS LEFT. NOW THE BERLIN SUNSHINE POURS INTO THE NEW OFFICE LOFTS WITH THEIR LARGE WINDOWS, ROOMS WITH CEILING HEIGHTS OF UP TO FIVE METERS, AND TERRACES. THE ROOFTOP GARDEN WITH PAVILION IS A WONDERFUL MEETING SPOT. THE GROUND FLOOR IS ACCESSIBLE TO THE PUBLIC ON ALL SIDES AND FEATURES A SUPERMARKET, PHARMACY, VARIOUS RESTAURANTS, AND OTHER LOCAL SHOPS.

With its approximately 50,000 m² of office space, the UP! project is not just architecturally impressive either. As a flagship project for sustainable construction, it has already earned a pre-certificate for LEED Gold.

Alone retaining the monumental concrete skeleton from the 1970s saved a large quantity of material and improved the building's environmental footprint — cement production is one of the largest sources of greenhouse gas emission in construction. In all tenders, suppliers were obligated to comply with LEED requirements.

Preference was given to materials with Environmental Product Declarations (EPDs) and FSC- or PEFC-certified wood. Floor coverings, seals as well as paints and varnishes were chosen on the basis of creating low emissions and ensuring high interior air quality. Great importance has been attached to energy conservation: The facade and insulation meet the highest standards, and the building technology has been completely renewed.



The energy for heating and cooling comes from wastewater — or, more precisely, from a cogeneration unit that generates heating and cooling energy via a heat exchanger in the sewer.

Infiltration ditches and storage sewers help to retain rainwater. The rooftop garden on the building improves the microclimate. Due to its proximity to the Ostbahnhof station, the UP! building is very well connected to local and long-distance public transportation. The parking garage has ten e-charging stations.

SUSTAINABLE MOBILITY

SUSTAINABLE BUILDINGS REQUIRE A HOLISTIC PLAN FOR THEIR USE, INCLUDING OPTIONS FOR SUSTAINABLE TRANSPORTATION.

A SUSTAINABLE MOBILITY CONCEPT OFTEN REQUIRES FEWER PARKING SPACES THAN THE RESPECTIVE MUNICIPAL STATUTORY REQUIREMENTS DEMAND.

When developing projects and acquiring property optimization real estate, we greatly value the close proximity of our properties to various forms of transportation. When conducting such an end-to-end evaluation of the usage concept, we pay attention to the accessibility of existing or planned transport systems. This includes in particular links to local public transport and considerations such as the availability of all-weather bicycle parking facilities, parking spaces for electric vehicles in underground garages, or appropriate charging infrastructure.

To support the transition to e-mobility, we collaborate with electric car manufacturers and car sharing providers. In 2021, we plan to arrange partnerships with electric bike sharing providers for some of our properties. Our management is embedded in all of these discussions by way of the ESG Council.

This creates a challenge in the acquisition of properties because municipalities must be convinced that cargo bikes, car sharing, bike sharing, and good connections to the local public transport network often make owning a car unnecessary — and significantly reduce the number of parking spaces needed. Our many years of experience and our references in implementation of sustainable concepts are helpful here.

The mobility concept for the PARKAPARTMENTS AM BELVEDERE in Vienna is the perfect example. The residents have car sharing vehicles reserved specifically for them. There are charging stations for electric cars in the parking garage and free city bikes. Other good examples include the car-free project VIENNA TWENTYTWO (see Highlight page 38) and the planned Donaumarina Tower in Vienna with available e-bikes and cargo bikes.



“WHEN WE CHOOSE A
DEVELOPMENT SITE, MOBILITY IS
ALWAYS A KEY CONSIDERATION,
FROM PUBLIC TRANSPORTATION
ACCESS *to bike and car sharing services.*”

BERNHARD JOST Managing Director Real Estate Management





SIGNA DEVELOPMENT SELECTION AG

ATTRACTIVE EMPLOYER

05



OUR EMPLOYEES ARE WHAT MAKE OUR SUSTAINABLE BUSINESS SUCCESS POSSIBLE. THANKS TO THEIR SKILLS
AND ENTHUSIASM, WE CAN COMPLETE EXTRAORDINARY REAL ESTATE PROJECTS AND MEET OUR AMBITIOUS GROWTH TARGETS.

OUR CONSISTENT AND SYSTEMATIC HR ACTIVITIES ENABLE US TO REACH AND RETAIN THE RIGHT PROFESSIONALS
AND YOUNG TALENT.



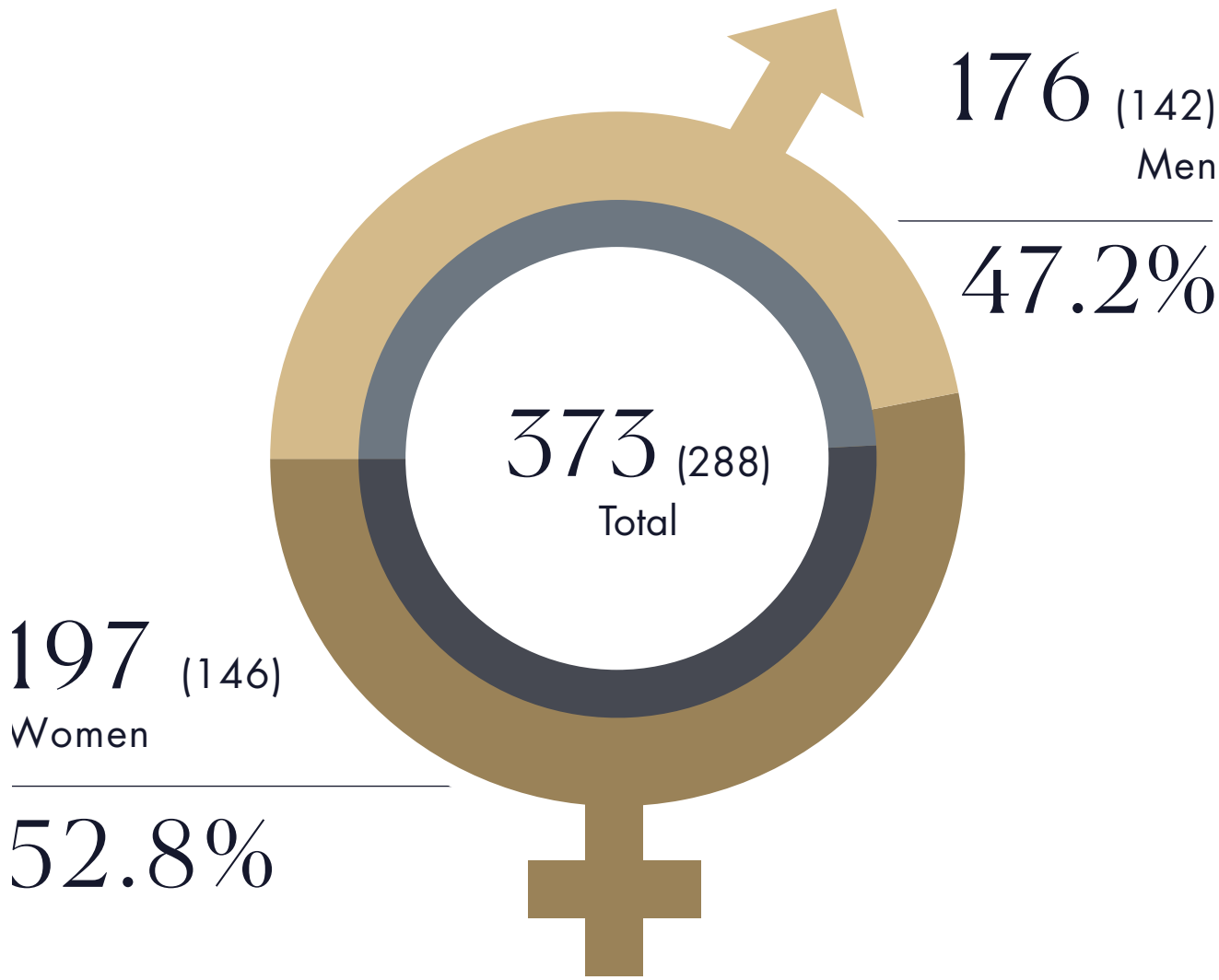
EMPLOYER BRANDING

We pursue targeted employer branding to attract more qualified candidates and to improve the efficiency of our recruiting process. We want to be an attractive employer our employees are happy to identify with and work with in the long term on our shared success. Our corporate

culture puts people front and center; they are challenged and nurtured unreservedly, with each being afforded equal opportunity. We value and expressly encourage entrepreneurship in thought and action, personal responsibility and initiative, and creative drive among our employees.

