



# GREEN IS THE NEW GOLD

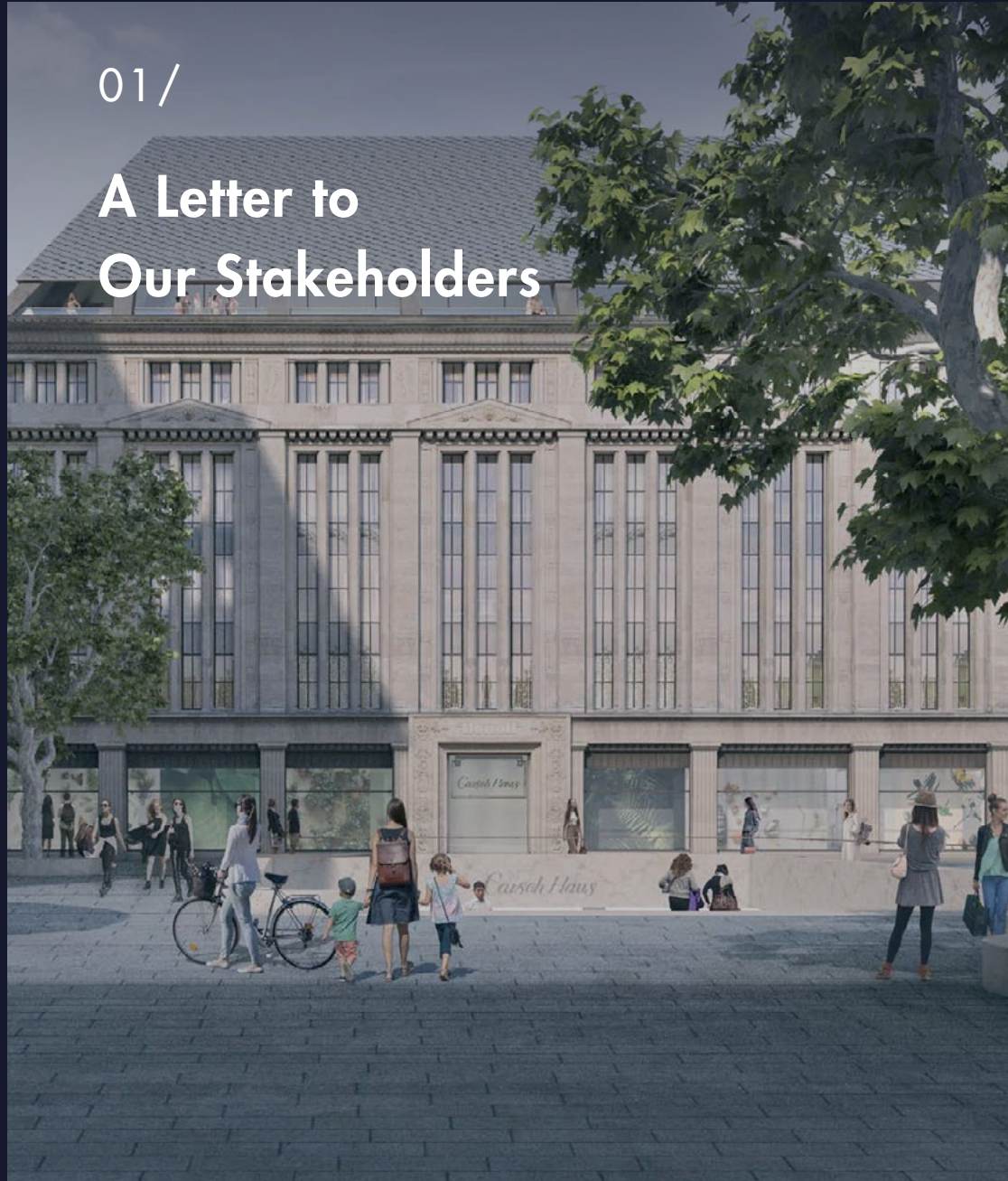
SUSTAINABILITY REPORT 2020. SIGNA PRIME SELECTION AG.