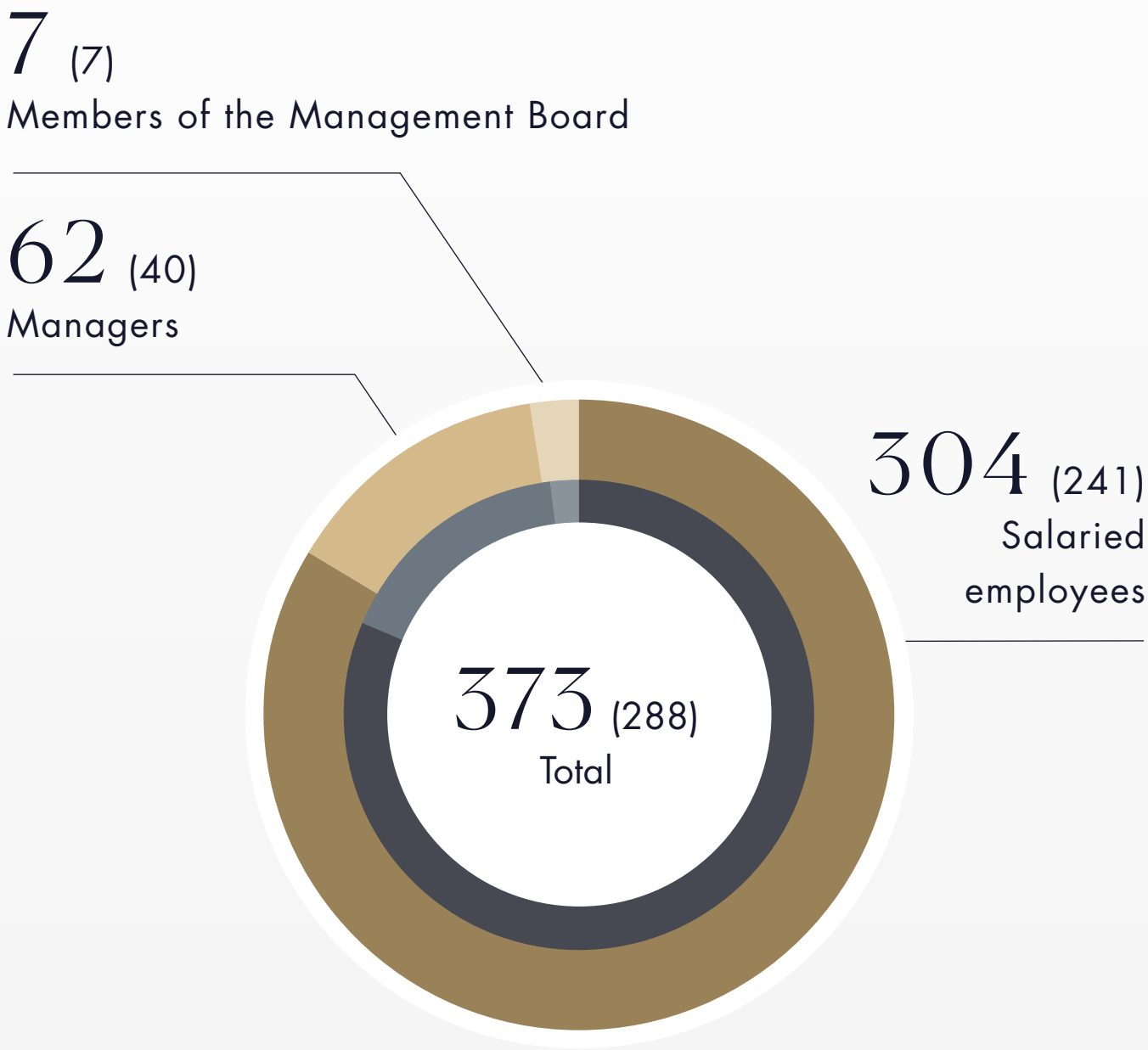
Employees, total (by gender)

2020 2019 (previous year)



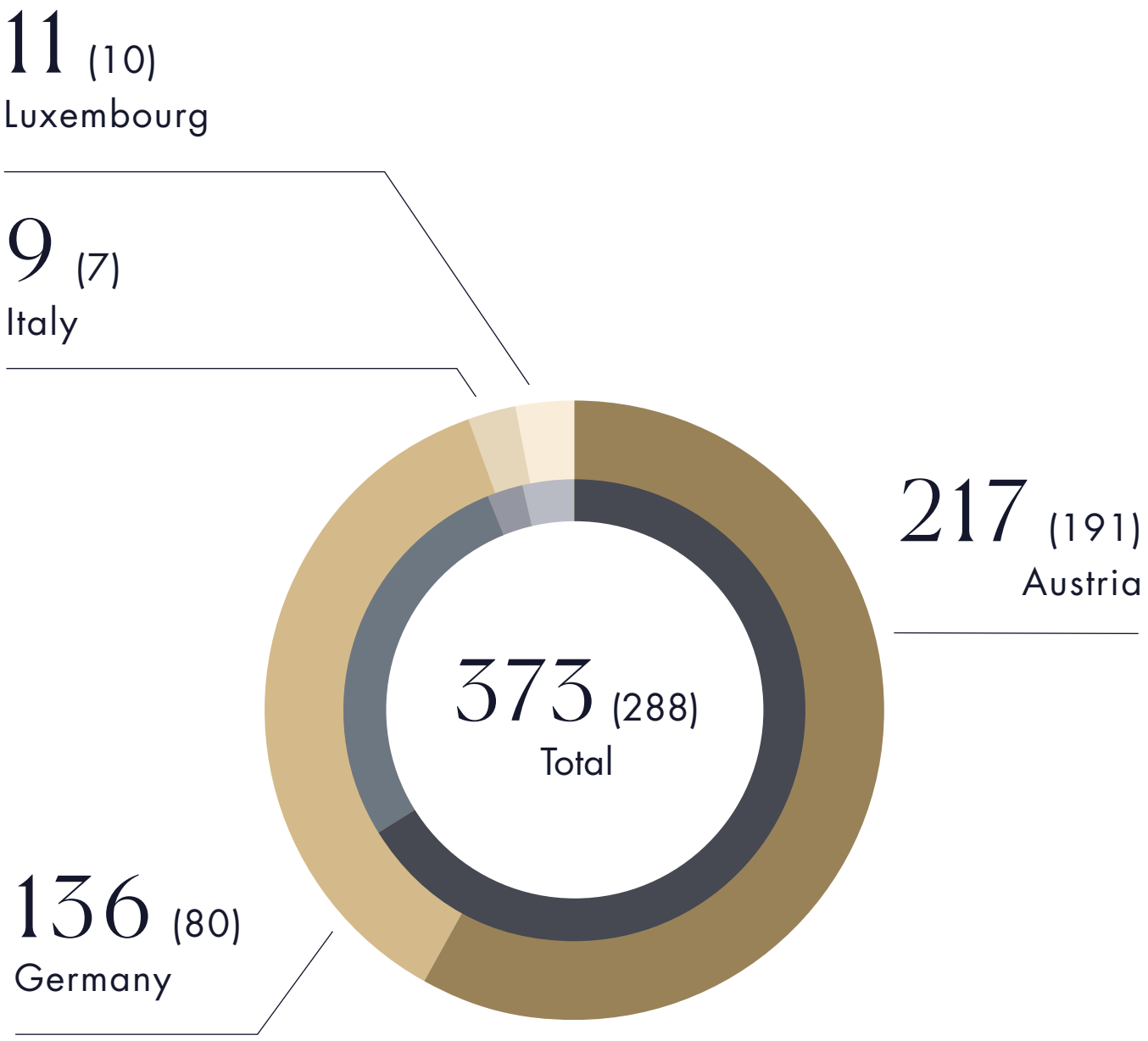
Employees by employee category

2020 2019 (previous year)



Employees by region

2020 2019 (previous year)



HR ACTIVITIES

THE HUMAN RESOURCES DEPARTMENT IS TASKED WITH ALL HR ACTIVITIES AT SDS.

The department is divided into HR Operations and HR Controlling and reports directly to SDS's Management Board. It is dedicated to all activities that concern employees. HR policy and concepts for HR strategy are initiated and modern HR activities developed, managed, and implemented in the HR department. Due to our rapid growth, we work on minimizing centralized responsibilities and distributing programs locally.

After we presented our employer brand to all employees of the SIGNA Group of Companies at the end of 2019, we put the initial steps into action in 2020, including public job advertisements, employee videos, and a new career site. We were able to handle the COVID-19 pandemic well on account of our 2019 digital transformation initiative. The IT department had already installed and introduced video tools such as screens and video conferencing software in all branch offices. We protected our entire staff by offering training, and providing masks and disinfectants.

LEAVE YOUR SIGNATURE — OUR DRIVING VALUES



GAME CHANGER

- / Visionary thinking
- / Broad creative scope
- / Considerable freedom to make decisions
- / High level of responsibility
- / Personal efficacy



TEAM PLAYER

- / Motivated people
- / Strong cohesion
- / Worthwhile commitment
- / Ongoing support
- / Culture of informality



MATCH WINNER

- / Unique success story
- / Outstanding work
- / High level of assertiveness
- / Strong resources
- / Personal touch



“PARTICULARLY IN TIMES OF CRISIS, IT IS IMPORTANT TO GIVE EMPLOYEES A CLEAR SENSE OF DIRECTION AND A ROLE TO PLAY IN REALIZING THE COMPANY’S VISION. *We rely on our regular performance evaluations and other tools to support this process, making sure we cultivate a positive and motivational workplace culture.*”

KARINA ROBINIG Head of Human Resources Austria/Italy/Luxembourg

KNOWLEDGE MANAGEMENT

The focused advancement of our entire team is the prerequisite for our success. When we deploy the right employees at the right location and assign them the right responsibilities, we secure our Company's competitiveness in the long run. One way we do this is to offer specific training and continuing professional development. But it is also an integral part of our day-to-day work, because we also understand learning to be learning by doing, combined with feedback and reviews.

STRUCTURED AND INTEGRATED ONBOARDING

From the very beginning, we ensure that our employees quickly find their bearings, get to know their colleagues, and can quickly apply their skills. Because we are growing rapidly, an integrated onboarding process is especially important. All employees receive a welcome packet including a company brochure, location-specific FAQs, organizational charts, and contact information and complete a personalized training period.

We also offer a number of different measures to make their start easier and provide a comprehensive overview of SDS and the other companies in the SIGNA Group of Companies. In the initial weeks, new hires also have regular meetings with their direct contacts in the departments and HR representatives.

FOCUS ON DEVELOPING AND APPLYING TALENTS

Our personnel development team actively identifies and encourages our young managers and young talent. Formal appraisals take place between employees and line managers at least once a year to define individual development goals and training measures, and to prepare and train high-potential employees for more senior duties. In the long term, this enables us to fill management and specialist positions primarily with equally qualified employees from within the Company's own ranks. Half-yearly feedback discussions are scheduled between the appraisals. In the reporting period, all employees had their performance and career path assessed. Next year we will introduce 360-degree feedback meetings for our managers.



“IN SUCH A DYNAMIC BUSINESS,
OUR DAILY LEARNING CURVE IS
PRETTY STEEP. THANKFULLY,
WE HAVE A FOCUSED TRAINING
AND DEVELOPMENT STRATEGY
TO EXPAND OUR EXPERTISE
and learn new ways to approach the work.”

CYNTHIA PIERRE Associate Banking





TRAINING AND CONTINUING EDUCATION

Offering systematic training and continuing education enables us to support our employees in performing their duties as well as possible currently and in the future. For this reason, we provide training on the knowledge they need and the required skill sets, including social and leadership competence, at regular intervals at internal and external events.

IN 2020, ALL TRAINING SESSIONS WERE HELD REMOTELY AND ONLINE DUE TO THE COVID-19

PANDEMIC. Even after the pandemic is over, we plan to increase the number of online training sessions as part of our digital transformation initiative for HR processes. In the long term, we also intend to evaluate learning outcomes and skill development online. The pandemic has confirmed the correctness and importance of our digital transformation initiative, which has undoubtedly been accelerated by general necessity. It is our managers' duty to determine the required competencies that must be acquired based on the

strategic corporate goals and the needs of their business areas. They support the individual talents and development goals of employees. HR provides a wide range of training options and tools to expand their skills, competencies, and qualifications as well. Our managers also receive ongoing training to enable them to exercise their duties successfully. According to our sustainability strategy, we will introduce a mentoring program for managers-to-be where they can draw on the experience of successful managers. Where it makes sense to do so, we contribute to continuing education costs for part-time degree courses alongside work or arrange for employees to take time off for education. This allows us, for instance, to use training content obtained from a partnership with the International Real Estate Business School (IREBS) at the University of Regensburg and send employees to long-term training, such as the real estate programs at the Technical University of Vienna and Danube University Krems. In Austria, we also transmit knowledge — in the form of mentorships and lectures at universities.



Employee turnover of salaried employees was 8.8% in 2020 (previous year: 13.9%). This shows that SDS succeeds in finding and retaining employees who share the Group’s values. It is important to us to retain employees for the long term and enable them to develop their talents.

SUCCESSFUL EMPLOYEE RETENTION

IN 2020, WE OFFERED THE FOLLOWING ONLINE TRAINING COURSES BY VIDEO IN COMPLIANCE WITH THE CURRENT SAFETY MEASURES IN PLACE DUE TO THE COVID-19 PANDEMIC:

- / Time management & resilience
- / Presentation techniques
- / Rhetoric & communication skills (two sessions)
- / Rhetoric & conflict management (focus on assistants)
- / Basic negotiation skills
- / Language courses (English, Italian)
- / Various types of IT training (Excel, InDesign, PowerPoint, Word, various job-specific tools, etc.)
- / Various training sessions on how to efficiently work from a home office, including information on our IT infrastructure, such as how to use WebEx or access systems, but also topics like managing employees remotely
- / Moreover, certain employees also receive customized training on subjects such as project development, tax issues, and finance



EMPLOYEE SATISFACTION

73%

OF OUR EMPLOYEES FOUND THE
ATMOSPHERE IN THEIR TEAMS EXCELLENT
OR VERY GOOD DESPITE COVID-19,
WHILE 21% RATED IT AS GOOD.

Only satisfied employees can help up continue to successfully grow on a lasting and sustainable basis. Satisfaction stems primarily from team spirit. By organizing special team-building events and experiences, we lay the foundation for a long-term, emotional connection between the employee and the Company. In an exceptional year marked by the COVID-19 pandemic, this was accomplished in a number of ways:

- / Regular communication with all stakeholders
- / Personnel development
- / Close contact between managers, Human Resources, and all employees to listen to their views
- / Keeping offices open
- / Regular performance of an online sentiment barometer to collect information on the concerns, needs, and feedback of employees
- / Weekly COVID-19 testing of all employees at all locations to ensure safety; distribution of masks, disinfectants, etc.
- / Extensive provision of home office equipment to employees by IT
- / Continuation of our “Kennt ihr schon” (“Do you already know”) project presentations as a video brownbag lunch series

REGULAR PERSONNEL DEVELOPMENT AND FEEDBACK MEETINGS ALSO PROMOTE SATISFACTION AT WORK AND WITH SDS AS AN EMPLOYER, AS DOES REGULARLY PROVIDING EMPLOYEES WITH INFORMATION THROUGH IN-HOUSE COMMUNICATION CHANNELS. STARTING IN 2021, WE WANT TO AGAIN CONDUCT REGULAR EMPLOYEE SURVEYS.

The work environment should not be underestimated as a factor in employee well-being. All of our offices are up-to-date and feature ergonomic equipment, are located in prime downtown locations, and can be easily reached with various modes of transportation. For our high-performing employees, flexible working hours contribute to a high quality of life and are a precondition for their great commitment and motivation. At SDS, employees can choose when to start and end their workday by individual arrangement with their supervisor and team. Although remote working functioned very well in 2020 during the lockdowns, we consider face-to-face interactions, including informal ones, to be essential in the long term.

We prepared a guide to working from home for the pandemic period, and as needed thereafter, which we update regularly. Our management learned to lead their teams remotely. By making individual agreements, we aimed for the parents among our staff to be able to find a good work-life balance, although schools and daycare centers were closed.

Where this is necessary and viable, we offer our employees subsidized tickets for the train or other local public transportation. This program will be rolled out to all locations and expanded to include subsidies for e-bikes. During our busy workdays, we make beverages and fruit available at all times. If any problems arise, our managers and the HR department are always available to talk to employees.



SIGNA DEVELOPMENT SELECTION AG



“EVERY DAY WE WORK ON
HIGH-PROFILE DEVELOPMENT
PROJECTS AND LEARN TO
MASTER NEW CHALLENGES —
*that alone would be a source of
satisfaction, but SIGNA offers great
working conditions as well.*”

SUSANNA DINKIC Junior Project Manager

HEALTH AND SAFETY OF OUR EMPLOYEES



05 ATTRACTIVE EMPLOYER

THE HEALTH AND SAFETY OF OUR EMPLOYEES AT WORK ARE OUR TOP PRIORITY, BECAUSE THEY ARE AT THE ROOT OF SATISFACTION AND PRODUCTIVITY.

The HR department is responsible for this, and in turn reports directly to the Management Board. We always instruct new employees on occupational health and safety. In the 2021 fiscal year, we will offer additional training courses on health-related topics such as nutrition, exercise, and managing stress.

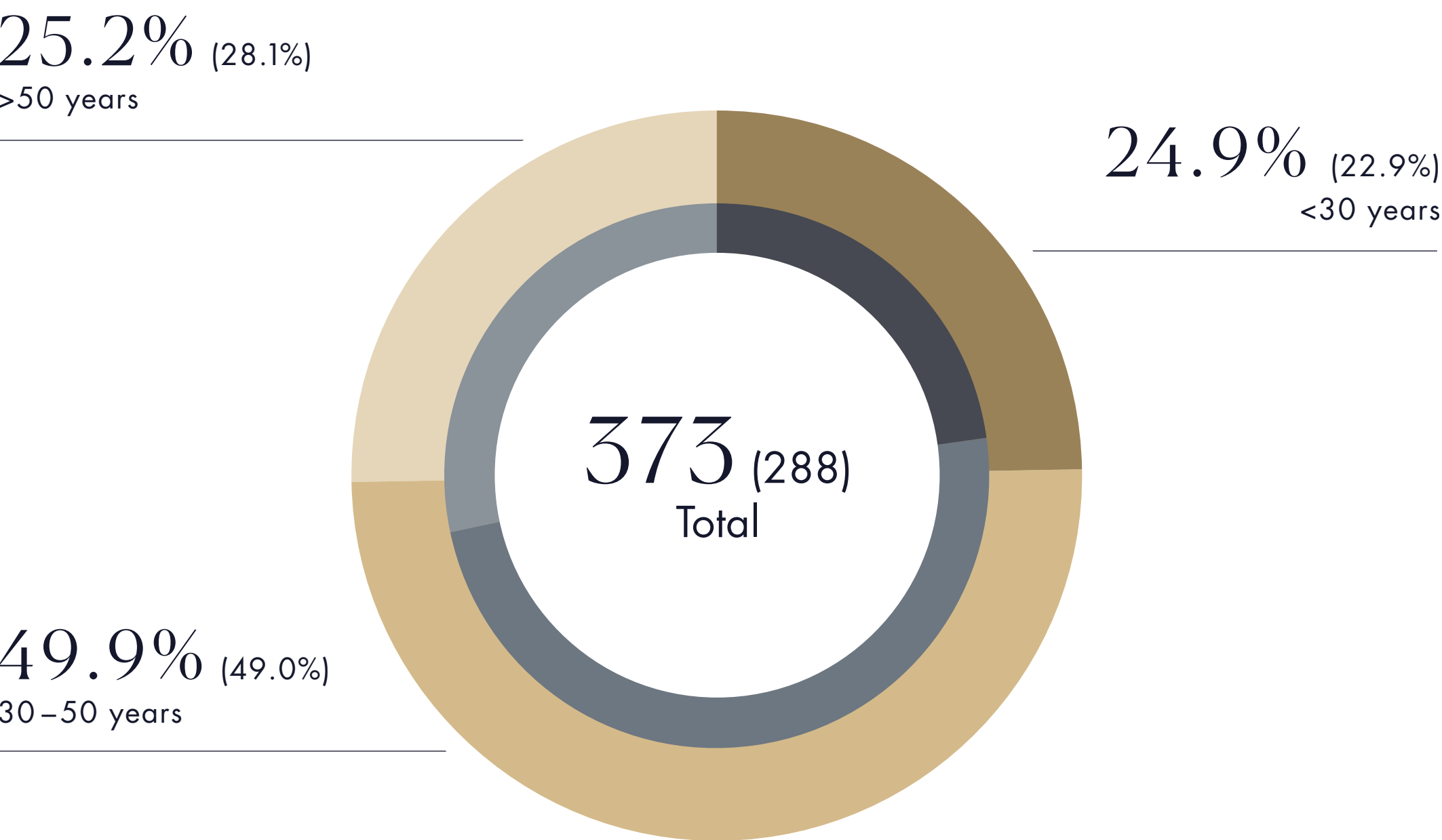
We strictly comply with occupational safety laws. That means that we regularly evaluate workplace hazards to prevent accidents of any kind at work. To this end, we appoint safety officers, fire protection officers, and first responders for the Company. The individuals appointed to these positions receive regular training. Due the nature of our Company’s business activities, there are only a few work-related hazards, and therefore few accidents.