# TABLE OF CONTENTS

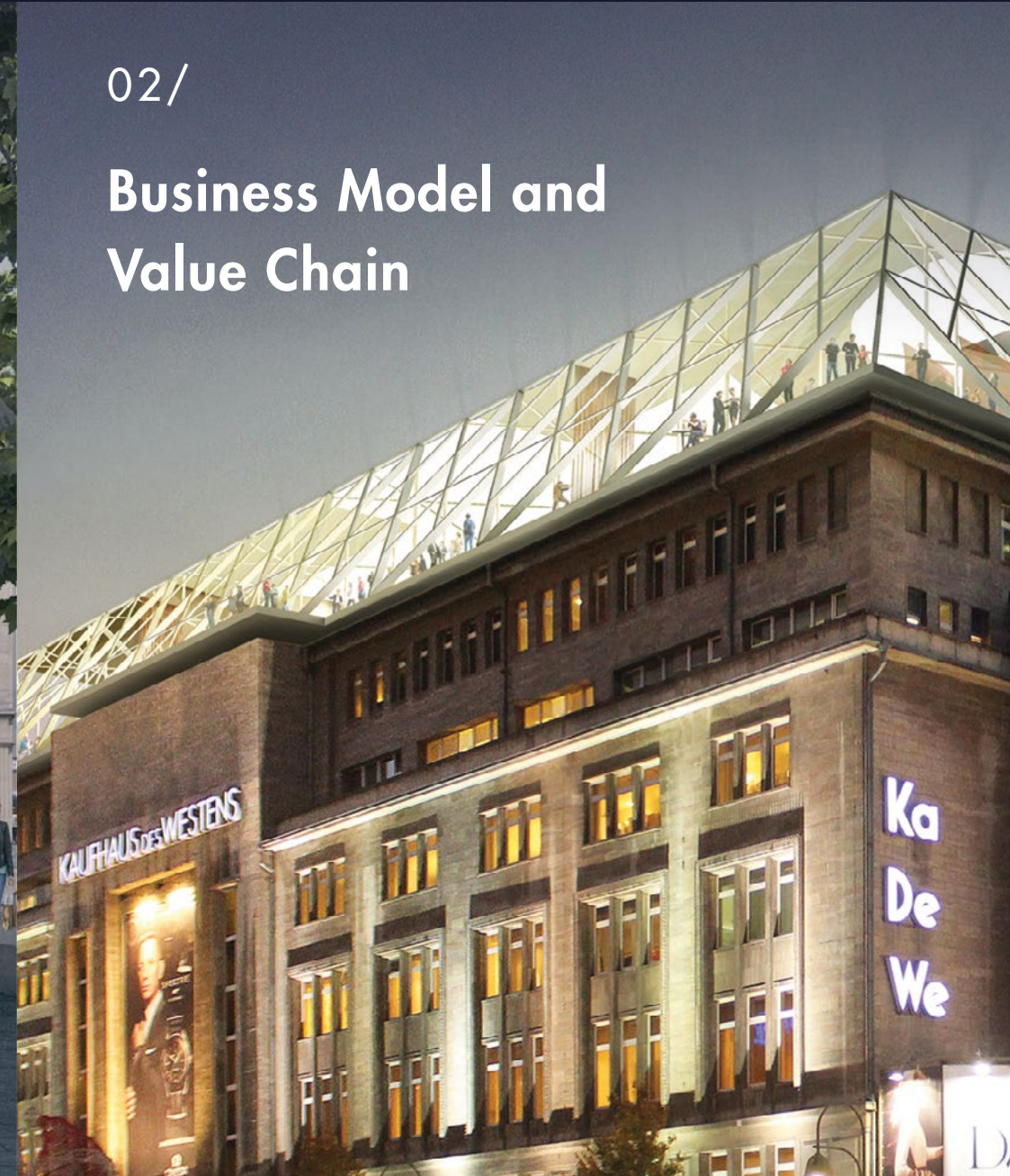
01/

**A Letter to  
Our Stakeholders**



02/

**Business Model and  
Value Chain**



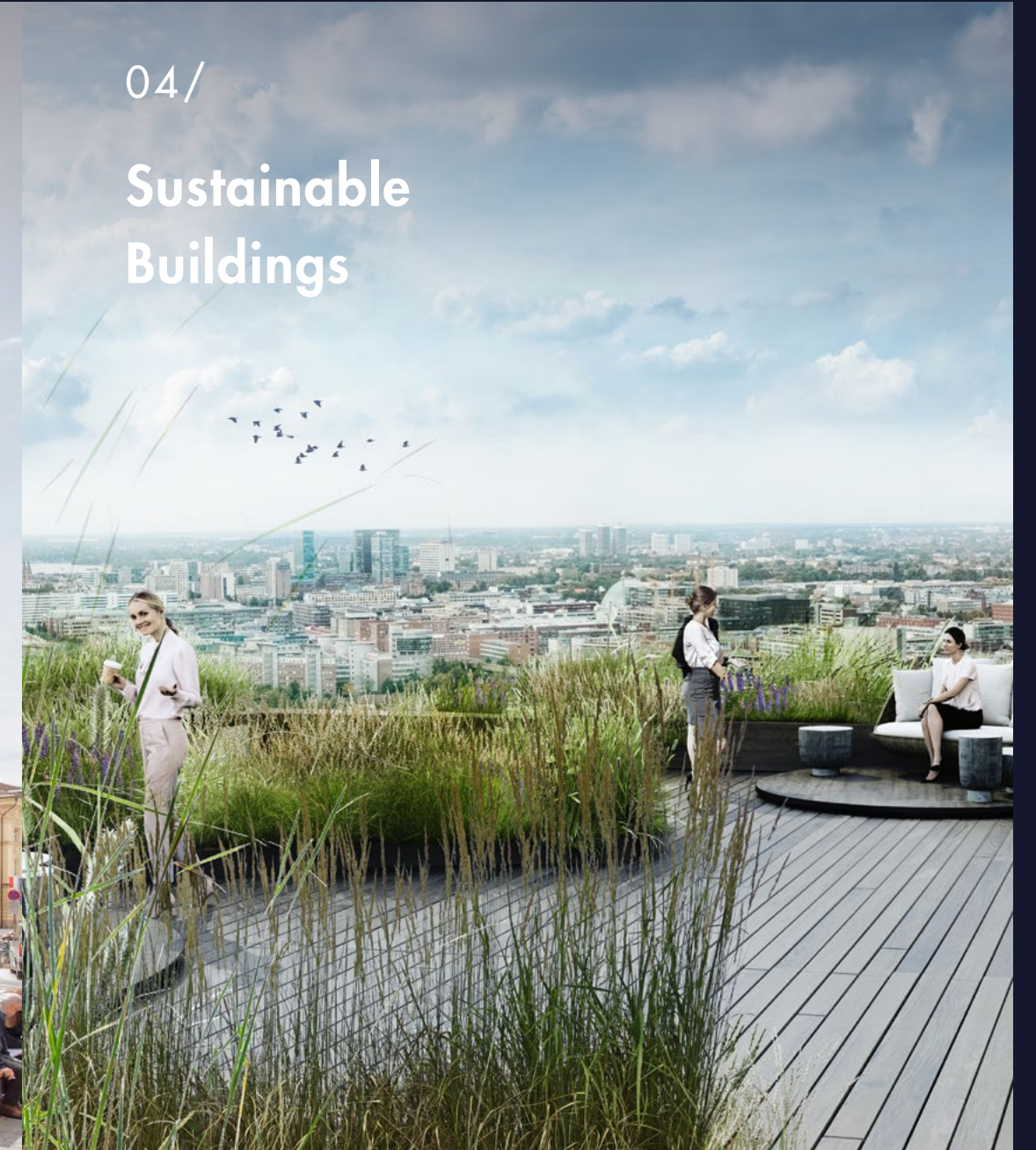
03/

**Sustainability  
Management**



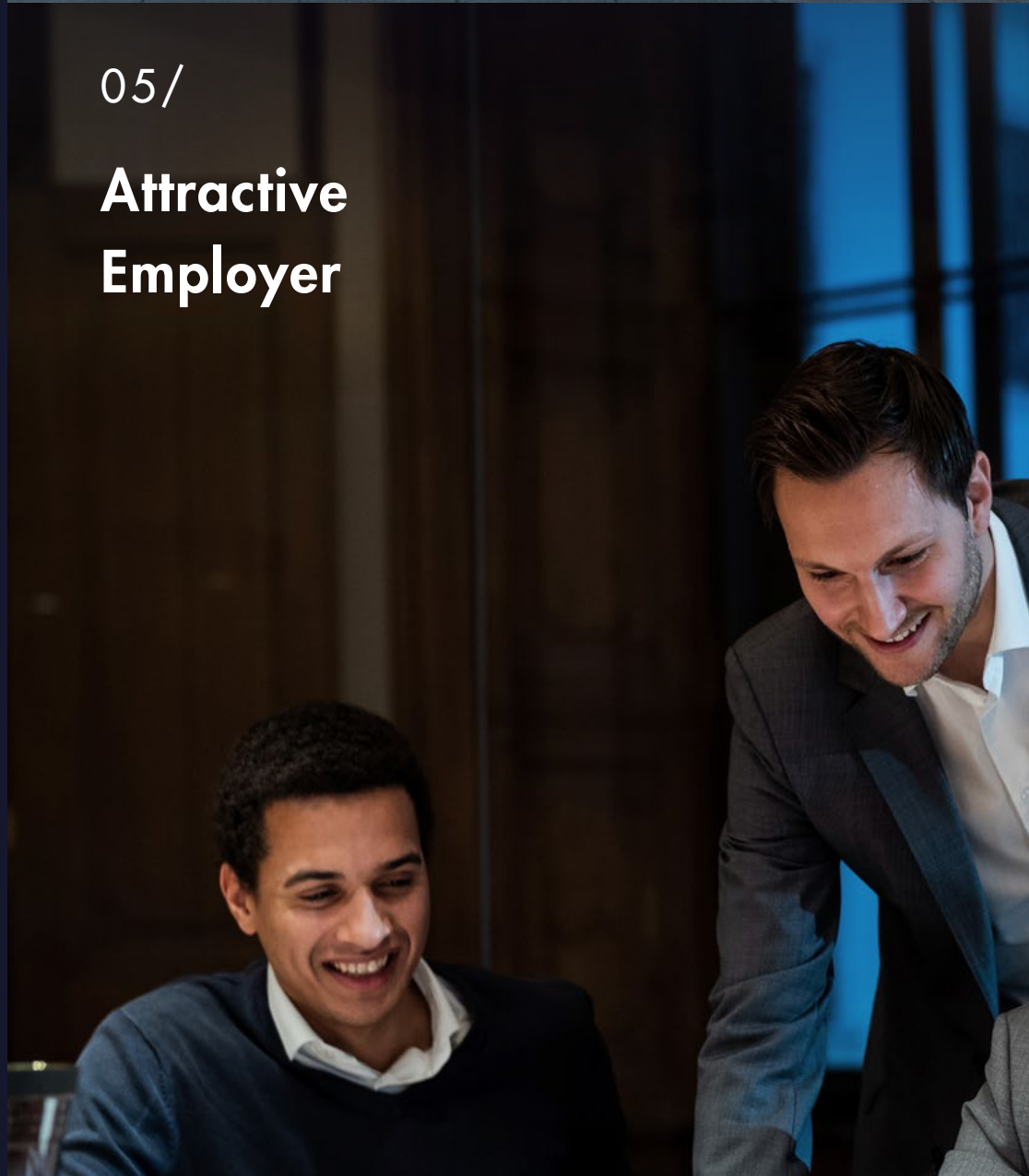
04/

**Sustainable  
Buildings**



05/

**Attractive  
Employer**



06/

**Responsible Corporate  
Governance**



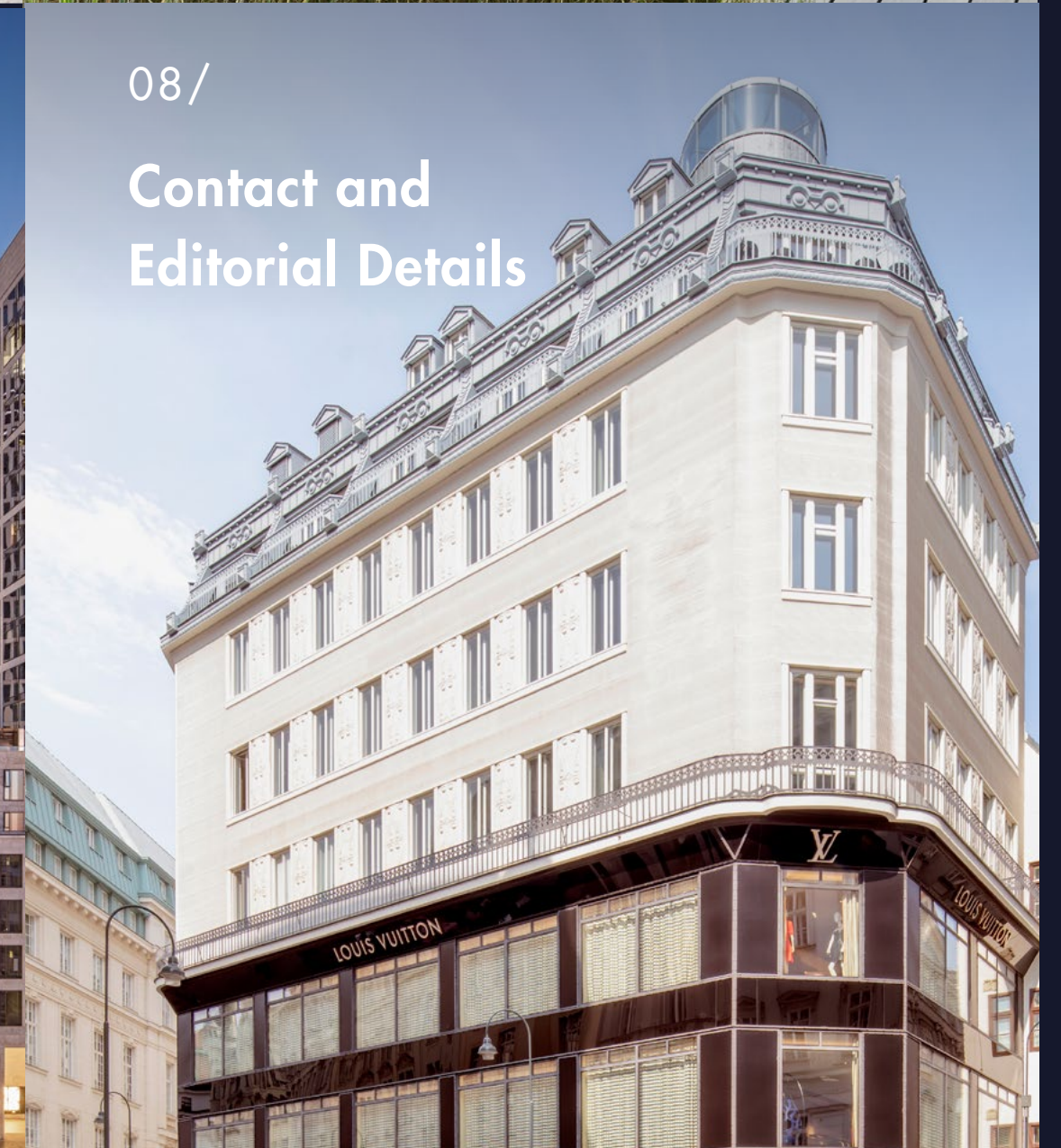
07/

**About This  
Report**



08/

**Contact and  
Editorial Details**





*Dear Partners,  
Stakeholders, and Employees  
of SIGNA Prime,*

Sustainability is integral to our corporate values. Thanks to our focus on the long term, we have developed SIGNA Prime into one of Europe’s leading real estate companies.

In fiscal year 2020, our key priorities were a strong commitment to a sustainable real estate industry and our passion for city centers. The results are clear: SIGNA Prime symbolizes both business success and a commitment to sustainability.

At SIGNA Prime, we think in terms of generations. Sustainability has been a key priority in our construction and development work for many years now. We have always set extraordinarily high standards throughout our real estate portfolio, creating timeless buildings and reimagining historic city centers. In the past year, we reached another important milestone in this effort by developing and approving our sustainability strategy called “Our sustainable SIGNature 2025.” This strategy documents our mission of establishing SIGNA Prime as one of the leading real estate companies focusing on sustainability. Our structured approach

to this strategy involved setting up an ESG team whose members are our interface to various business areas of the Company.

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. For this reason, our reporting currently follows the requirements of the Global Reporting Initiative’s (GRI) Core option.

Immediately after approving our strategy, we obtained a measurement of our commitment to sustainability by participating in an international ESG rating conducted by prominent rating firm Sustainalytics. On our first try, we placed 44th out of 942 real estate companies evaluated and therefore rank among the top 5% in the industry. This outstanding result fills us with pride. It confirms our role as a reliable and responsible partner to our stakeholders. The following are our three material sustainability topics: sustainable buildings, being an attractive employer, and pursuing responsible corporate governance. The landmark Elbtower project in Hamburg, Germany, is an

example of SIGNA Prime’s commitment to sustainability. This new architectural highlight in the Hanseatic city meets the most stringent sustainability criteria and is certified according to the LEED Platinum, WELL Building, and HafenCity Ecolabel Platinum standards. These include the use of district heating and participating in an ambitious smart mobility concept by HafenCity on Hamburg’s east side. Moreover, we are creating public parks and will expand an adjacent riverside path to improve quality of life for the people in the neighborhood.

**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 they can use to participate in making our properties more sustainable. 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 business. We would like to thank our team and our stakeholders for their commitment under these new conditions and strict safety measures. Despite the circumstances in Austria, Germany, Switzerland, and Northern Italy, we were able to grow and at the same time take a major step forward 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 SIGNA PRIME SELECTION AG  
MANAGEMENT BOARD

CHRISTOPH STADLHUBER  
TIMO HERZBERG  
MANUEL PIROLT  
TOBIAS SAUERBIER  
CLAUS STADLER







SIGNA PRIME SELECTION AG

# BUSINESS MODEL AND VALUE CHAIN

02





# OUR BUSINESS MODEL

The SIGNA Prime Group 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. The geographical focus is on Germany, Austria, Switzerland, and Northern Italy.

The long-term horizon, our firm belief in the promise of crisis-resistant downtown districts, and our passion for real estate form the three pillars of SIGNA Prime's success.

We are confident that downtown areas will always play an outsized role in cities: as a center for services, retail businesses, education, residential living, and culture as well as a central meeting point.

By collaborating with partners who have long-term sustainable visions and engaging in dialogue with cities, we develop crisis-resistant plans for the future in service of the society we live in.

SIGNA Prime's value chain spans all stages of property development and holding, from acquisition, through conceptual design, planning, and construction to marketing. Particularly in the case of the historic properties in our Long-term Portfolio, the focus is on conversion, renovation, and modernization in compliance with the requirements for heritage buildings. Where possible in specific cases, we adhere to the criteria for green buildings.





SIGNA Prime Selection AG’s portfolio consists of exclusive properties in prime downtown locations in large cities and metropolitan areas in Germany, Austria, Switzerland, and Northern Italy. We focus primarily on maintaining and preserving for future generations our portfolio of unique buildings with a gross asset value (GAV) of €16.6b (as of December 31, 2020).

Our Long-term Portfolio currently comprises 32 properties including icons such as KaDeWe luxury department store and UPPER WEST in Berlin, the Goldenes Quartier and Postsparkasse in Vienna, and Oberpollinger in Munich. A key component in SIGNA Prime’s successful history is our close

partnerships with stakeholders built on trust. As a partner to cities, our top priorities are preserving unique buildings for the coming generations and contributing to urban development for the benefit of society.

We concentrate not only on individual properties but rethink concepts such as urban development, sustainability, multi-use buildings, networking, and mobility. We work for livable cities — for us all.

MAP OF SIGNA PRIME  
PROPERTY LOCATIONS

- Long-term Portfolio
- New Investments





“OUR MISSION IS TO RENOVATE  
THE LANDMARK BUILDINGS  
IN OUR PORTFOLIO WITH  
PAINSTAKING CARE AND IN  
KEEPING WITH THE PRESERVATION  
STANDARDS OF AUSTRIA’S  
MONUMENTS AUTHORITY —  
*ensuring they are modernized and preserved  
for generations to come.*”

**CHRISTOPH STADLHUBER** Chief Executive Officer Austria





# SIGNA PRIME'S SUCCESS FACTORS

## SUCCESSFUL GROWTH

In addition to sustainably increasing value through organic growth, SIGNA Prime also expands and diversifies the portfolio with new acquisitions.

## VALUE FOR GENERATIONS TO COME

We stand for responsible value growth and a long-term and holistic view of our properties.

## LOCATED IN THE HEART OF THE CITY

We focus on extraordinary properties in prime downtown locations.

## EXCELLENT CREDIT-WORTHINESS

Our creditworthiness provides us with liquidity for new purchases and development projects.

## A RELIABLE PARTNER WITH HIGH STANDARDS

Our corporate governance and compliance architecture goes well beyond what is strictly required.

## CONTRIBUTION TO URBAN DEVELOPMENT

As a partner to cities, we are expressly committed to working together to fulfill the EU Action Plan.

## COLLABORATIVE DIALOGUE

Together with our stakeholders, we optimize the usage concepts for our properties and thereby contribute to structural change in downtown locations.

## SUSTAINABLE

We expressly commit to following the principles of sustainable development.

## CORPORATE DNA

Our team possesses significant industry expertise, and our management team has more than 20 years of experience.

## FAR-REACHING NETWORK

Together with far-sighted visionaries, we are able to create social added value with our business model.





€16.6B

gross asset value

770,000 m<sup>2</sup>

lettable area + 850,000 m<sup>2</sup> planned lettable area

18.9

years financing term

in the Long-term Portfolio

11.3

Low risk. SIGNA Prime ranks among the top 5% of companies  
in the real estate sector in Sustainalytics' ESG rating

65

extraordinary properties

18.4

years WALT

in the Long-term Portfolio  
(weighted average lease term)

272

employees

SIGNA Prime does business at eleven locations in Austria, Germany,  
Switzerland, Northern Italy, and Luxembourg.