Data concerning accidents that nonetheless occur is collected and analyzed. In fiscal year 2020, no work-related accidents occurred. We are not required to hire occupational physicians due to the small size of our offices. Still, we provide occupational health services at our main locations. This includes the option of accessing psychological services. Over time, we will expand the services offered and make them available at all locations.

We are confident that performance and motivation will increase if work life and leisure time are in balance, and the Company contributes to maintaining employee health. SDS focuses here on promoting awareness of a healthy lifestyle and preventive health measures. Improving employees’ work-life balance is very important to SIGNA. The steps we have taken in this regard for parents include flexible working hours, part-time models, and active management of parental leave.

DIVERSITY AND EQUAL OPPORTUNITY

Employees by age
■ 2020 ■ 2019 (previous year)



HETEROGENEITY, DIVERSITY,
AND EQUAL OPPORTUNITY CONTRIBUTE
TO THE SUCCESS OF OUR COMPANY
AND REFLECT THE STAKEHOLDER
GROUPS WE INTERACT WITH DAILY.

For this reason, they are essential components of our HR strategy, both in the recruiting process and in employee reviews and personnel development. In the future, this topic will be responsibility of a diversity officer to be appointed by 2022 according to our strategy. In 2020, we published our Code of Conduct, which also contains anti-discrimination regulations, guidelines for conduct, values, and standards. Employees can report any violations directly to the Chief Compliance Officer or anonymously.

At SDS, diversity is reflected in the different personalities who come together as equals — regardless of gender, age, nationality or religion. We foster an open corporate culture of diversity, respect, and fairness. Diverse backgrounds, perspectives, and competencies are important to us, as we put together the best teams for our mandate — affording equal opportunity.

Every employee is unique, enriches SDS with their individual strengths and skills, and works hand in hand in an inclusive team. In an environment free of discrimination, all are given the same opportunities and equal appreciation — that goes for long-standing employees, newcomers to the workplace, and applicants.

SDS IS OPEN TO PEOPLE FROM A WIDE RANGE OF NATIONAL, ETHNIC, RELIGIOUS, AND PERSONAL BACKGROUNDS AND DIFFERENT AGES, AS WELL AS PEOPLE WITH AND WITHOUT DISABILITIES, AND PEOPLE OF DIFFERENT SEXUAL ORIENTATIONS.

In this context, we also strive to achieve a balanced gender ratio at different employment levels. The percentage of women at the Company amounts to approximately 50%, and women hold every fourth managerial position. We consider it our responsibility to put in place all necessary conditions for a gender-neutral and performance-oriented work environment.

In our ESG strategy, we set a goal for 2021 to specify a gender quota of 35% for managerial positions. We intend to support our employees in taking leadership roles by establishing a mentoring program and concentrating on promoting talent.

It goes without saying that we provide equal opportunities for all employees. We intend for the Company's diversity to reflect that of our stakeholders. We foster collaboration between the generations and provide attractive networks in which SDS employees can connect and interact, and support one another.

27.5%

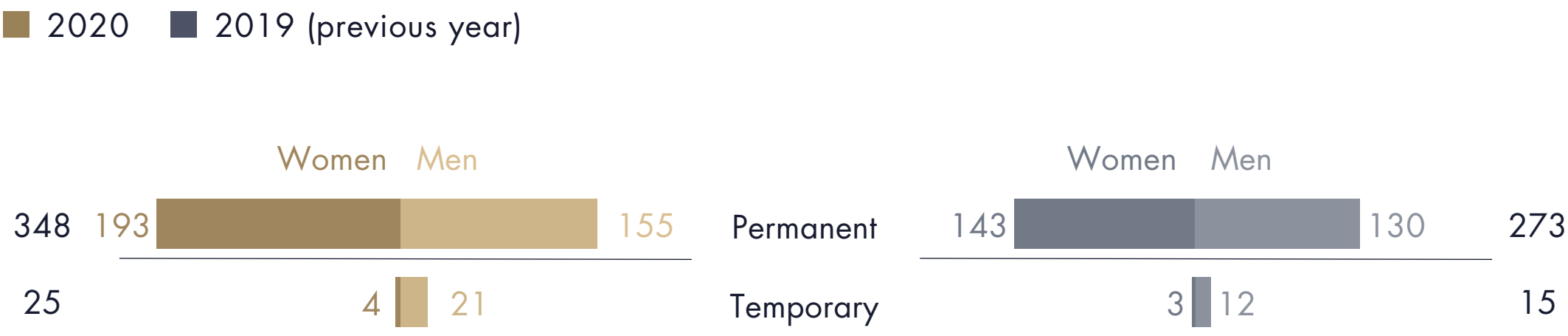
GENDER QUOTA FOR MANAGERIAL POSITIONS IN 2020
(INCLUDING MANAGEMENT BOARD)
PREVIOUS YEAR: 23.4%.