“SUSTAINABILITY HAS BEEN A KEY PRIORITY IN OUR CONSTRUCTION AND DEVELOPMENT WORK FOR MANY YEARS NOW. *We have always set extraordinarily high standards throughout our real estate portfolio, creating timeless buildings and reimagining historic city centers.*”

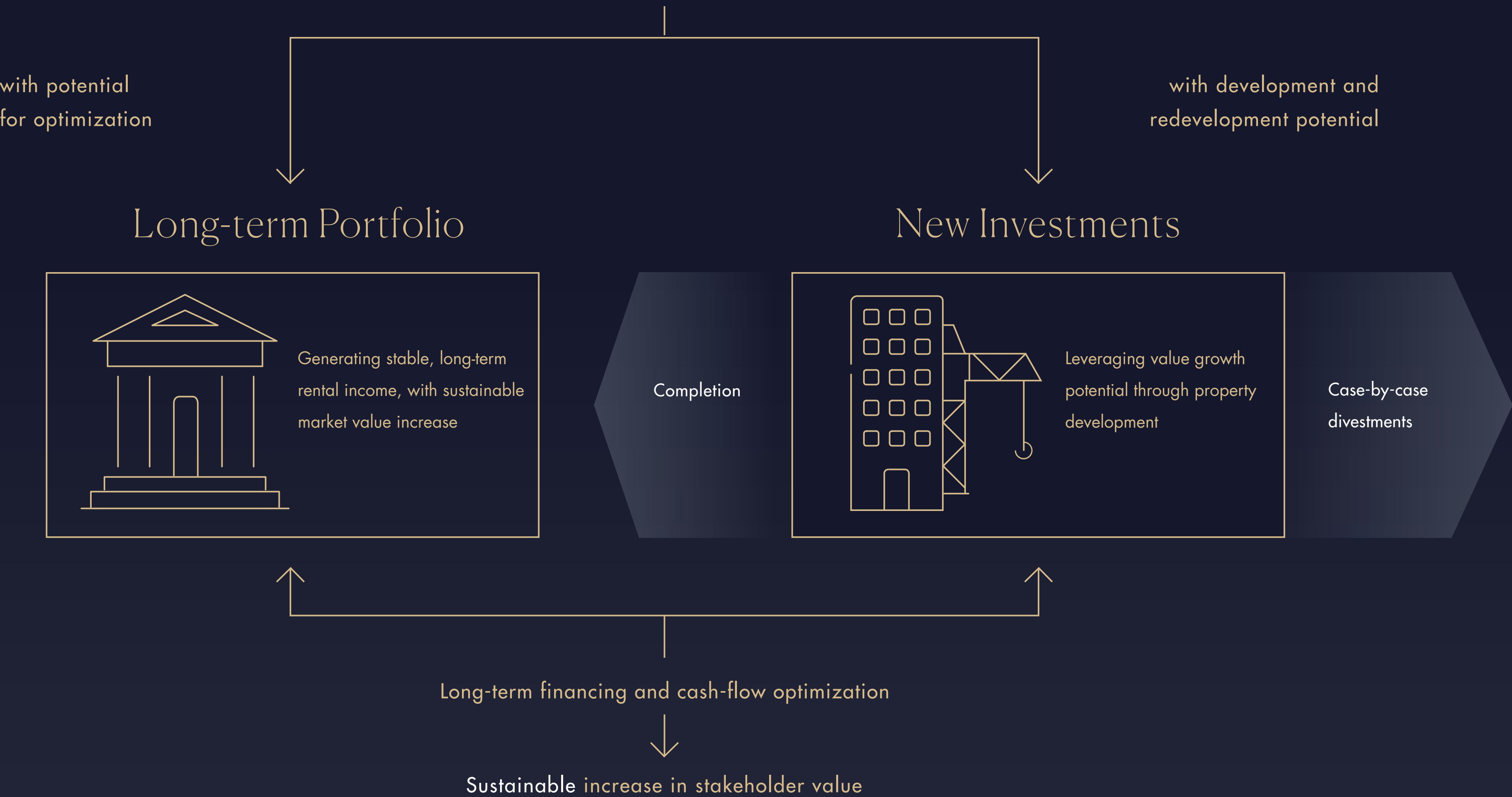
**TIMO HERZBERG** Chief Executive Officer Germany





# OUR VALUE CHAIN

## ACQUISITION OF PROPERTIES IN PRIME LOCATIONS





COMPOSITION OF  
INVESTMENT PROPERTY

60%  
LONG-TERM ASSETS

34%  
NEW INVESTMENTS

6%  
TRADING PORTFOLIO

LONG-TERM PORTFOLIO

Sustainable conversion and renovation of  
iconic buildings for long-term stability

At the core of our business model and our lasting stability is our Long-term Portfolio. These exclusive properties include the Berlin-based luxury department store KaDeWe, the new UPPER WEST office tower on Berlin’s famous Kurfürstendamm Boulevard, the architectural landmark of the Postsparkasse in Vienna as well as other high-end downtown real estate in Vienna, Innsbruck, Berlin, Hamburg, Munich, Cologne, Düsseldorf, and Frankfurt. SIGNA Prime thinks in terms of generations when managing the Long-term Portfolio. Doing business sustainably is the condition for making this long-term vision a reality.

NEW INVESTMENTS

Leveraging the value potential of  
properties and portfolios

We also expand our Long-term Portfolio by developing and redeveloping properties ourselves. This includes acquiring individual properties or entire property portfolios in major city centers, provided their excellent location makes them suitable for the Long-term Portfolio and the projects offer adequate potential for value creation. Our diversified pipeline of development and property optimization projects will be completed over the next few years. As a rule, we subsequently add the property to our Long-term Portfolio.

Our New Investments projects include the Elbtower in Hamburg, Alte Akademie and Bahnhofsviertel in Munich, the Bauer luxury hotel in Venice, and Carsch Haus in Düsseldorf. Additional projects are located in Berlin, Frankfurt, Stuttgart, Vienna, and Bolzano.

TRADING PORTFOLIO

Disposal of individual  
properties

In cases where we acquire non-strategic properties when buying real estate portfolios, we actively work to resell these. These buildings are part of our Trading Portfolio.







SIGNA PRIME SELECTION AG

# SUSTAINABILITY MANAGEMENT

03





# OUR APPROACH TO SUSTAINABILITY



SIGNA PRIME IS COMMITTED TO RESPONSIBLE CORPORATE GOVERNANCE. As one of Europe's leading real estate companies, our trophy assets are at the heart of our Company's business.

Our business is built on the principles of creating lasting value and preserving extraordinary buildings for the long term. It is therefore vital for us to pursue a model of sustainable development. Environmental, social, and societal factors play as important a role as economic considerations in our business decisions and processes.

As the owner of properties that define the cityscapes in major metropolitan areas, we carry great responsibility for their renovation and operation. Historical buildings, often under heritage protection, comprise a large portion of our portfolio. Even when we renovate them fully and bring them up to the latest sustainability standards, the visible parts of the structures still require very careful restoration.

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.





“TRANSPARENCY IS AN INTEGRAL PART OF BUILDING A RESPONSIBLE BUSINESS. EVERY YEAR, WE PUBLISH OUR ESG PERFORMANCE REPORT OUTLINING OUR ACHIEVEMENTS AND OUR FUTURE GOALS. *Thanks to our excellent ESG rating and our newly adopted Green Finance Framework, we are ideally positioned to meet the demands of our investors and the capital markets.*”

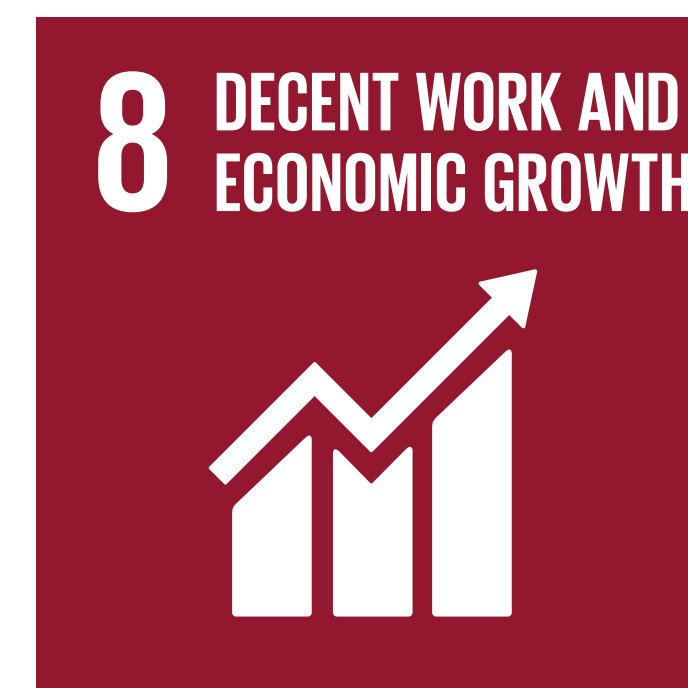
**MANUEL PIROLT** Chief Financial Officer





# 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 fairer and more just world by pursuing the following SDGs:





# 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 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. SIGNA Prime’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.

15  
EMPLOYEES ENSURE THAT  
OUR SUSTAINABILITY STRATEGY  
IS COMMUNICATED AND  
IMPLEMENTED WITHIN THE  
COMPANY.

MONITORING  
SIGNA PRIME MANAGEMENT BOARD  
Christoph Stadlhuber

STRATEGY AND 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

FOR SEVERAL YEARS NOW, SIGNA PRIME HAS BEEN INCORPORATING SUSTAINABILITY ISSUES 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 SIGNA Prime’s various stakeholders, 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 SIGNA Prime 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.



# 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 in the first place. And it shows us the ways we can tackle these effectively.

## 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 ombudspeople who act as direct contacts for our stakeholders.

When we undertake New Investment 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 extensive stakeholder dialogue are the Österreichische Postsparkasse project in Vienna and our property on Hermannplatz in Berlin.





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 presentation
- In-house 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





“MAINTAINING AN ACTIVE DIALOGUE WITH OUR STAKEHOLDERS, FROM THE EARLIEST PLANNING STAGE RIGHT THROUGH TO COMPLETION, *helps build community-wide buy-in for our developments.*”

**TOBIAS SAUERBIER** Management Board member





# 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."

# 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 shape cityscapes, 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.



CREATING VALUE FOR THE NEIGHBORHOOD

# SHAPING THE FUTURE OF KARSTADT HERMANNPLATZ







**IN BERLIN, DIALOGUE WITH OUR STAKEHOLDERS LED TO NEW IMPETUS FOR A DEPARTMENT STORE CONCEPT OF THE FUTURE:** The goal was to create a lively space for Karstadt, a mixed-use property, and signature architecture with robust transportation connections. We acquired the property in 2017 and have been discussing the project with neighbors and all interested parties since 2019. This has included participating in district and city senate committee meetings, holding discussions with business owners from the area, and speaking with the BVG (Berlin's public transportation authority) and the steering committee for Karl-Marx-Straße.

Many people came to see us during office hours or at our HRMNNBOX courtyard café, or talked to us while riding on our new bike lane, which runs through the courtyard.

We summarized our ideas on a project website under the motto "Not without you!". The site presents our vision: We want to rebuild Karstadt as it existed prior to its destruction in April 1945 to give the city a piece of its identity back. Karstadt will serve to supply goods to the local area, and the building complex will offer new space for living, working, and other public activities. We expressly support resident involvement in a process of citizen participation by the districts and in actively shaping their neighborhood. Only through participative processes can we create the precisely the space that the community needs.





DIALOGUE ACROSS THE STAKEHOLDER COMMUNITY FOR THE POSTSPARKASSE DEVELOPMENT

# ARCHITECTURAL HERITAGE AS A SPACE FOR CUTTING-EDGE ART AND CULTURE







OTTO WAGNER'S POSTSPARKASSE BUILDING, WHICH WE HAVE OWNED SINCE 2013, IS CONSIDERED ONE OF THE MILESTONES ON THE WAY FROM HISTORICISM TO MODERN ARCHITECTURE.

It was important for us to open up this world-famous Viennese architectural icon for cultural activities and find a suitable long-term use for the building. In November 2019, SIGNA was able to sign a 99-year leasehold agreement with Bundesimmobilien-gesellschaft m.b.H (BIG), which manages Austrian publicly owned real estate. The building will be used by several university-affiliated institutions in the future, Common areas, e.g., the foyer and banking hall, remain accessible to the public.

The various uses we initiated and arts partnerships we entered into included the "Post Otto Wagner: From the Postal Savings Bank to Post-Modernism" exhibition organized by the Austrian Museum of Applied Arts/Contemporary Art in which the building served as a separate exhibit. Moreover, the building was used as headquarters for the international FOTO WIEN photography festival for a month. The Postsparkasse property has also offered a unique and popular backdrop for film sets, photo shoots, and television reporting.

Being perceived as a partner to the city that provides momentum by promoting culture was always a special concern for us. We maintained a dialogue with the public in events in the WAGNER:WERK Museum housed in the property as well as press activities and tours, and on social media and the building's website. And, for example, we acted as resources for industry associations during informational meetings and walk-throughs of the Postsparkasse building.

We included neighbors and residents in tours in cooperation with architecture centers, universities, and museums. For our business partners — from architects, restorers, structural engineers, construction project managers to locksmiths — we organized tours, discussions, regular meetings, and also conference calls. In addition, we partnered with universities such as the Vienna University of Technology, University of Applied Arts Vienna, Academy of Fine Arts Vienna, Berlin University of the Arts, and Columbia University. All of these activities are our contribution to a multi-faceted society.



# 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 measures 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. You can find an overview of the reported GRI disclosures 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

10 targets  
23 actions



### ATTRACTIVE EMPLOYER

6 targets  
18 actions



### CORPORATE GOVERNANCE AND COMPLIANCE

11 targets  
32 actions



“THE COMPANY’S  
2020 ESG STRATEGY ENTITLED  
‘OUR SUSTAINABLE SIGNATURE 2025’  
AS WELL AS ITS AMBITIOUS GOALS  
AND INITIATIVES REPRESENT A REAL  
MILESTONE FOR THE COMPANY.

*Our primary goal is to ensure that sustainable  
and therefore profitable corporate governance  
is deeply embedded in our day-to-day business  
and our employee culture.”*

**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

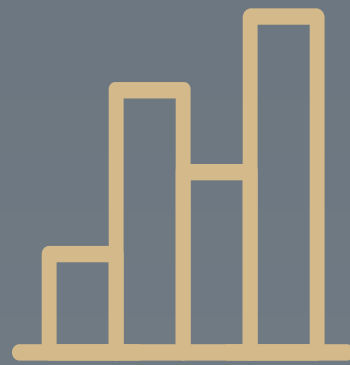


Communication  
and Reporting

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 stakeholder  
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 PRIME 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 (CO<sub>2</sub>).** It is estimated that buildings are responsible for around a third of global CO<sub>2</sub> emissions and energy consumption.<sup>1</sup> 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. Constructing and renovating properties in accordance with green building standards, reducing environmental impacts, and managing existing buildings and new developments as efficiently as possible in the regional capitals of Austria and the urban centers of Germany, Northern Italy, and Switzerland are front and center for SIGNA Prime.

Although a significant proportion of the environmental effects result from the demand for electricity and heating during the properties' usage phase, it is in the design phase, in particular, that the greatest impact is had on the properties' environmental footprint. We therefore focus specifically on a holistic approach to environmental and social effects along their life cycle. In addition, we continually step up our sustainability activities to further reduce the environmental footprint of our properties.

Our role in integrated urban development is an important one thanks to our Long-term Portfolio and Project Development Portfolio, which comprise trophy assets in class A downtown locations. Their lasting success requires the participation and approval of all stakeholders involved, so we first identify the relevant stakeholder groups for each individual project. Then, we systematically and transparently involve them in the process from the early stages through to project completion (see the "Stakeholder Dialogue" in the "Sustainability management" section).

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





IN LINE WITH OUR MISSION  
OF CREATING VALUE FOR  
GENERATIONS TO COME, WE VIEW  
ALL OF OUR PROPERTIES FROM  
A LONG-TERM PERSPECTIVE  
AND PURSUE FUTURE-PROOF  
CONCEPTS FOR THEIR USERS.

We want our buildings to fully meet the needs of our stakeholders in future generations, so we analyze changes occurring in city centers and intelligently adapt the uses of our properties. This enables us to lock in satisfied tenants for the long term as well as enabling flexible changes in the way buildings are used as an answer to structural change in city centers. That often means creating a mixed-use property with retail on the lower floors, for example, and office, residential, or hotel tenants on the upper floors. When repositioning properties in the Long-term Portfolio as well as New Investments, we always pay attention to using space efficiently

BY DRAWING ON OUR EXTENSIVE  
EXPERIENCE IN THE IMPLEMENTATION  
OF MIXED-USE CONCEPTS.

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. This distribution of responsibilities enables us to effec-

tively achieve our goals and take steps to ensure the sustainability of the Long-term Portfolio and New Investments. We regularly report on our progress in our ESG Council meetings and therefore directly to the Management Board, and 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 divisions staff this committee, which promotes the interdisciplinary exchange of knowledge within SIGNA Prime.



PROPERTIES INCLUDED IN THE 2020 SUSTAINABILITY REPORT



65 properties

are owned by SIGNA Prime, 32 of which are held in the Long-term Portfolio, 19 in New Investments, and 14 in the Trading Portfolio



Quantitative reporting

on 13 properties in the Long-term Portfolio<sup>1</sup>



Qualitative reporting

on 32 properties in the Long-term Portfolio and 19 New Investments

<sup>1</sup> Properties purchased in 2020 and properties under the control of tenants are not included in the quantitative data collected. Details on data collection principles is provided in “About This Report.”



# ENVIRONMENTAL FOOTPRINT OF OUR BUILDINGS

OUR SUSTAINABILITY  
STRATEGY INCLUDES THE GOAL OF HAV-  
ING OUR BUILDINGS MEET THE HIGHEST  
STANDARDS OF SUSTAINABILITY.

The focus is on green building standards in property development and renovation, lowering the impact of our buildings on the environment, and ensuring the highest possible efficiency when managing both Long-term Portfolio properties and New Investments. 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 international certifications such as LEED or BREEAM. In some cases, our properties are also certified to well-known national standards such as DGNB (GSBC) and ÖGNI.

It is our stated goal to certify all New Investments as green buildings.

In this context, we concentrate in particular on revitalizing our Long-term Portfolio of historic structures, such as the Goldenes Quartier in Vienna. A customized concept is required for every single property under heritage protection for this purpose that melds the historical importance of the property with state-of-the-art sustainability standards. Accordingly, our team analyzes the opportunities and limits of revitalizing such buildings and determines the possibilities along with our stakeholders. Where possible, we strive for certification of existing buildings as well.

Examples of buildings constructed or properties in our Long-term Portfolio renovated according to the highest sustainability standards are the UPPER WEST office tower located on Kurfürstendamm in Berlin (DGNB Gold), the neoclassical building Am Hof in the center of Vienna renovated for the Hotel Park Hyatt Vienna (BREEAM Very Good), and the Tuchlauben office and retail building originally built in 1909 (BREEAM Gold).



100%  
OF OUR NEW INVESTMENTS  
EXPECTED TO BE CERTIFIED  
AS GREEN BUILDINGS





“OUR GOAL IS TO MODERNIZE THE HISTORICAL BUILDINGS IN OUR PORTFOLIO AND THEN UPGRADE THEM TO CURRENT SUSTAINABILITY STANDARDS. *A review is currently underway to determine which properties in our portfolio are good candidates for eco-certification.*”

**CLAUS STADLER** Management Board member





## CERTIFICATIONS OBTAINED BY SIGNA PRIME



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 Building Research Establishment Environmental Assessment Methodology (BREEAM) is a system used worldwide to assess the sustainability of buildings according to criteria including environmental and sociocultural aspects. It was developed in the United Kingdom and comprises separate systems for evaluating existing buildings, modernization, new construction, and urban districts, as well as customized systems.

The levels range from Acceptable, Pass, and Good to Very Good, Excellent, and Outstanding.



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).



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.





## GREEN LEASES: LEASES GEARED TO SUSTAINABILITY

OUR AIM IS TO MAKE OUR BUILDINGS SUSTAINABLE NOT ONLY DURING CONSTRUCTION AND RENOVATION, BUT ALSO DURING OPERATION. During this phase of the life cycle, responsibility is often in the hands of our tenants. Going forward, we plan to introduce green leases, or leases geared to sustainability, for this reason. These leases will contain agreements with our tenants stipulating that we work together toward sustainable, resource-conserving, and environmentally friendly use of the properties.

This will require extensive dialogue in the case of tenants in our Long-term Portfolio buildings in particular, because tenant needs, the particular characteristics of each property, and certification requirements are carefully balanced, and reporting will have to be established. Our project teams are currently reviewing how to incorporate green clauses into individual leases.





REVIVAL OF A HISTORIC DEPARTMENT STORE IN VIENNA

# A SUSTAINABLE MEETING PLACE



DEPARTMENT STORE, HOTEL, VARIOUS DINING OPTIONS, AND AN EXPANSIVE PUBLIC ROOF GARDEN WITH AN EXTRAORDINARY PANORAMIC VIEW: THESE ARE THE FEATURES OF OUR NEW URBAN DEVELOPMENT PROJECT TO BE COMPLETED BY FALL 2024 ON MARIAHILFER STRASSE IN VIENNA, AUSTRIA'S TOP SHOPPING STREET.

The building complex fits perfectly into the cityscape and combines historic style with new elements. The divided facade from the turn of the 20th century along Mariahilfer Straße will remain, along with an approximately six-meter-deep wing located behind it. The remaining structure will be demolished and rebuilt according to the highest sustainability standards. In all areas of construction, we will pay attention to energy efficiency and the conservation of resources.

A NEARLY 500 M<sup>2</sup> SOLAR POWER SYSTEM COMPRISING SOME 250 MODULES ON THE EXTENSIVELY GREENED ROOF WILL SUPPLY ELECTRICITY.

Connection to Vienna's district heating and cooling grid will put in place the perfect conditions for optimal temperature regulation. SIGNA Real Estate is one of the first private investors and today is the largest among them to obtain district cooling from Wien Energie. It is this project as well that provides the impetus for expanding Mariahilfer Straße's district cooling system. This will be supplemented with an in-house heat recovery system. The objectives of the smart water management system include automatic watering of green spaces and a substantial reduction in water usage in the hotel area while still ensuring the highest standards of comfort.

The facade, which consists in part of concave and convex glass elements that protect against the heat and sun, guarantees optimal use of natural light. When it is dark, very low-power automatic lighting systems provide for a pleasant atmosphere. On the whole, this project will make the mostly densely developed Neubau district of Vienna much greener.



Planted terraces and especially the publicly accessible, elaborate roof garden without any commercial activity will additionally influence the micro climate of the neighborhood very positively with thermal exhaust air.

The neighbors in the urban area will not be the only ones to benefit from the value added by the new complex: The positive impact of this project will extend all the way down Mariahilfer Straße. We are seeking LEED Gold green building certification for this building complex in Vienna as well as certification according to the GREENPASS GOLD Standard.







“ANYONE LOOKING TO ESCAPE FROM THE HUSTLE AND BUSTLE OF CITY LIFE — EVEN FOR A BRIEF MOMENT — WILL FIND A NEW OASIS ON THE ROOFTOP OF MARIAHILFER STRASSE 10–18, *with an abundance of trees, shrubs, and flowers inviting visitors to sit back, relax and enjoy the breathtaking views of Vienna.*”

**INGRID HEBENSTREIT** Senior Project Manager, Mariahilfer Straße 10–18, Vienna



# ENERGY AND EMISSIONS DURING PLANNING, CONSTRUCTION, AND OPERATION

IN ORDER TO BOOST ENERGY EFFICIENCY DURING OPERATION, WE INSTALL ENERGY-SAVING TECHNOLOGIES, SUCH AS HEAT RECOVERY SYSTEMS, HEAT PUMPS, EFFICIENCY PUMPS, AND LED LIGHTING, AND MODERNIZE THE ENERGY SYSTEMS IN EXISTING BUILDINGS. We continually evaluate the possibility of using alternative energy sources and, if the results are positive, implement these. At Carsch-Haus in Düsseldorf, for example, we use district heating, a significant percentage of which is obtained from cogeneration. The main energy

source for the planned Elbtower in Hamburg will be a wastewater heat recovery system supplemented with waste heat from a nearby industrial plant. In 2021, we intend to increase the number of buildings in the Long-term Portfolio with green electricity contracts to further reduce the carbon emissions of our portfolio. The energy consumption of the portfolio totaled 32,482 kWh in the 2020 fiscal year (2019: 38,605 kWh). This represents a decrease in energy consumption by 15.9% in 2020, which was due partly to the lockdowns during the COVID-19 pandemic and the relatively warm winter, but also to the steps we took to conserve energy.





ENERGY CONSUMPTION IN  
OUR LONG-TERM PORTFOLIO

TYPE OF ENERGY IN 1,000 KWH	2020	2019
TOTAL	32,482	38,605
FUEL CONSUMPTION	1,757	1,884
thereof: natural gas	1,757	1,884
ELECTRICITY PURCHASED (TOTAL)	11,782	13,897
thereof: from renewable sources	7,203	8,964
thereof: from non-renewable sources	4,579	4,933
HEATING PURCHASED	13,031	14,937
thereof: district heating	13,031	14,937
COOLING USAGE	6,027	8,062
thereof: district cooling	4,895	6,035
thereof: from heat pumps	1,017	1,852
thereof: from electricity generation <sup>1</sup>	115	175

<sup>1</sup> This figure is also listed in “Electricity purchased” and therefore included in total energy consumption only once.

WASTE GENERATION IN  
OUR LONG-TERM PORTFOLIO<sup>2</sup>

WASTE (BY DISPOSAL TYPE) IN 1,000 L	2020	2019
TOTAL	13,440	12,317
thereof: recycled	5,546	4,925
thereof: composted	3,177	2,495
thereof: incinerated	1,229	1,229
thereof: landfill	1,645	1,825
thereof: other disposal	1,843	1,843

<sup>2</sup> Calculation based on the volume of waste containers and pick-up frequency.  
The extent to which the containers were full is not known.





OUR GOAL IS TO  
CONTINUALLY REDUCE THE  
ENERGY CONSUMPTION  
OF OUR PROPERTIES AND  
THEREFORE THEIR ASSOCIATED  
CARBON EMISSIONS

Our extensive planning phase includes the early development of project-based energy concepts for technical systems in our buildings, and precertification steps are completed at this stage.

The aim is to obtain green building certification for all of our new developments, and to ensure that our existing buildings meet new construction standards after major restoration.

INTEGRATION OF  
SUSTAINABILITY  
ASPECTS

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

We implement sustainability in several respects in renovated and new buildings, as well as in building operation.





ELBTOWER

# A NEW SUSTAINABILITY LANDMARK FOR HAMBURG

04 SUSTAINABLE BUILDINGS

SIGNA PRIME SELECTION AG





“THE INNOVATIVE ENERGY SUPPLY SOLUTION USED IN THE ELBTOWER COMPLEX WILL EFFECTIVELY REDUCE ITS CARBON FOOTPRINT TO ZERO. *The main sources of energy will be a waste water heat exchanger, district heating from industrial waste heat, and contracts for green electricity.*”

**TIMO HERZBERG** Chief Executive Officer Germany

WHAT WILL BE THE TALLEST BUILDING IN THE HANSEATIC CITY OF HAMBURG WILL NOT ONLY DOMINATE THE SKYLINE BUT ALSO MEET SKY-HIGH SUSTAINABILITY CRITERIA.