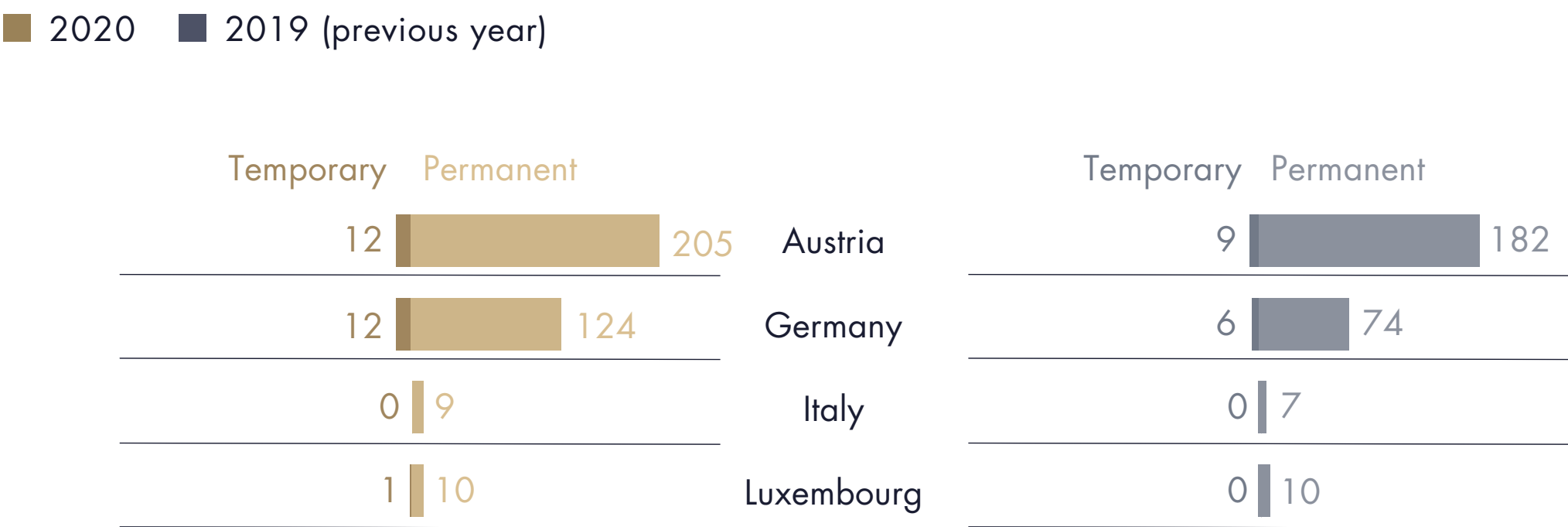
Employees by employment type



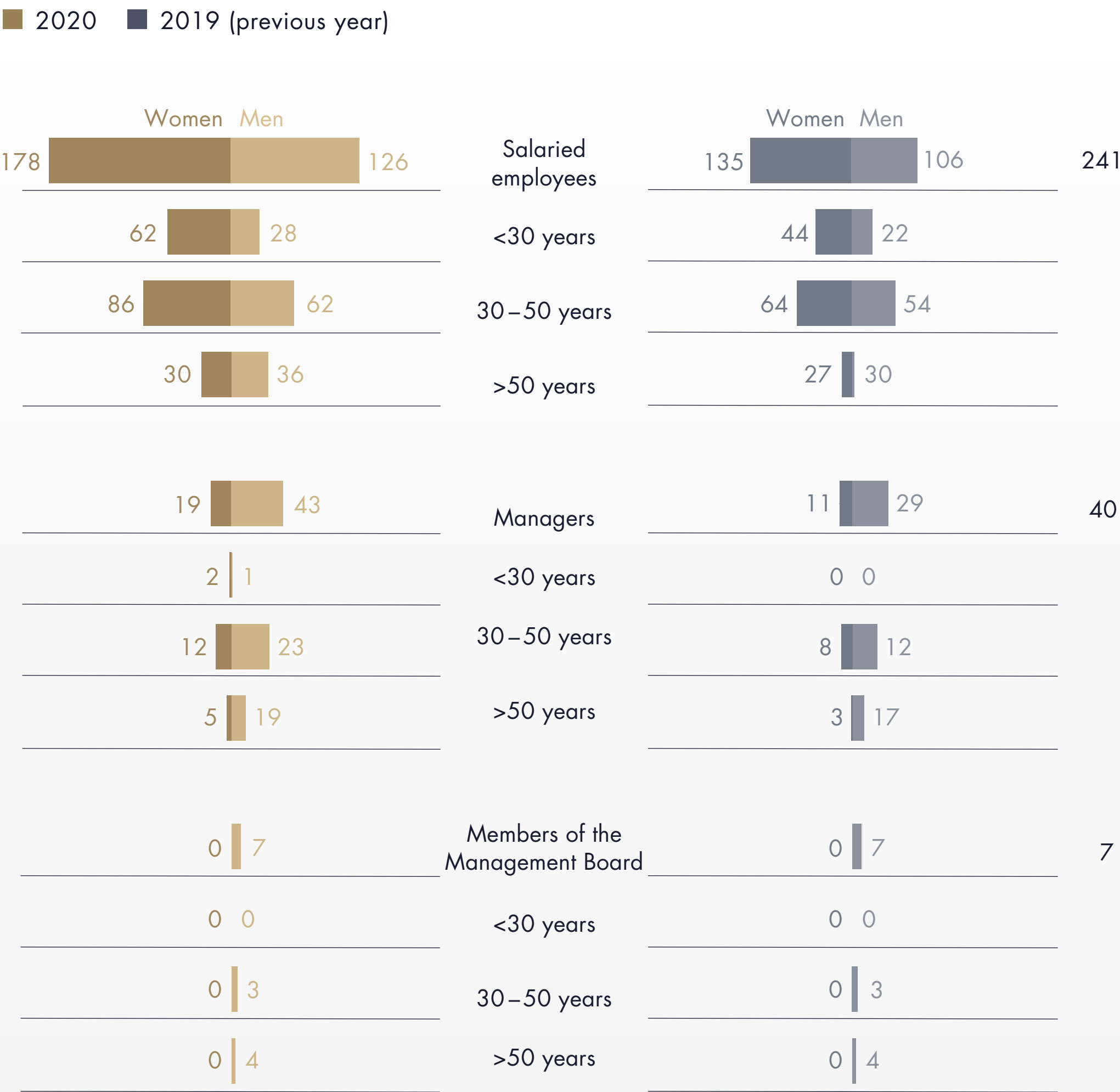
Employees by employment contract



Employees by region

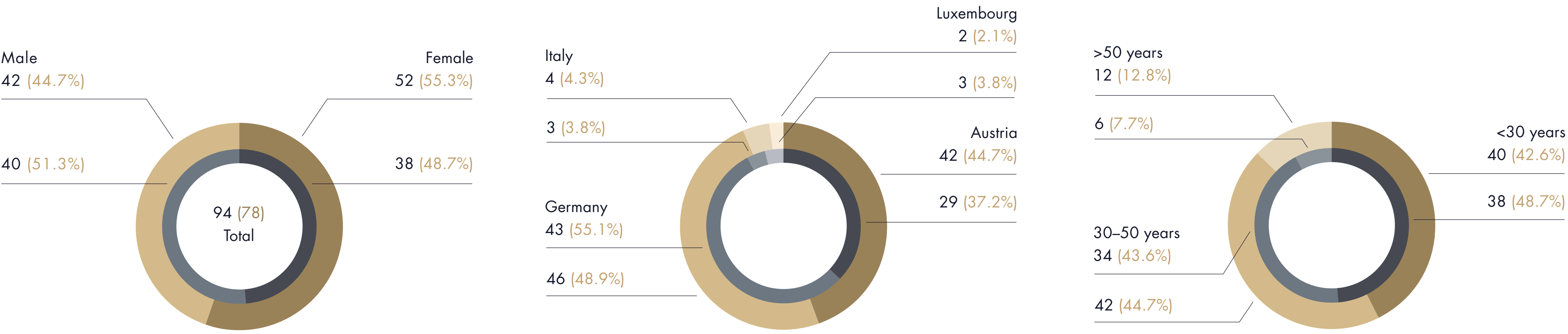


Employees by gender, age, and employee category



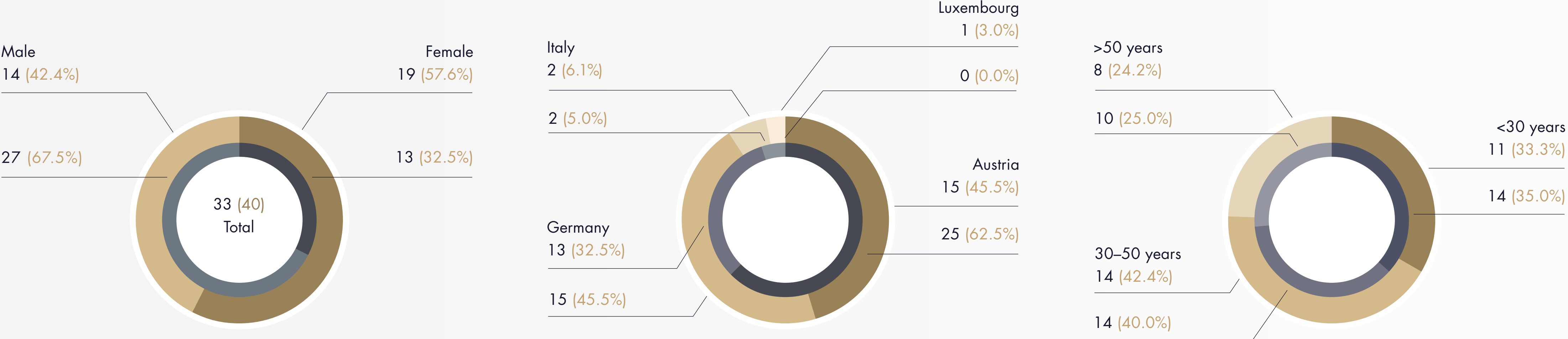
New hires by gender, country, and age

■ 2020 ■ 2019 (previous year)



Departures by gender, country, and age

■ 2020 ■ 2019 (previous year)





SIGNA DEVELOPMENT SELECTION AG

RESPONSIBLE CORPORATE GOVERNANCE

06





As a project development company, we sustainably transform properties. Our conduct and the decisions made by everyone who works for us leave lasting impressions on our counterparts. Our basic values and rules of conduct outline the impression that SDS wishes to leave.



OUR ETHICAL AND PERFORMANCE-DRIVEN VALUES AND OUR EXCELLENT REPUTATION — IN ADDITION TO OUR UNIQUE PORTFOLIO — HAVE CONTRIBUTED SUBSTANTIALLY TO OUR SUCCESS STORY.

It is our ambition to create significant added value for our clients, generate an attractive return for our investors, be a preferred employer to our employees, and act as a constructive partner to

the cities where our properties are located. This requires the highest standards of integrity, transparency, confidentiality, and professionalism, and it is how we define good corporate governance.

MANAGING VALUES TO MAINTAIN TRUST

We have defined values management for our Company. This serves to maintain and further deepen the trust placed in us. Its values and basic principles form the foundation of our guidelines and operating procedures. All employees, managers, and board members are required to adhere to these rules. The principles are the basis

for all decisions made by SDS. Our actions are guided by a sense of responsibility, fairness, compliance, transparency, and integrity. They are at the core of our lasting success story and an indispensable compass in interactions with each other. With our Code of Conduct, we undertake to conduct ourselves ethically and with integrity,

to comply with internationally recognized social standards, and to take environmental and social aspects into account in day-to-day operations. Our Code of Conduct for Business Partners includes our expectations and requirements for business partners to follow basic ethical principles and do business sustainably.



ADHERENCE TO NATIONAL AND INTERNATIONAL STANDARDS

Good and transparent corporate governance ensures responsible management and control of the Company with a focus on value creation. The corporate governance architecture at SDS exceeds mere compliance with all applicable regulatory requirements, laws, and internal standards. We voluntarily undertake to comply with the requirements of the Corporate Governance Code for the German real estate industry and INREV (European Association for Investors in Non-Listed Real Estate Vehicles). We also voluntarily commit to upholding the extensive set of rules set down in the Austrian Code of Corporate Governance, ACCG (Österreichischer Corporate Governance Kodex, "ÖCGK"). The ACCG is a set of rules for

good and responsible governance and controls on the Austrian capital market. Moreover, we support the UN Global Compact, the world's largest and most important responsible corporate governance initiative. We became a signatory to the United Nations alliance and have committed to making sustainable development our mission.

Business success, climate action, integrity, and social responsibility are values that SDS has put into practice for many years. We are committed to implementing the ten universal principles of the UN Global Compact in the areas of human rights, labor standards, environment, climate, and fighting corruption.

“WE ALWAYS STAY
TRUE TO OUR
CORE VALUES:

*responsibility, fairness,
compliance, transparency,
and integrity.”*

ROBERT KUBALEK Compliance Officer SDS/Senior Project Manager





BUSINESS COMPLIANCE

COMPLIANCE IS A KEY ELEMENT OF SDS'S CORPORATE CULTURE THAT IS FIRMLY EMBEDDED IN OUR DAY-TO-DAY ACTIVITIES. In the real estate industry, ethical integrity and lawful conduct are a basic condition for participation in public tender processes for construction projects. This standard of conduct is the only way to ensure cooperation with all stakeholder groups on a basis of trust, from city government to construction companies and users or neighbors.

The core elements of our understanding of compliance are protecting trust in the Company, preventing reputational risks, and specifying mandatory guidelines for employees. We achieve compliance with rules and standards by creating an open and trusting work environment and therefore efficient management with clearly defined roles and responsibilities.

The compliance management system (CMS) implemented in the SIGNA Group of Companies also covers SDS. The Chief Compliance Officer (CCO) is tasked with ensuring compliance with the rules and guidelines in the CMS. The CCO defines important topics to strengthen compliance, and promotes and monitors compliance activities within the SIGNA Group of Companies.

In his role, the CCO is not bound by instructions from the Management Board. He is directly supported by an SDS compliance officer with responsibility for operational implementation of the CMS at SDS and also cooperates with an independent external ombudsman. On the Management Board, the CEO is responsible for compliance with the CMS.

STRICT GUIDELINES TO ENSURE COMPLIANCE

In order to ensure successful compliance in day-to-day business, we set up a compliance organization to guarantee ethical, lawful conduct at all levels of the Company. This includes guidelines, duties, responsibilities, etc. as well as regular reports, internal reviews, and external audits. The CMS provides a systematic way to deal with compliance risks and stipulate clear process steps for monitoring and further development.