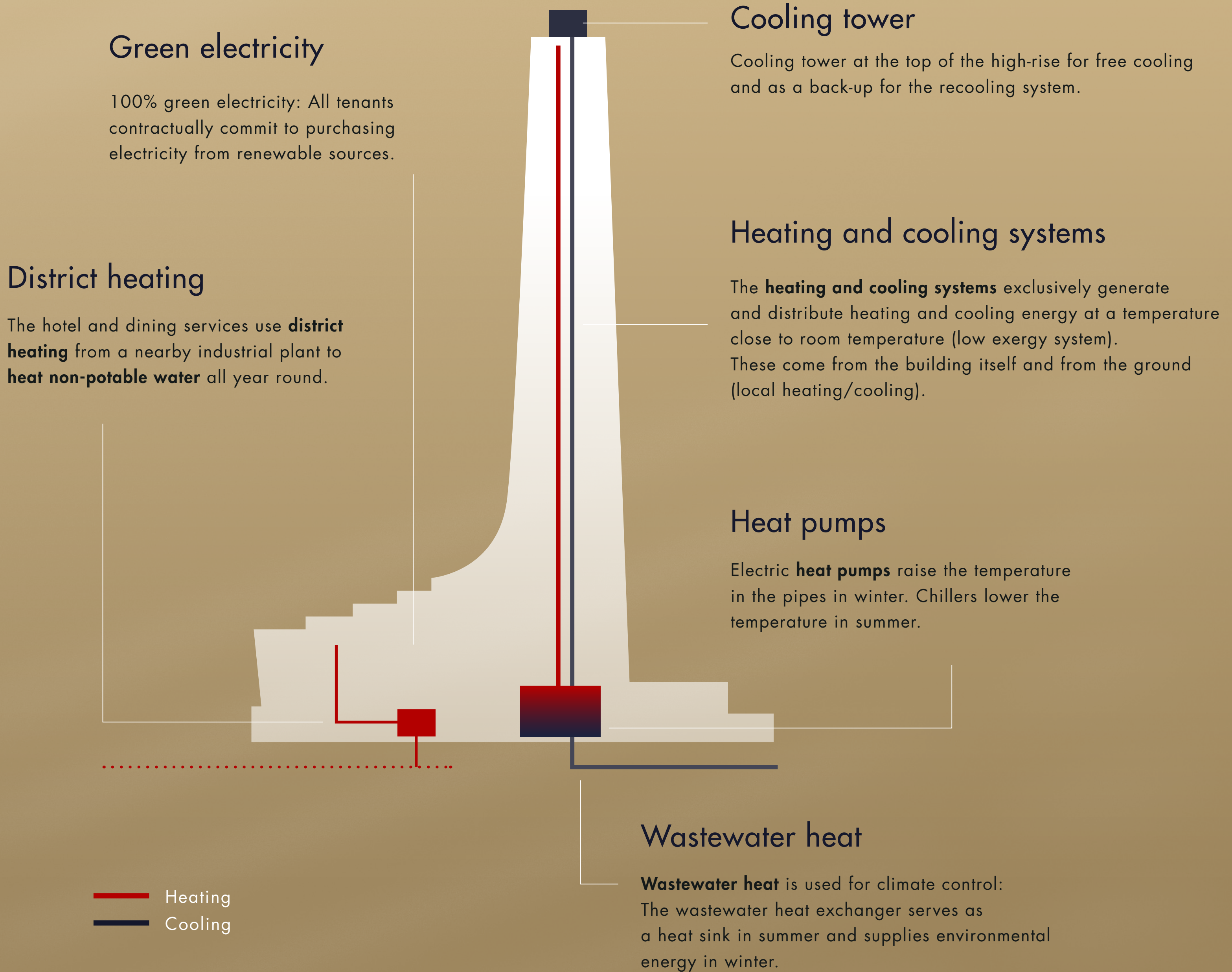
With a below- and above-ground gross floor area of 160,000 m² and height of 245 meters, the smart energy concept is particularly important. The largest percentage of carbon emissions in the life cycle of a building is normally emitted by heating and power during its operating phase. In addition, we plan to purchase green electricity for the building. Smart metering will allow us to evaluate the exact usage data for the shared spaces and determine ways to further improve efficiency.

The thousands of people who will enter and exit the property daily to access one of the approximately 3,000 jobs in the building, or shopping, dining, fitness, and hotel facilities, or to attend one of the many leisure, cultural, or edutainment options available are capable of increasing traffic in the area.

However, this will not be the case at Elbtower, which is part of eastern HafenCity’s ambitious smart mobility concept. The building is easily accessible by car due to its location near the Autobahn, but also by subway, light rail, and ferry. Cyclists will be able to use bicycle parking spaces, and occasional drivers will have access to bike and car sharing services, including charging stations. We are seeking LEED Platinum, WELL Building, and HafenCity Eco-label Platinum certification for the Elbtower building.



# NEARLY 100% CARBON-NEUTRAL OPERATION

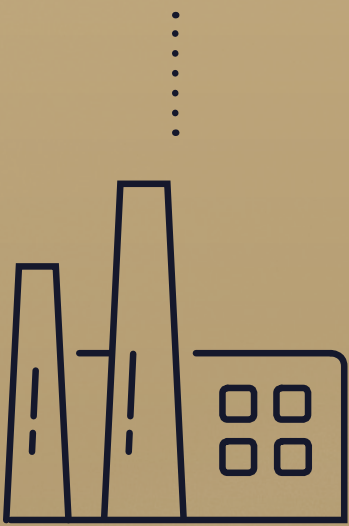






ELBTOWER — SUSTAINABILITY STARTS WITH CONSTRUCTION

Minimizing  
traffic and  
exhaust



Setting up a local concrete  
plant at the construction site

Using recycled  
and environmentally  
friendly materials



Adding recycled concrete,  
e.g., to the foundation piles and the  
up to four-meter-thick foundation slab



Transporting  
bulk materials by ship



Using materials very  
low in harmful substances  
in interior fittings



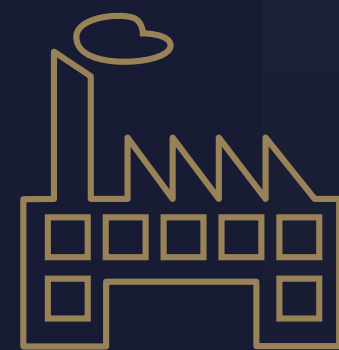
# GREENHOUSE GAS FOOTPRINT DURING A BUILDING'S LIFE CYCLE

(greenhouse gas emissions as a share of a building's total emissions)<sup>1</sup>



## Planning

Energy



## Production

Provision of raw materials from companies outside of the SIGNA Group of Companies, transportation, production of building materials

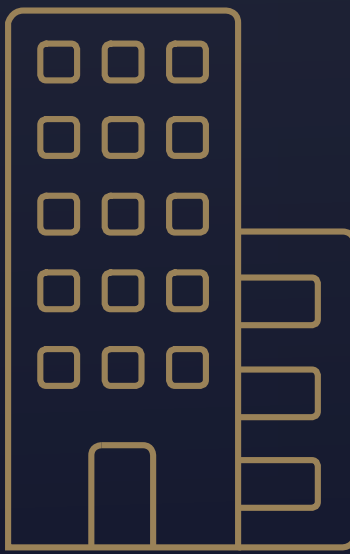


## Construction process

Transportation  
Installation

## Conversion and renovation

Maintenance  
Repairs  
Replacement  
Conversion  
Refurbishment



## Use and operation

Energy for interior heating, interior cooling, hot water, and lighting in buildings



## End of life cycle

Demolition  
Transportation  
Waste management  
Landfill  
Recycling



<sup>1</sup> Sources: BBSR Online Publication No. 17/2020, Fig. 3, and DGNB publications



GREENHOUSE GASES ARE EMITTED THROUGHOUT THE ENTIRE LIFE CYCLE OF A BUILDING — THREE-QUARTERS OF THE TOTAL DURING THE USE PHASE.

For this reason, our goal is to reduce the energy needs of our buildings and its users as much as possible, to optimize supply systems, and to use renewable energy. The manufacture of construction materials also generates one-fifth of the emissions in a building’s life cycle. This is why we strive to streamline or reduce the use of materials and aim to use as many lower-carbon construction components and materials as possible. **WE ARE CURRENTLY ROLLING OUT DATA COLLECTION SOFTWARE** with which we can systematically collect consumption data and subsequently implement efficiency-improvement measures. Life cycle analyses, which are conducted for all of our new properties, will also serve this purpose.

SCOPE 1 AND SCOPE 2 GHG EMISSIONS OF OUR REAL ESTATE PORTFOLIO<sup>1</sup>

In t CO <sub>2</sub> e	2020	2019
<b>TOTAL</b>	<b>5,018.5</b>	<b>5,953.6</b>
Scope 1	323.1	346.4
Natural gas	323.1	346.4
Scope 2	4,695.4	5,607.2
Electricity <sup>2</sup>	1,601.2	1,914.7
Location-based	2,516.2	3,095.9
Market-based <sup>3</sup>	1,601.2	1,914.7
Heating purchased	2,249.3	2,629.9
Cooling usage	844.9	1,062.6

<sup>1</sup> The emissions calculations are based on information from energy utilities and on emissions factors in accordance with DEFRA (Conversion Factors 2020), IEA (Emission Factors 2020), and AIB (European Residual Mixes 2018 and 2019).

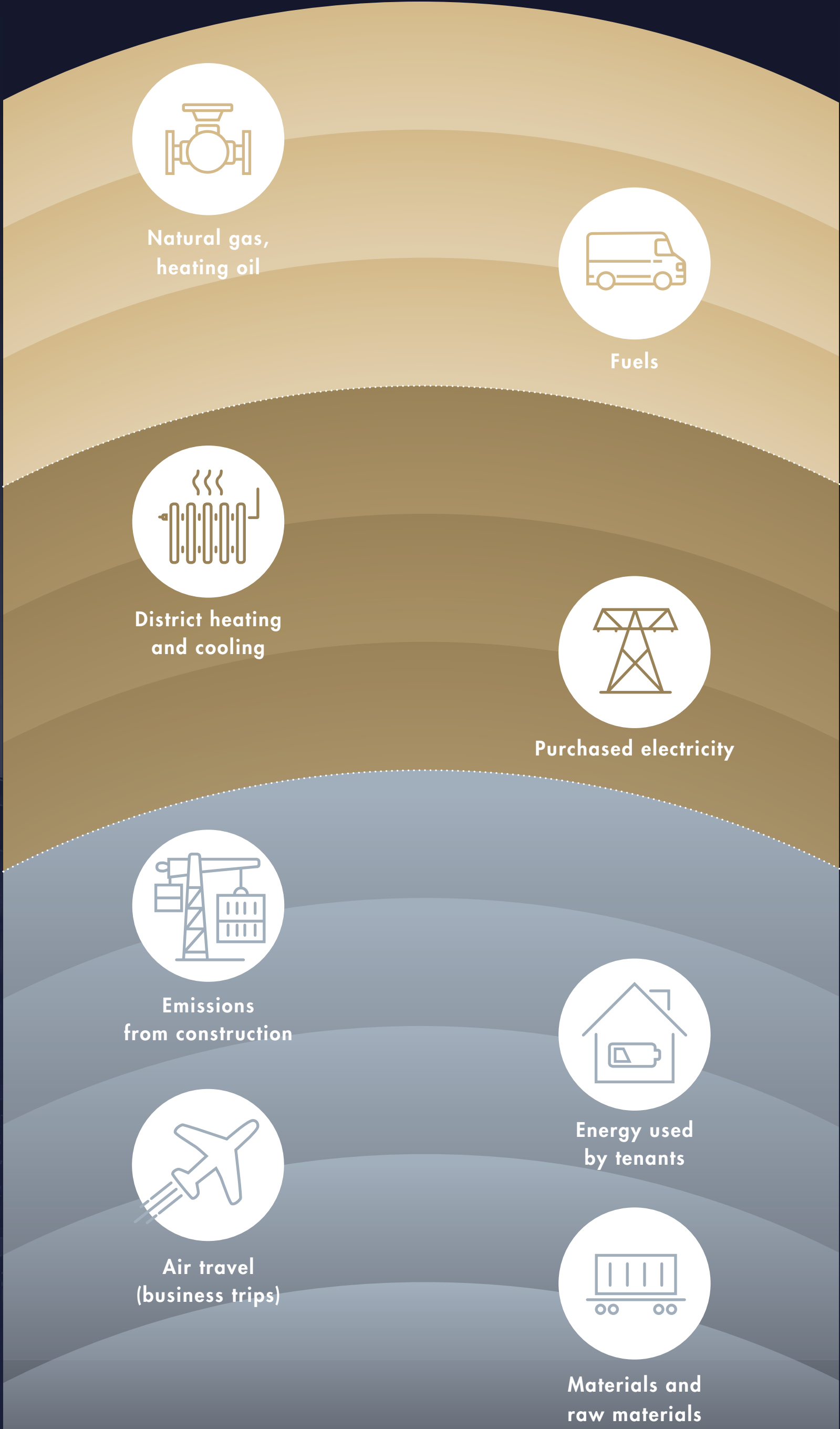
<sup>2</sup> Because the market-based approach better reflects the emissions of our real estate portfolio, this is used to calculate emissions from electricity and total emissions.