WE PURSUE A ZERO-TOLERANCE POLICY FOR COMPLIANCE VIOLATIONS OF ANY KIND

When they join the Company, all individuals with responsibility for compliance, board members, managers, and employees receive a welcome packet that includes the CMS manual along with the following:

/ Code of Conduct

/ Code of Conduct for Business Partners

/ Anti-Corruption Policy

/ Antitrust and Competition Law Policy

/ Policy on Managing Conflicts of Interest

/ Donation and Sponsorship Policy

/ Public Relations and Social Media Policy

/ Policy on Handling Inside and Other Confidential Information

/ Know Your Customer (KYC) Verification and Money Laundering Prevention Policy

/ Anti-Discrimination Policy

/ Whistleblowing Policy

/ Overview of compliance contacts

All employees must confirm in writing that they have received the welcome packet and agree to comply with the rules it contains. The rules are also available on the intranet at all times.

In 2020, we revamped the existing CMS of the SIGNA Group of Companies and aligned it with the requirements and content of ISO 19600. KPMG Austria GmbH audited the description of our CMS according to IDW AsS 980 and completed this audit of the concept with a written report dated December 22, 2020. Certification is planned for 2021.

MANDATORY
COMPLIANCE TRAINING

WE SYSTEMATICALLY TRAIN EMPLOYEES SO THAT THEY ARE FAMILIAR WITH OUR CODE. ALL EMPLOYEES AT SDS WITHOUT EXCEPTION ARE REQUIRED TO COMPLETE OUR ONLINE COMPLIANCE TRAINING.

In addition, we have developed an e-learning course dealing with specific details of our business model. New SDS staff must complete this compliance training within the first six weeks after they begin work at the Company. We plan to introduce refresher courses for existing employees.

Certain groups of individuals receive additional job-specific in-person training as needed. In the 2020 reporting period, all compliance officers and relevant departments were made aware of and trained on the relevant risk areas as part of our compliance risk assessment.

100% OF OUR EMPLOYEES HAVE COMPLETED TRAINING ON FIGHTING CORRUPTION.



ZERO TOLERANCE FOR CORRUPTION, BRIBERY, AND MONEY LAUNDERING

WE DO NOT TOLERATE CORRUPTION, UNREPORTED EMPLOYMENT, BRIBERY, OR MONEY LAUNDERING, AND HAVE TAKEN STEPS TO PREVENT THESE.

For instance, our annual compliance risk analysis and legal monitoring in 2020 included a reevaluation of possible corruption risks. Particular care is taken when dealing with officeholders and when accepting and giving gifts or receiving and extending invitations. We intentionally prohibit sponsorships and donations to political parties to avoid corruption risks and donate only to organizations involved in social issues.

SDS also follows a zero-tolerance policy regarding compliance violations of all kinds. Employees are obliged to immediately report any violations of applicable law, the Code of Conduct, internal guidelines, or a potential conflict of interests

to their line manager, the compliance officer, or the Chief Compliance Officer. SDS also has an independent external ombudsman whom employees can contact anonymously (signa_ombudsstelle@vivacis.de). Indications of any misconduct are investigated without exception and impartially; no employee need fear sanctions, attempts at intimidation, or reprisals. Rather, we want to encourage our employees to stand up for their convictions and address any irregularities openly.

No incidents of corruption were uncovered in 2020. No legal proceedings were pending due to anti-competitive conduct or to violations of anti-trust and monopoly laws.

STEPPING UP SUPPLY CHAIN MANAGEMENT

OUR FIRST STEP IN THIS CONTEXT WAS TO RAISE AWARENESS AMONG OUR EMPLOYEES FOR THE INTEGRATION OF SUSTAINABILITY ISSUES INTO OUR CODE OF CONDUCT FOR BUSINESS PARTNERS.

We set up a whistleblower system for them so they could report possible compliance violations. For the coming years, we have set the goal of also further raising awareness among our suppliers, for instance by way of audits and by implementing a supplier assessment system (see “Sustainability Management”).

Of particular importance is the implementation in the Company of the Construction Work Coordination Act (Bauarbeitenkoordinationsgesetz, “BauKG”). The objective here is to reduce accident risk and high stress on construction workers by systematically coordinating safety measures with the measures stipulated by the Act. Compliance with the Act requires us to take steps such as developing an occupational health and safety plan for all construction sites. We appoint coordinators for all of our construction sites who are in turn monitored by an external construction site regulator.





REGIONAL VALUE CREATION

For SDS, sustainability also means ensuring that the regions in which we do business also benefit from our activities. We create and retain jobs, are a client to local companies, and help shape cityscapes.

ARCHITECTURE FOR PEOPLE

We create the neighborhoods of the future. In doing so, we plan in a variety of uses to make for a lively cityscape. We want people to enjoy living, working, shopping, and maybe even taking care of bureaucratic business as well as spending their free time there. Wherever possible, we also provide public spaces. In addition to provision of public spaces, it is also important that the people living near all of our projects are included in the process and regularly informed about developments. We use various forms of dialogue for this purpose (see “Stakeholder Dialogue” in the “Sustainability Management” section).

IN 100%

OF OUR PROJECTS WE INVOLVE THE AFFECTED NEIGHBORS AND KEEP THEM INFORMED DURING THE ENTIRE PROCESS.

CLIENT TO LOCAL COMPANIES

We involve local companies as much as we can in our often extensive projects. Regional value creation is an important priority for us, not only because this lowers emissions caused by transportation, but also because it secures jobs.



Local suppliers and service providers generally know the market best and have experience; they know all of the local requirements, hurdles, and possible solutions. This is necessary specifically due to our real estate projects' size.

We therefore maintain a varied and broadly diversified supply chain for our development projects, ranging from multinational construction companies, through service providers, to small workshops and suppliers. For these projects, we also rely on our many years of experience. We tender all construction services individually and not through a general contractor.



SIGNA DEVELOPMENT SELECTION AG

ABOUT THIS REPORT

07



THE PRESENT REPORT IS SDS’S SECOND SUSTAINABILITY REPORT. IT WAS PREPARED IN ALIGNMENT WITH THE GLOBAL REPORTING INITIATIVE STANDARDS, THE INTERNATIONALLY RECOGNIZED REPORTING FRAMEWORK. THIS APPLIES TO OUR MATERIALITY ANALYSIS, THE DESCRIPTION OF OUR MANAGEMENT APPROACHES, AND THE UNDERLYING BREAKDOWN INTO GENERAL AND SPECIFIC DISCLOSURES.



COMMUNICATION
ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

We also adhered to generally accepted reporting principles: preciseness, balance, clarity, comparability, reliability, and timeliness. This report was prepared in accordance with the GRI Standards: Core option. The GRI Content Index is presented on the pages that follow. The report additionally serves as a progress report in the context of our membership in the UN Global Compact. The Ten Principles are assigned to various standards and disclosures in the GRI Content Index.

The reporting period is the fiscal year from January 1, 2020, to December 31, 2020. In the future, we will report on our progress annually. The editorial deadline for this report was May 28, 2021. As a rule, the disclosures relate to all of SDS’s business areas.












FOR REASONS OF BETTER READABILITY AND READING FLOW, GENDER-SPECIFIC DESIGNATIONS HAVE NOT BEEN TAKEN INTO ACCOUNT.

The forward-looking statements made here are based on internal assessments of future developments that are subject to uncertainty and not under the control of SDS. The report was prepared in German and English, but in cases of discrepancy, the German version is binding.





MATERIAL TOPICS AND THEIR DEFINITION

The material topics for SDS were determined using a materiality analysis (see “Sustainability Management”), which followed the principles of GRI reporting. The following table defines the material topics in accordance with GRI 103-1 and the associated GRI Standards.

EFFECTS WITHIN/OUTSIDE OF THE ORGANIZATION

MATERIAL TOPIC	RELEVANCE INTERNAL	RELEVANCE EXTERNAL	GRI STANDARD
Sustainable Buildings			
Energy and emissions during planning, construction and operation			GRI 302 — Energy 2016 GRI 305 — Emissions 2016
Health and safety of end users			GRI 416 — Customer health and safety 2016
Recyclability and longevity of construction materials			GRI 301 — Materials 2016 GRI 306 — Waste 2020
Sustainable mobility			Page 57
Attractive Employer			
Employee satisfaction			GRI 401 — Employment 2016 GRI 402 — Labor/management relations 2016 GRI 403 — Occupational health and safety 2018 GRI 407 — Freedom of association and collective bargaining 2016
Training, continuing education, and knowledge management			GRI 404 — Training and education 2016
Diversity and equal opportunity			GRI 405 — Diversity and equal opportunity 2016 GRI 406 — Non-discrimination 2016



MATERIAL TOPIC		RELEVANCE INTERNAL	RELEVANCE EXTERNAL	GRI STANDARD
Corporate Governance and Compliance				
Business compliance, including anti-corruption and money laundering prevention				GRI 205 — Anti-corruption 2016 GRI 206 — Anti-competitive behavior 2016 GRI 307 — Environmental compliance 2016 GRI 308 — Supplier environmental assessment 2016 GRI 408 — Child labor 2016 GRI 409 — Forced or compulsory labor 2016 GRI 412 — Human rights assessment 2016 GRI 414 — Supplier social assessment 2016 GRI 415 — Public policy 2016 GRI 419 — Socioeconomic compliance 2016
Regional value creation				GRI 202 — Market presence 2016 GRI 204 — Procurement practices 2016

DATA COLLECTION

THE DATA PUBLISHED IN THIS SUSTAINABILITY REPORT WAS COLLECTED AND PROCESSED WITH THE GREATEST CARE. HOWEVER, DISCREPANCIES CANNOT BE RULED OUT ENTIRELY.

The time horizon for the published data is the period from January 1, 2020, to December 31, 2020. Where necessary, data was extrapolated. Rounding of amounts and percentages can result in deviations from the actual totals.

SUSTAINABLE BUILDINGS

Currently, a calculation method is not yet available for our Scope 3 emissions. Because SDS commissions suppliers for project development, collecting data about their energy consumption is not yet possible at this time. In the long term, we wish to also collect data on Scope 3 emissions to further improve transparency. The Property Optimization Portfolio is generally under the full control of tenants, which is why we are unable to report any consumption statistics.

We did not yet calculate emissions for our own business activities in 2020, but will do so for the first time in 2021.

EMPLOYEES

The data on our workforce is collected Group-wide. In addition to permanent employees, we include trainees and interns. SDS's headcount includes the fully consolidated investees, as well as the employees of SIGNA Real Estate Management (REM), who are responsible for the development activities of the individual development projects.

In cases where activities by employees cannot be clearly assigned to a company, the generalist functions of the real estate companies are reported in the headcount disclosures and can result in double-counting in other groups belonging to the SIGNA Group of Companies. The disclosures relate to the reporting date of December 31, 2020.

OUR SUSTAINABILITY STRATEGY



SUSTAINABLE BUILDINGS

ENERGY AND EMISSIONS DURING PLANNING, CONSTRUCTION, AND OPERATION



TARGET	ACTION	KPI	TIME HORIZON
Obtain certification according to green building standards for 100% of development projects	Adhere to green building requirements for development projects and complete pre-certifications	Number/share of certified assets in portfolio as a whole	ongoing
	Conduct life cycle analyses on development projects		2023
Ensure climate neutrality of development projects	Increase energy efficiency of properties through the use of energy-saving technologies and refurbishment of energy systems	Energy consumption (in kWh) Reduction in metric tons of CO ₂	ongoing
	Evaluate use of alternative energy sources for development projects and implement if a positive determination is made		ongoing
	Evaluate use of green power contracts for development projects and conclude if a positive determination is made	Percentage of electricity from renewable energy	2021
	Evaluate the greening of development projects and implement if a positive determination is made	Square meters of newly planted green space per year	2022
	Evaluate state-of-the-art technologies for automated collection of energy consumption data and implement if a positive determination is made	Share of smart metering in the portfolio (in %)	2025

SUSTAINABLE BUILDINGS

ENERGY AND EMISSIONS
DURING PLANNING, CONSTRUCTION,
AND OPERATION

HEALTH AND
SAFETY
OF END USERS

RECYCLABILITY
AND LONGEVITY OF
CONSTRUCTION MATERIALS

TARGET	ACTION	KPI	TIME HORIZON
Sustainably use and manage development projects	Evaluate green lease components in development projects and implement if a positive determination is made	Share/number of leases with green lease components	2021/22
	Include environmental guidelines/green clauses in leases, including an obligation to exchange environmental data		2021/22
Set up systematic environmental and data management	Accelerate expansion of the data collection process using ESG software	Number/share WELL Building certifications	2021
	Evaluate participation in the Science Based Targets initiative		2024
Guarantee health and safety of end users	Aim for WELL Building certification for development projects	Number/share WELL Building certifications	ongoing
	Aim for WELL Building certification for SIGNA offices		2022/23
Build according to green building standards	Reduce material use by optimizing design		ongoing
	Evaluate sustainable and lower-carbon materials and implement if a positive determination is made		2022
Minimize soil sealing in construction	Give preference to developing already developed spaces		ongoing



SUSTAINABLE BUILDINGS

SUSTAINABLE MOBILITY



TARGET	ACTION	KPI	TIME HORIZON
Link development projects to various modes of transportation	Consider good transportation connections for the development projects		ongoing
	Enter into partnerships with ride sharing providers	Average distance from local public transportation (in km)	ongoing
	Enter into partnerships with bike sharing providers		2021/22
Provide infrastructure for electric transportation in the development projects	Plan development projects with parking spaces and charging stations for electric vehicles	Number of parking spaces for electric vehicles (specific)	
		Number of charging stations (specific)	ongoing

ATTRACTIVE
EMPLOYER

EMPLOYEE
SATISFACTION

TARGET	ACTION	KPI	TIME HORIZON
Maintain and promote employee health	Instruct new employees on occupational health and safety	100% employee training rate	ongoing
	Expand range of training offered on health-related issues such as nutrition, exercise, and handling stress		2021
Maintain employee satisfaction at a high level	Complete regular personnel development/feedback discussions with employees	Share of employees for whom personnel development/feedback discussions were held in the fiscal year	ongoing
		Share of employees working under flexible working time/part-time models	ongoing
	Regularly inform employees via in-house communication channels and hold site-related events		ongoing
	Guarantee modern office amenities in prime downtown locations	Develop an employee satisfaction index from surveys	ongoing
	Consider connections to various modes of transportation and easy accessibility of sites with public transportation	Employee turnover rate	ongoing
	Conduct regular employee surveys and develop an employee satisfaction index		2021
	Introduce 360-degree evaluations for managers	Share of executives who have received a 360-degree evaluation in the fiscal year	2021/22

ATTRACTIVE
EMPLOYER

TRAINING, CONTINUING
EDUCATION, AND KNOWLEDGE
MANAGEMENT

DIVERSITY AND
EQUAL OPPORTUNITY

TARGET	ACTION	KPI	TIME HORIZON
Ensure good training for employees	Offer training to employees during work or studies	Number of apprentices and trainees/ cooperative education students	ongoing
	Offer in-house and outside employee training as needed	Number of training hours, total and per employee	ongoing
	Run regular training courses for managers	Share of managers participating in training	ongoing
	Introduce a SIGNA mentoring program for young future managers		2021
Guarantee a work environment free of discrimination	Publish "Managing Values" Code of Conduct and Code of Conduct for Business Partners	Number of incidents of discrimination	completed
	Set up anonymous contact for reporting incidents of discrimination		completed
	Sign on to Diversity Charter initiative (Charta der Vielfalt)		2021
	Fill at least 35% of managerial positions with women	Share of women in managerial positions in %	2021
	Introduce specific programs for mentoring and promoting the talent of women		2022
	Maintain rate of employees returning to work after parental leave over 90%	Rate of employees returning to work after parental leave in %	ongoing

CORPORATE
GOVERNANCE
AND COMPLIANCE

BUSINESS COMPLIANCE,
INCLUDING ANTI-CORRUPTION
AND MONEY LAUNDERING
PREVENTION

TARGET	ACTION	KPI	TIME HORIZON
Guarantee business compliance	Certify compliance management system according to ISO 19600		completed
	Sign UN Global Compact and publish annual progress report		ongoing
	Conduct training on compliance and business ethics via new e-learning system		2021
	Develop ESG training and run annually		2021
	Integrate ESG criteria into guidelines for business trips and mobility		2023
	Integrate ESG KPIs into variable compensation of management		2025
	CCO to report regularly to the Group’s Management Board and the Supervisory Board on the progress of compliance activities and important compliance matters		ongoing
	Regularly review compliance management system in-house	Number and scope of conformity audits	ongoing
		Number of compliance violations	ongoing
		Monetary fines in cases of corruption	ongoing



CORPORATE
GOVERNANCE
AND COMPLIANCE

BUSINESS COMPLIANCE,
INCLUDING ANTI-CORRUPTION
AND MONEY LAUNDERING
PREVENTION

TARGET	ACTION	KPI	TIME HORIZON
Effectively manage ESG risks	Identify and assess ESG risks in development projects	Number of violations of ESG requirements and ESG-related laws	2022
	Integrate ESG further into the risk management activities		2024
Sustainably develop real estate portfolio	Implement Group-wide ESG due diligence processes for development projects	Number/share of development projects in conformity with ESG guidelines (target of 100%)	2021
	Draft ESG guideline for development projects		2021
Maintain high tenant satisfaction	Conduct a tenant satisfaction survey every two years and use results to determine additional measures to increase tenant satisfaction		2021
Structure supply chain management responsibly	Integrate ESG factors into Code of Conduct for Business Partners		completed
	Introduce whistleblower system for business partners	Number of business partners who have signed Code of Conduct for Business Partners	completed
	Apply human rights due diligence to supply chain		ongoing
	Step up ESG screening and ESG risk assessment of business partners prior to collaboration		2021
	Evaluate use of a supplier assessment system to determine potential ESG risks	Number of ESG audits at suppliers	2022
	Conduct regular internal and external supplier audits		2023



CORPORATE GOVERNANCE AND COMPLIANCE

BUSINESS COMPLIANCE, INCLUDING ANTI-CORRUPTION AND MONEY LAUNDERING PREVENTION

REGIONAL VALUE CREATION

TARGET	ACTION	KPI	TIME HORIZON
Dialogue with stakeholders	Conduct regular real estate-related dialogues and consultations with stakeholders, and stakeholder participation processes	Number of stakeholder dialogues	ongoing
	Standardize existing dialogue platforms with political decision-makers and multipliers at the federal, state, and municipal level		2023/24
Expand ESG reporting	Evaluate and roll out software for ESG data collection		2021
	Expand annual ESG reporting according to GRI Standards		2022
	Commission annual audit of ESG reports		2023
Commission external evaluations of ESG performance	Conduct regular external ESG ratings		ongoing
Institute sustainable financing instruments (for >50% of new financing arrangements)	Establish Green Finance Framework	Volume of sustainable financing (in €)	2021
Strengthen regional value creation	Preferred use of local companies and regional products	Share (in %) of total volume accounted for by local procurement	ongoing
Promote local communities	Engage in ESG-relevant pro-bono activities in cities and municipalities	Donations (in €)	ongoing
	Donate to ESG-related projects, programs, and initiatives		2022
	Set up employee volunteering program		2022