<sup>3</sup> This approach takes into account the specific emissions factor of the purchased electricity (e.g., of the energy producer), not the average emissions factor of a country. If a factor is not available, German or Austrian residual mix factors according to AIB (2018 and 2019) are used.





SCOPE EMISSIONS



Scope 1

Direct emissions

Scope 2

Indirect emissions  
from purchased energy

Scope 3

Indirect emissions  
in the value chain





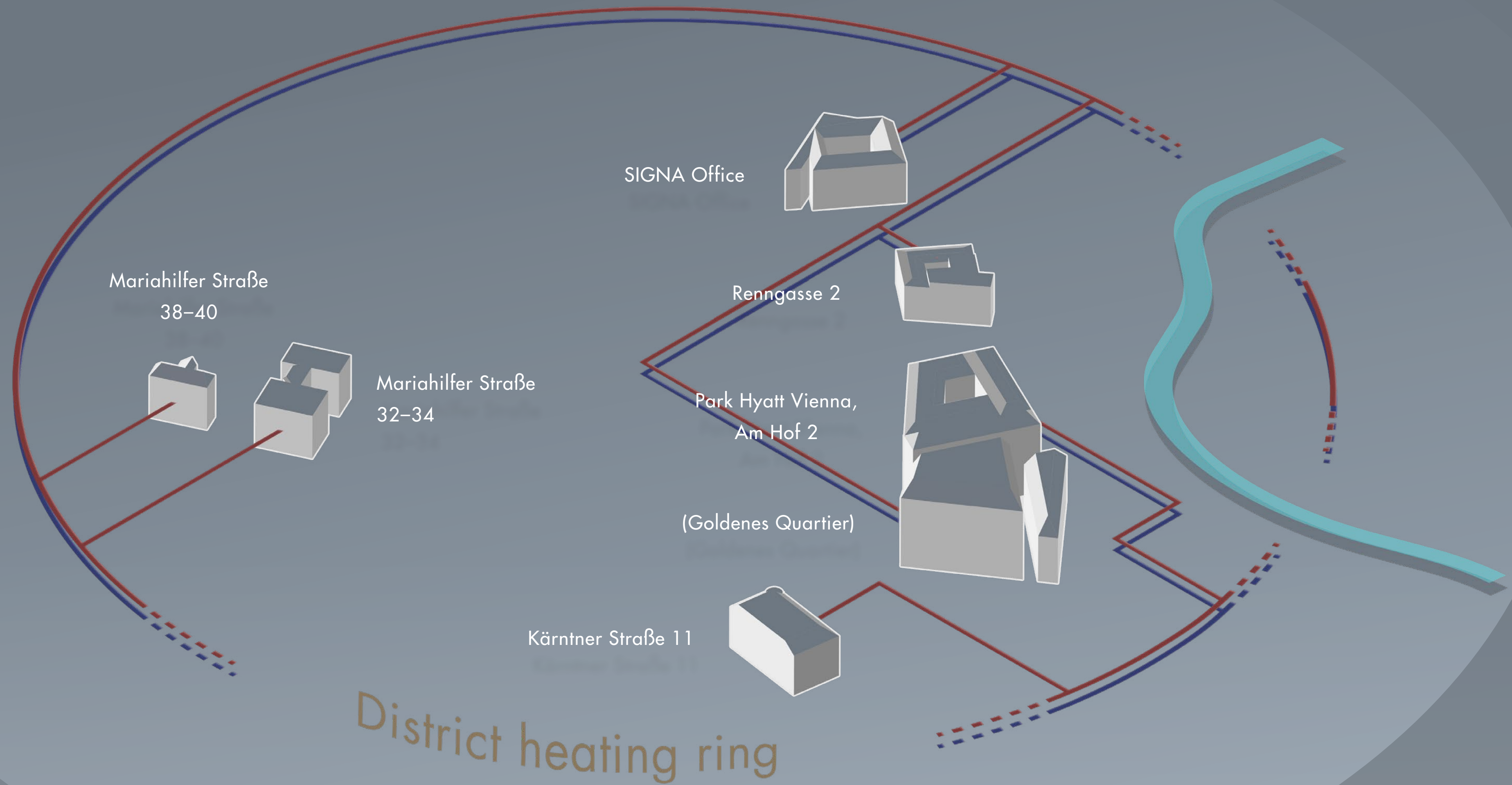


“THE COST-EFFECTIVE,  
ROBUST, AND HIGHLY  
SUSTAINABLE HVAC  
TECHNOLOGY WE USE TO  
HEAT AND COOL OUR  
PROPERTIES *produces zero air  
and noise pollution.*”

**TAMARA OBERMANN** Real Estate Manager, Austria



## USE OF DISTRICT HEATING AND COOLING IN VIENNA





# HEALTH AND SAFETY OF END USERS

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. From 2021 onward, we will introduce WELL Building certification for all new acquisitions in the New Investments portfolio and for our Long-term Portfolio properties if a positive determination is made after an evaluation.

PLANNING .....○ CONSTRUCTION .....○ USE



- / 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



- / 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



- / Working out optimized processes in advance
- / Avoiding changes during operation



IN 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.

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 that led to a fine or a warning or that constitute a breach of other voluntary safety codes of practice.





# RECYCLABILITY AND LONGEVITY OF CONSTRUCTION MATERIALS

We pay close attention to the construction materials we use in constructing and renovating 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. Before we renovate buildings or work on development 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. In the case of new buildings, we do not build anything that cannot be recycled. 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 are experienced in the certification process. In addition, they receive regular training in the course of management events and relevant information on the 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



ALTE AKADEMIE

# REVIVING RENAISSANCE-ERA MUNICH FOR A MODERN AND MIXED-USE FUTURE

SIGNA PRIME SELECTION AG



After three years of construction time, Alte Akademie in Munich will reopen in 2023 as one of the most popular shopping districts in Europe, including broad arcades in the pedestrian zone. New life is being breathed into the former Jesuit college from the Renaissance after a period as an administrative building for the state statistical office.







“BY PRESERVING FACADES,  
FOUNDATIONS, AND OTHER  
STRUCTURAL ELEMENTS  
WHEREVER POSSIBLE, WE ARE  
NOT ONLY PRESERVING OUR  
ARCHITECTURAL HERITAGE,  
*but also conserving resources and  
shrinking our environmental footprint.*”

**ALEXANDER CRONAUER** Head of Project Development, Munich



THE COMPLEX WITH  
A LETTABLE AREA OF 21,600 M<sup>2</sup>  
IS LOCATED BETWEEN THE MUNICH  
LANDMARKS OF STACHUS SQUARE AND  
FRAUENKIRCHE CHURCH.



IT WILL BE A PLACE FOR  
RETAIL STORES, OFFICES, DINING — AND  
HOUSING. People who make their home here  
will make the area lively even after business hours.  
The kickoff included regular information sessions  
for neighbors and residents, such as a picnic in  
the Schmuckhof courtyard.

The renovation is being completed in close coop-  
eration with the historical preservation office and  
under the principles of sustainability. All technical  
building systems are being refurbished. Climate  
control for the entire complex will be achieved

with district heating and cooling. Green lease  
clauses are expected to be included in the leases.  
In addition, the roof garden on the arcade  
structure will feature plantings much like the  
Schmuckhof, which will later be open to the pub-  
lic. The plan also includes a bicycle garage with  
213 parking spaces and a fully automated parking  
system for passenger vehicles. All 58 passenger-car  
parking spaces will be outfitted with charging  
stations for electric vehicles. We aim to achieve LEED  
Gold certification for the Alte Akademie property.



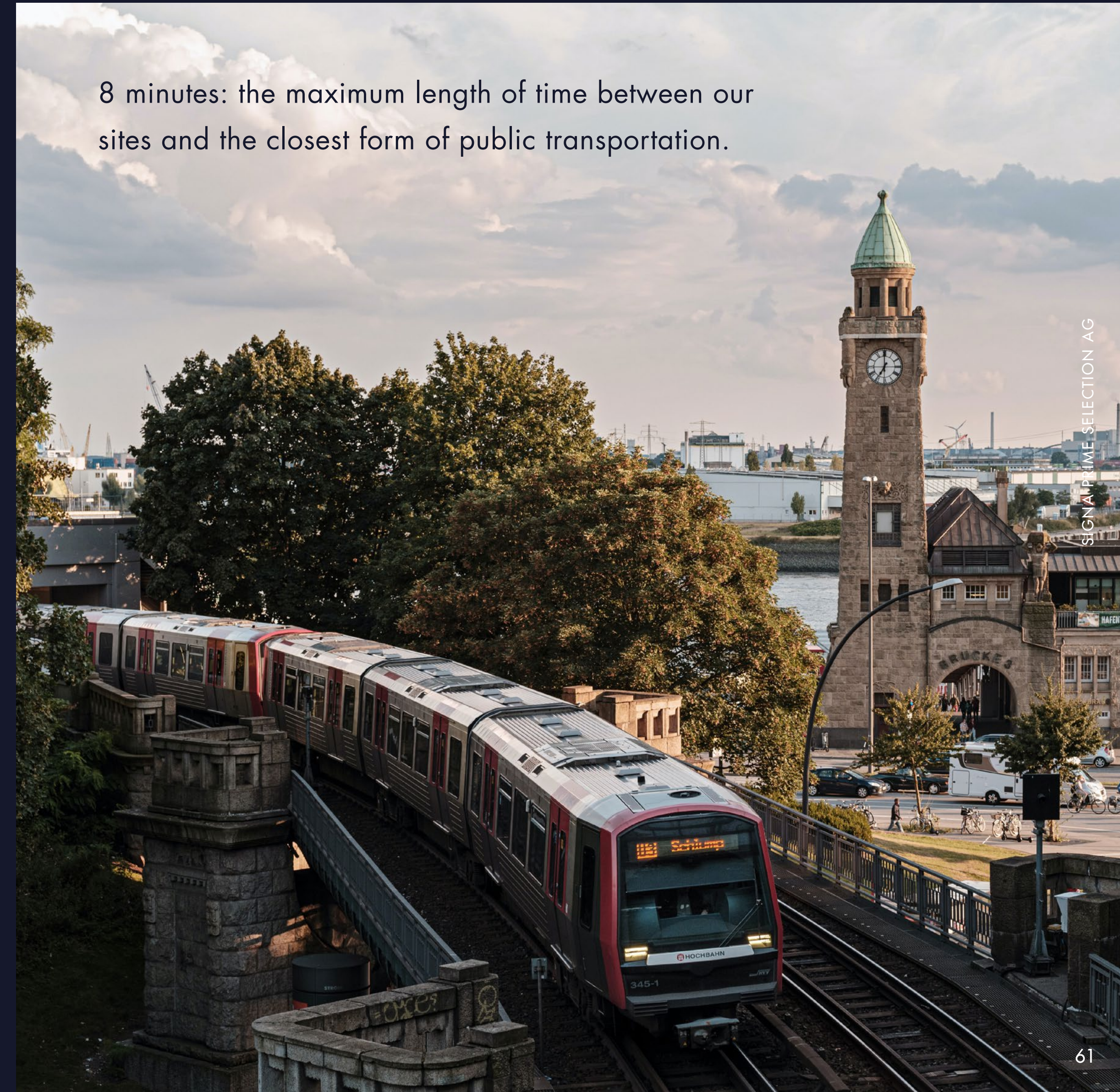
# SUSTAINABLE MOBILITY

**SUSTAINABLE BUILDINGS REQUIRE A HOLISTIC PLAN FOR THEIR USE,** including options for sustainable transportation. We greatly value the close proximity of our Long-term Portfolio and New Investments 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 also includes 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. Our management is embedded in all of these discussions by way of the ESG Council.

**WE EMPHASIZE STATE-OF-THE-ART MOBILITY CONCEPTS IN ALL OUR PROPERTIES.** For example, our New Investment project on Hermannplatz in Berlin offers a mobility hub with numerous innovative transportation options such as car and bike sharing, drop-off zones, a cycle workshop, delivery services, and much more. In 2021, we plan to arrange partnerships with electric bike sharing providers for some of our properties.

8 minutes: the maximum length of time between our sites and the closest form of public transportation.







“WITH SUCH PRIME  
DOWNTOWN LOCATIONS, OUR  
PROPERTIES ARE IDEAL FOR  
THE MOBILITY SOLUTIONS OF  
THE FUTURE, FROM  
AUTONOMOUS BUSES  
*and bike-sharing to electric cars and  
last-mile logistics.*”

**BERNHARD JOST** Managing Director Real Estate Management



EXAMPLES OF THE PROXIMITY OF BUILDINGS IN OUR REAL ESTATE PORTFOLIO TO SUSTAINABLE TRANSPORTATION SYSTEMS

Our properties are within walking distance of public transportation.<sup>1</sup>

< 50 m

- Anichstraße, Innsbruck ■■
- Kaufhaus Tyrol, Innsbruck ■■
- Mariahilfer Straße 32–34, Vienna ■■
- Mariahilfer Straße 38–40, Vienna ■■
- Alsterarkaden, Hamburg ■■
- Alsterhaus, Hamburg ■■
- Rankestraße, Berlin ■
- Kaufhof an der Kö, Düsseldorf ■
- Oberpollinger, Munich ■■

< 100 m

- Kärntner Straße 11, Vienna ■
- Österreichische Postsparkasse, Vienna ■
- Tuchlauben (Goldenes Quartier), Vienna ■
- KaDeWe, Berlin ■■
- Kaufhof Zeil, Frankfurt ■
- Upper Zeil, Frankfurt ■

< 500 m

- Am Hof (Goldenes Quartier), Vienna ■■
- Graben 19, Vienna ■■
- Renngasse, Vienna ■■■
- Kaufmannshaus, Hamburg ■■
- UPPER WEST, Berlin ■■
- Karstadt Wismar, Wismar ■
- Kaufhof Hohe Straße, Cologne ■■

■ Subway ■ Train ■ Bus

<sup>1</sup> Only the closest type of transportation listed





EXAMPLES OF THE PROXIMITY OF OUR NEW INVESTMENTS TO SUSTAINABLE TRANSPORTATION SYSTEMS

Our  
properties are  
within walking  
distance of public  
transportation.<sup>1</sup>

< 50 m

- Elbtower, Hamburg ■
- Gänsemarkt, Hamburg ■
- Alexanderplatz, Berlin ■■
- Hermannplatz, Berlin ■■
- P1, Berlin ■■
- Carsch-Haus, Düsseldorf ■■
- Am Wehrhahn, Düsseldorf ■■
- Bahnhofplatz, Munich ■■
- Rotkreuzplatz, Munich ■

< 100 m

- WaltherPark, Bolzano ■■
- Ku'damm, Berlin ■
- Eberhardstraße, Stuttgart ■

< 500 m

- Mariahilfer Straße 10–18, Vienna ■■■
- Opernplatz, Frankfurt ■■
- Alte Akademie, Munich ■■■







SIGNA PRIME 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.