GRI CONTENT INDEX

GENERAL DISCLOSURES		COMMENT	UN GLOBAL COMPACT	PAGE
07 ABOUT THIS REPORT	GRI 101	Foundation 2016		
	GRI 102	General disclosures 2016		
	Organizational profile			
	GRI 102-1	Name of the organization	SIGNA Development Selection AG (SDS)	
	GRI 102-2	Activities, brands, products, and services	Website	pp. 5-6
	GRI 102-3	Location of headquarters	Innsbruck, Austria	
	GRI 102-4	Location of operations	Austria, Germany, Italy, Luxembourg	
	GRI 102-5	Ownership and legal form		p. 5
	GRI 102-6	Markets served		p. 6
	GRI 102-7	Scale of the organization		pp. 5-6, 9
	GRI 102-8	Information on employees and other workers		pp. 61-62
	GRI 102-9	Supply chain		pp. 6, 84-86
	GRI 102-10	Significant changes to the organization and its supply chain	In the 2020 fiscal year, there were no significant changes to the organization and its supply chain.	
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GENERAL
DISCLOSURES

COMMENT

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GRI 102		General disclosures 2016			
Organizational profile					
07 ABOUT THIS REPORT	GRI 102-11	Precautionary Principle or approach	SDS maintains a suitable internal control system (ICS) applicable Group-wide that is tailored to the relevant requirements. The ICS defines material processes and risks and provides the associated decision-making matrices. Process risks are assessed accordingly, and the control activities and information and communication duties in place are exercised by the responsible teams and/or individuals. All process documentation, including risk management and compliance processes, is updated regularly.		
	GRI 102-12	External initiatives		1–10	pp. 3, 13, 14, 79, 88
	GRI 102-13	Membership of associations			p. 36
	Strategy				
	GRI 102-14	Statement from senior decision-maker		1–10	p. 3
Ethics and integrity					
	GRI 102-16	Values, principles, standards, and norms of behavior		1, 2, 10	pp. 62, 72, 82, 88





GENERAL
DISCLOSURES

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GRI 102	General disclosures 2016			
Governance				
GRI 102-18	Governance structure			p. 16
Stakeholder engagement				
GRI 102-40	List of stakeholder groups			p. 19
GRI 102-41	Collective bargaining agreements	SDS is not subject to any collective bargaining agreements.	3	
GRI 102-42	Identifying and selecting stakeholders			pp. 18-20
GRI 102-43	Approach to stakeholder engagement			pp. 18-24
GRI 102-44	Key topics and concerns raised			pp. 18-24
Reporting practice				
GRI 102-45	Entities included in the consolidated financial statements	As of December 31, 2020, the group of companies consolidated included a total of 208 companies (December 31, 2019: 171), of which 33 companies were accounted for using the equity method (December 31, 2019: 30).		
GRI 102-46	Defining report content and topic Boundaries			pp. 16-17

GENERAL DISCLOSURES		COMMENT	UN GLOBAL COMPACT	PAGE
GRI 102	General disclosures 2016			
Reporting practice				
GRI 102-47	List of material topics			p. 17
GRI 102-48	Restatements of information	The report fulfills the requirements of the GRI Standards: Core option.		p. 91
GRI 102-49	Changes in reporting	There are no changes in reporting.		SIGNA DEVELOPMENT SELECTION AG
GRI 102-50	Reporting period	The reporting period runs from January 01, 2020, to December 31, 2020.		
GRI 102-51	Date of most recent report	The most recent report was published in June 2020.		
GRI 102-52	Reporting cycle	The report is published annually.		
GRI 102-53	Contact point for questions regarding the report			
GRI 102-54	Claims of reporting in accordance with the GRI Standards			pp. 28, 88
GRI 102-55	GRI Content Index			pp. 101-116
GRI 102-56	External assurance	The report has not been reviewed/audited by a third party.		
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GRI 201	Economic performance 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 5-6, 8, 10-11
GRI 201-1	Direct economic value generated and distributed			p. 9
GRI 202	Market presence 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 60-63
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	SDS pays market-rate salaries. Depending on qualifications and experience, compensation reflects performance and exceeds the legal minimum wage.		
GRI 202-2	Proportion of senior management hired from the local community	<p>The following managers have significant leadership responsibilities at SDS: department heads, team leaders, managers with titles including “Head of,” and project managers with managerial responsibilities. Managers are considered “local” if they work in the same country in which they hold citizenship.</p> <p>At SDS, 90.1% of managers were hired from the local community.</p>		



07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 204	Procurement practices 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 84
	GRI 204-1	Proportion of spending on local suppliers	It is currently not possible to collect precise information about the proportion of spending on local suppliers. This disclosure will be reported in the future.		
	GRI 205	Anti-corruption 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		10	p. 84
	GRI 205-1	Operations assessed for risks related to corruption		10	p. 84
	GRI 205-2	Communication and training about anti-corruption policies and procedures		10	p. 84
	GRI 205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption in 2020.	10	
	GRI 206	Anti-competitive behavior 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 84
	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			p. 84



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GRI 301	Materials 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 36, 52, 94
GRI 301-1	Materials used by weight or volume	As of yet, there is no systematic collection of data on materials used.	8	
GRI 302	Energy 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 43-46
GRI 302-1	Energy consumption within the organization	Data on the energy consumption of our own business activities is not yet collected. We plan to do so for the first time in the 2021 reporting period.	8	
GRI 305	Emissions 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 43-46
GRI 305-1	Direct (Scope 1) GHG emissions	The emissions from our own business activities are not yet calculated. We plan to do so for the first time in the 2021 reporting period.	8	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	The emissions from our own business activities are not yet calculated. We plan to do so for the first time in the 2021 reporting period.	8	



	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 306	Waste 2020			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 52-53
	GRI 306-1	Waste generation and significant waste-related impacts		8	pp. 52-53
	GRI 306-2	Management of significant waste-related impacts		7, 8	pp. 52-53
	GRI 306-3	Waste generated	We cannot yet quantify the waste generated by our development projects. We are aware of our responsibility in this regard and are reviewing how to collect data on the type and quantity of waste in the long term.	8	
07 ABOUT THIS REPORT	GRI 307	Environmental compliance 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 81-83
	GRI 307-1	Non-compliance with environmental laws and regulations	No fines or sanctions were imposed on SDS due to non-compliance with environmental laws or regulations.		
	GRI 308	Supplier environmental assessment 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 84
	GRI 308-1	New suppliers that were screened using environmental criteria	Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. In addition, we intend to develop and gradually implement supplier screening in the 2021 fiscal year.		
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07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 401	Employment 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 61-70
	GRI 401-1	New employee hires and employee turnover			pp. 61, 67, 74-75
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits are provided to all full-time and part-time employees. SDS employs only very few temporary employees.		
	GRI 402	Labor/management relations 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 62
	GRI 402-1	Minimum notice periods regarding operational changes	We inform our employees in a timely manner about operational changes by sending out our Executive Board newsletter.		
	GRI 403	Occupational health and safety 2018			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 50-51, 71
	GRI 403-1	Occupational health and safety management system			pp. 50-51, 71
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GRI 403		Occupational health and safety 2018			
07 ABOUT THIS REPORT	GRI 403-2	Hazard identification, risk assessment, and incident investigation			pp. 50-51
	GRI 403-3	Occupational health services			p. 71
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety			p. 71
	GRI 403-5	Worker training on occupational health and safety			p. 71
	GRI 403-6	Promotion of worker health			p. 71
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			pp. 50-51, 71
	GRI 403-8	Workers covered by an occupational health and safety management system	A total of 97.3% of our employees are covered by our management system.		
	GRI 403-9	Work-related injuries			p. 71

SIGNA DEVELOPMENT SELECTION AG



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GRI 404	Training and education 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 64 -67
GRI 404-1	Average hours of training per year per employee	The average number of hours of training per year per employee in 2020 was 9.8.		
GRI 404-2	Programs for upgrading employee skills and transition assistance programs			pp. 64, 66 -67
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	In 2020, 93.3% of employees received a performance review.		
GRI 405	Diversity and equal opportunity 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		6	pp. 72-73
GRI 405-1	Diversity of governance bodies and employees		6	pp. 72-75
GRI 405-2	Ratio of basic salary and remuneration of women to men	SDS compensates all employees according to their position and performance regardless of gender.	6	



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GRI 406	Non-discrimination 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 72, 82
GRI 406-1	Incidents of discrimination and corrective actions taken	There were no incidents of discrimination reported in 2020.		
GRI 407	Freedom of association and collective bargaining 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		3	pp. 78, 82, 84
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. In addition, we intend to develop and gradually implement supplier screening in the 2021 fiscal year.	3	
GRI 408	Child labor 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		5	p. 72
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	SDS adheres to all legal requirements in effect at our sites and therefore knows of no operations at significant risk for incidents of child labor. Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. In addition, we intend to develop and gradually implement supplier screening in the 2021 fiscal year.	5	



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GRI 409	Forced or compulsory labor 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		4	p. 72
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SDS adheres to all legal requirements in effect at our sites and therefore knows of no operations at significant risk for incidents of forced or compulsory labor. Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. In addition, we intend to develop and gradually implement supplier screening in the 2021 fiscal year.		
GRI 412	Human rights assessment 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		1, 2	pp. 13, 79, 84
GRI 412-2	Employee training on human rights policies or procedures	All employees are instructed to uphold human rights as part of our values management. In addition, we will include this topic in our compliance training in the 2021 fiscal year.		
GRI 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. This document also specifically addresses upholding human rights.		



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GRI 414	Supplier social assessment 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 84
GRI 414-1	New suppliers that were screened using social criteria	Our business partners are required to comply with the provisions of our Code of Conduct for Business Partners. In addition, we intend to develop and gradually implement supplier screening in the 2021 fiscal year.		
GRI 415	Public policy 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 84
GRI 415-1	Political contributions	As a rule, SDS is prohibited from donating to political parties. Personal political activities on the part of individual employees may not take place within the Company or have any kind of negative impact on SDS.		



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GRI 416	Customer health and safety 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 50-51
GRI 416-1	Assessment of the health and safety impacts of product and service categories			p. 51
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no incidents of non-compliance concerning the health and safety impacts of products and services.		
GRI 419	Socioeconomic compliance 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		10	pp. 77-79
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	No fines or sanctions were imposed on SDS due to non-compliance with laws or regulations in the social and economic area.		





SIGNA DEVELOPMENT SELECTION AG

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