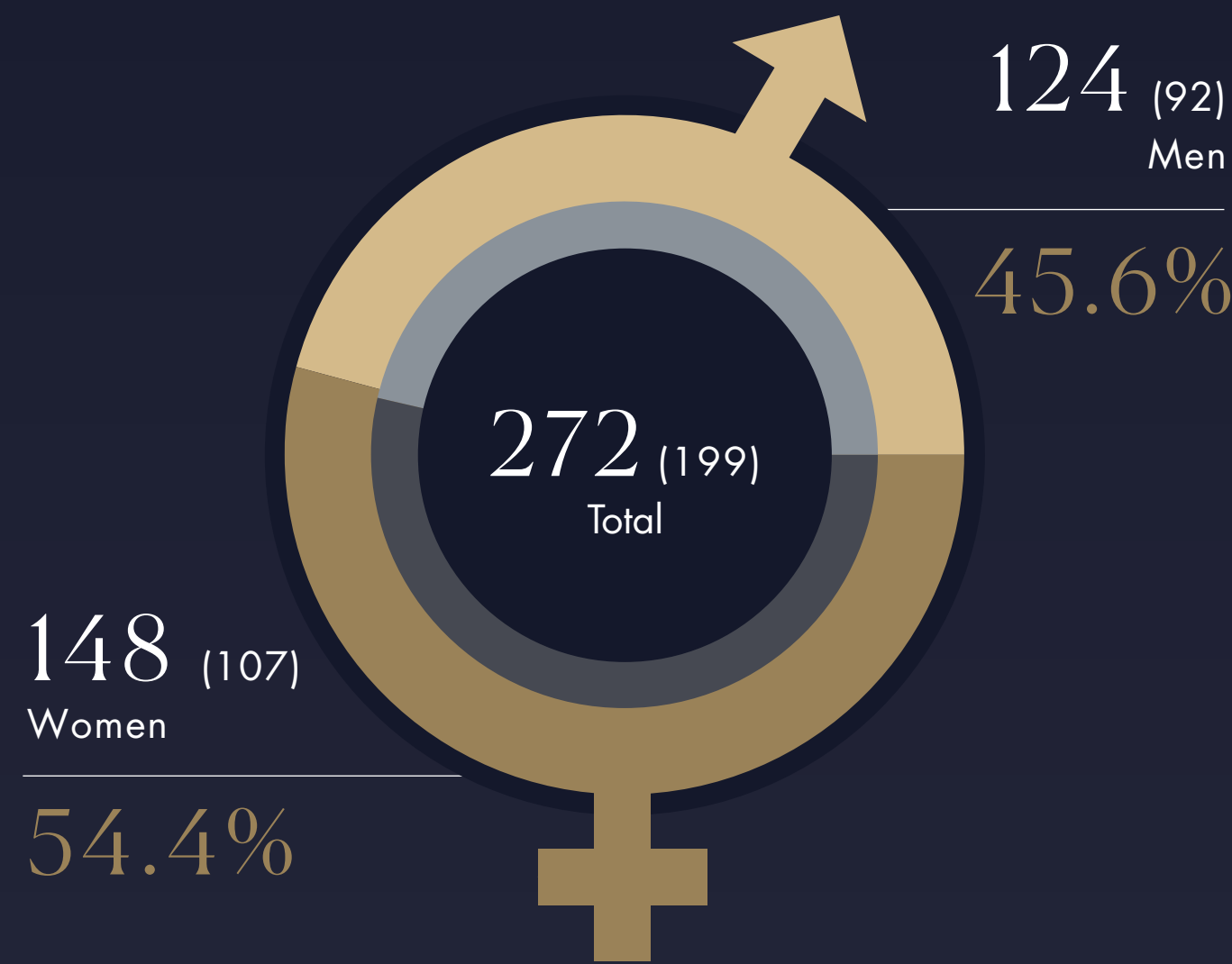
# EMPLOYER BRANDING

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.

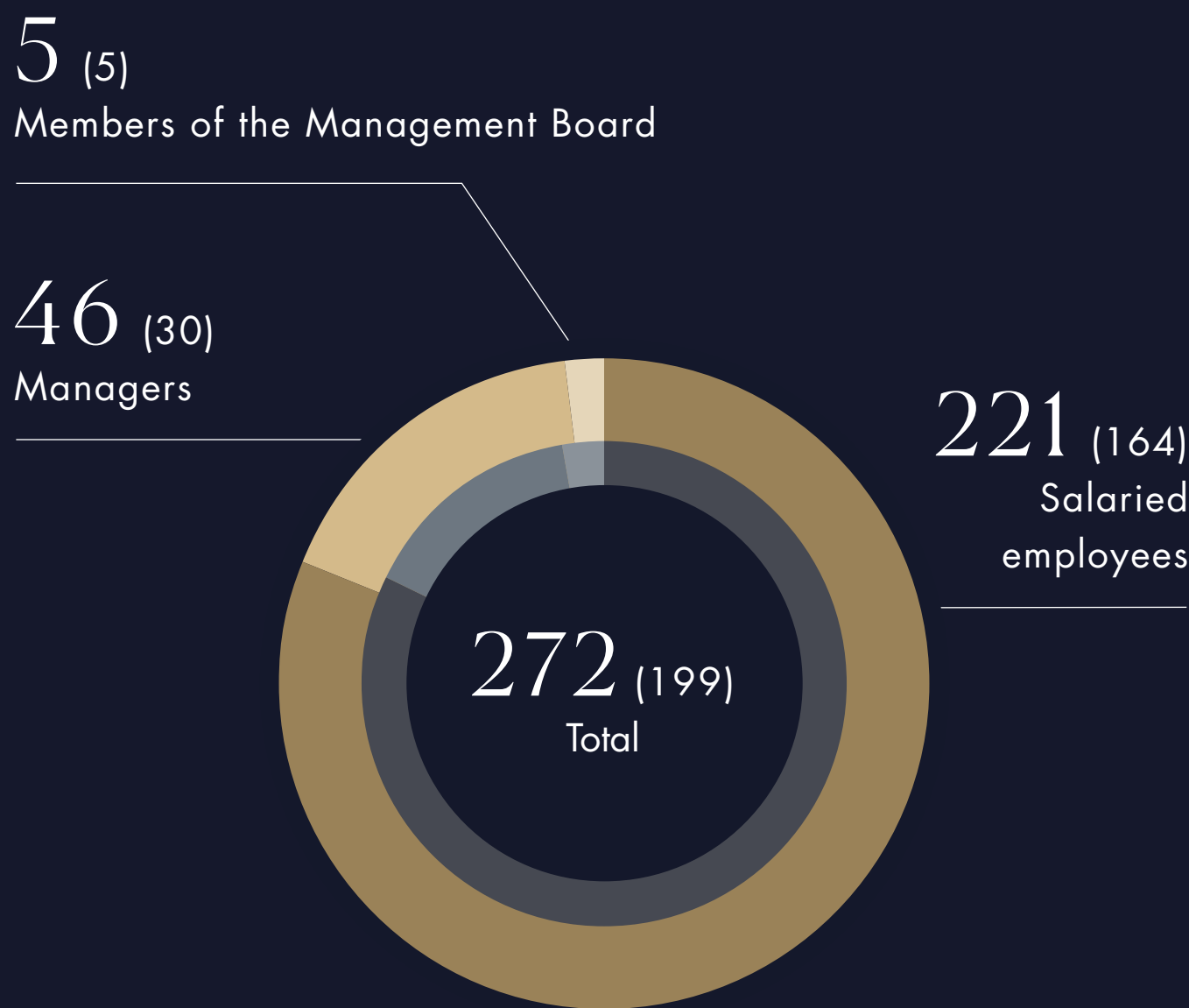
Employees, total (by gender)

■ 2020 ■ 2019 (previous year)



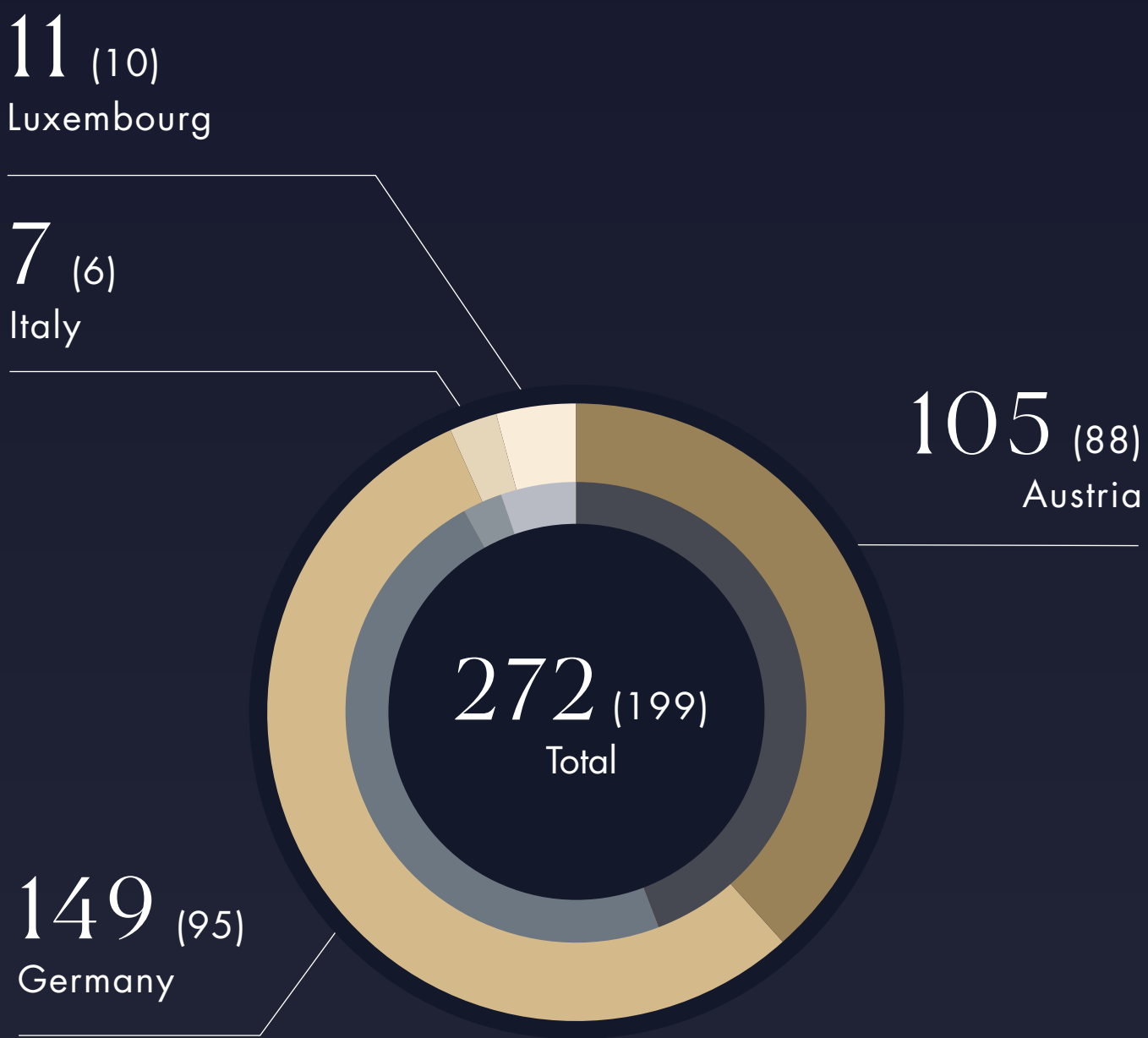
Employees by employee category

■ 2020 ■ 2019 (previous year)



Employees by region

■ 2020 ■ 2019 (previous year)





# HR ACTIVITIES

THE HUMAN RESOURCES DEPARTMENT IS TASKED WITH ALL HR ACTIVITIES AT SIGNA PRIME. THE DEPARTMENT IS DIVIDED INTO HR OPERATIONS AND HR CONTROLLING AND REPORTS DIRECTLY TO SIGNA PRIME'S MANAGEMENT BOARD.

HR 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



“AFTER TWELVE MONTHS  
OF ACTIVELY MANAGING THE  
COMPANY THROUGH A PANDEMIC,  
IT’S CLEAR WHAT REALLY  
MAKES US STRONG — *a team-first,  
performance-oriented corporate culture and  
a workforce we can always rely on.*”

**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, 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 SIGNA Prime 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.





“AS A MAJOR REAL ESTATE  
INDUSTRY PLAYER, WE CARRY  
GREAT RESPONSIBILITY FOR  
OUR STAKEHOLDERS AND THE  
ENVIRONMENT. *That's why  
we continually challenge ourselves to learn  
more and improve our performance.*”

**MIRIAM DAILL** Senior PR Manager & ESG Communications





## 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.*







## 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 studies 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 IREBS University in 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 11.8% in 2020 (previous year: 16.6%). This shows that SIGNA Prime 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.

## OUR TRAINING AND CONTINUING EDUCATION ACTIVITIES IN 2020

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                            | / Various types of IT training<br>(Excel, InDesign, PowerPoint, Word, various job-specific tools, etc.)   |
| / Presentation techniques                                 |   |
| / Rhetoric & communication skills<br>(two sessions)       | / 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, as well as topics like managing employees remotely |
| / Rhetoric & conflict management<br>(focus on assistants) |   |
| / Basic negotiation skills                                | / Moreover, certain employees also receive customized training on subjects such as project development, tax issues, and finance   |
| / Language courses (English, Italian)                     |   |



# 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 us 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 SIGNA PRIME  
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 class A 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 SIGNA Prime, 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.

We continue to offer our workforce the option of acquiring employee shares to enable them to participate in the success of our Company and to make them co-owners. 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.

“WHEN I SEE WHAT WE  
ACHIEVE TOGETHER AS A  
TEAM, *I am filled with pride.*”

**CHRISTOPH STADLHUBER** Chief Executive Officer Austria



# HEALTH AND SAFETY OF OUR EMPLOYEES

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. SIGNA Prime 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

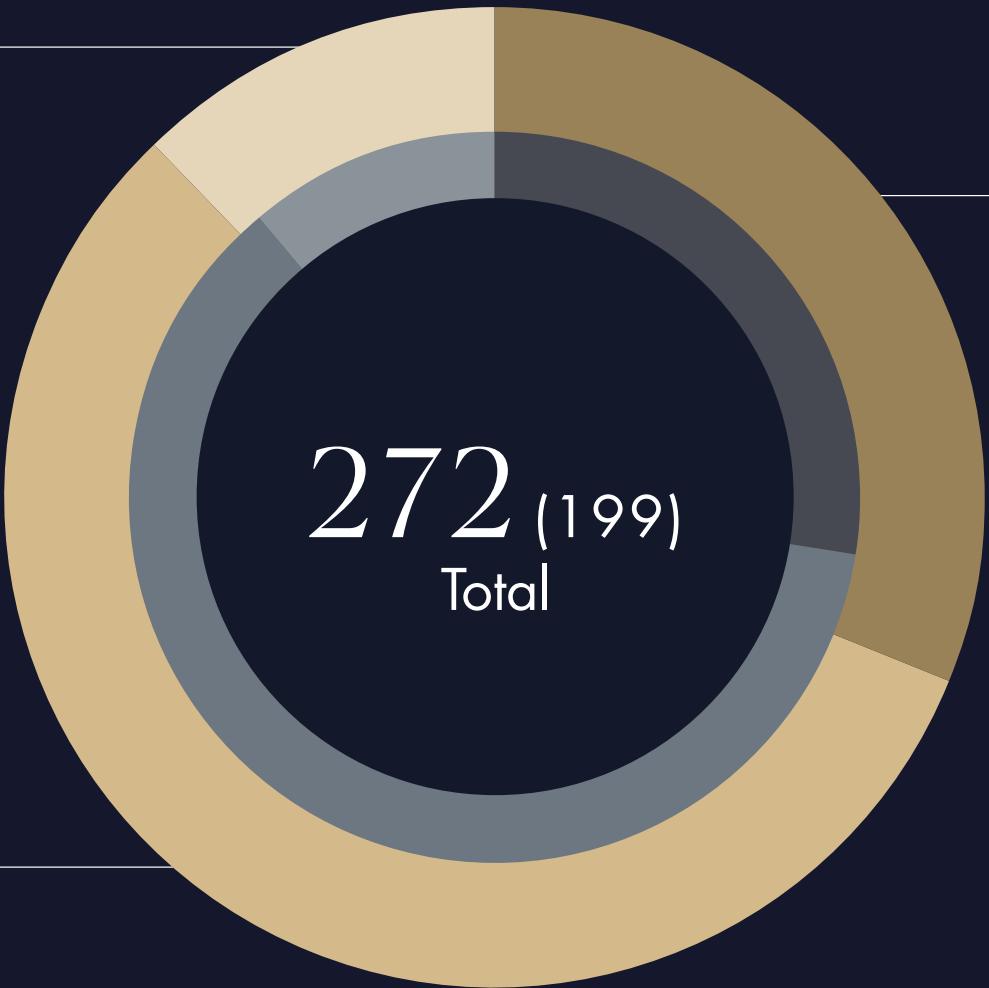
Employees by age

■ 2020 ■ 2019 (previous year)

12.1% (11.1%)  
>50 years

31.3% (27.6%)  
<30 years

56.6% (61.3%)  
30–50 years



**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 SIGNA Prime, 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 SIGNA Prime 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.



SIGNA PRIME 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 SIGNA Prime employees can connect and interact, and support one another.

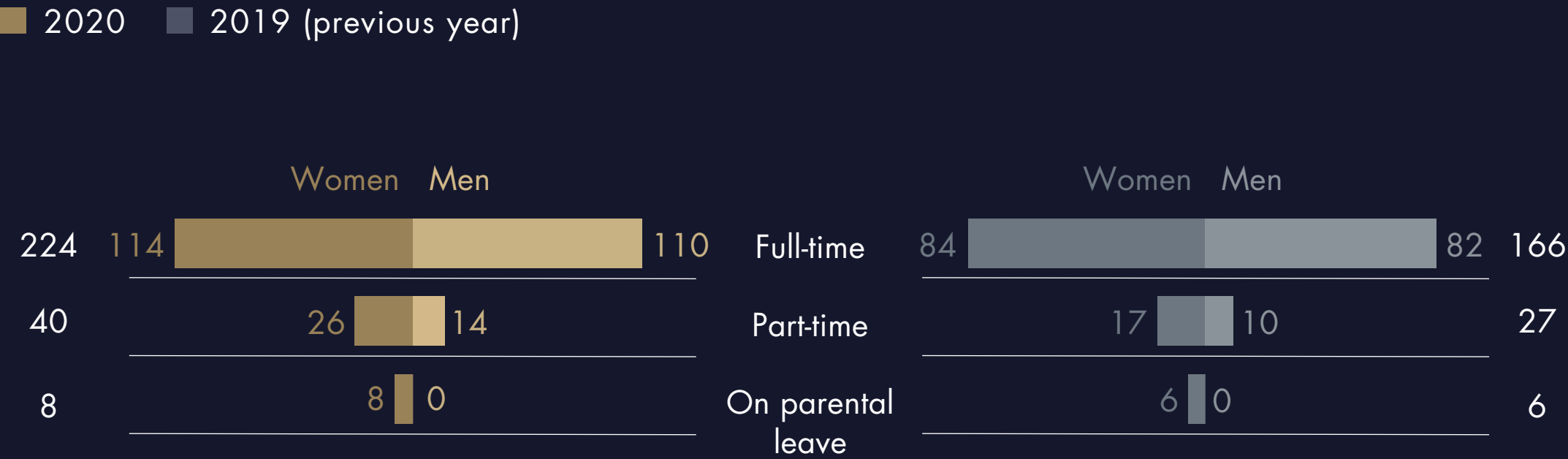
25.5%

GENDER QUOTA FOR WOMEN  
IN MANAGERIAL POSITIONS IN 2020  
(INCLUDING MANAGEMENT BOARD)  
PREVIOUS YEAR: 22.9%

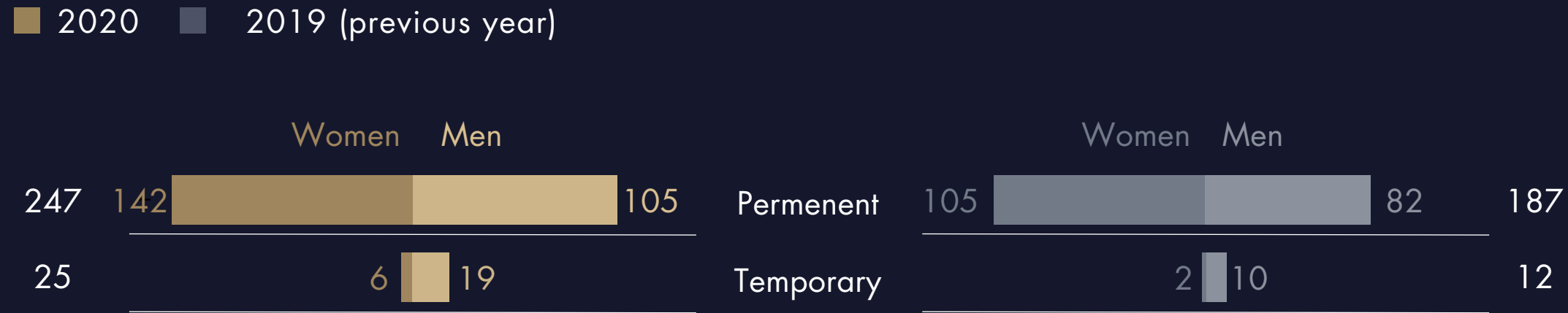




Employees by employment type



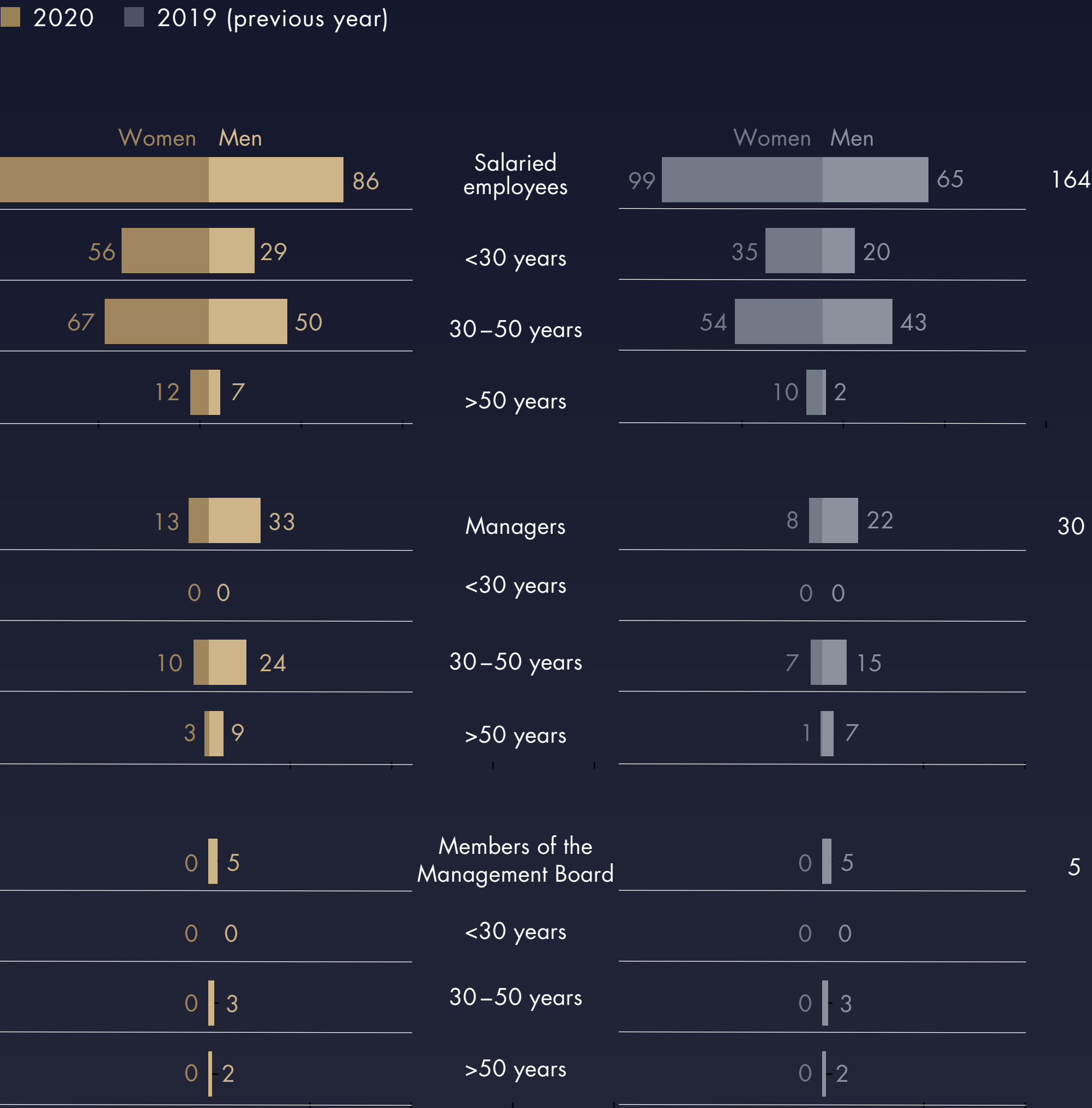
Employees by employment contract



Employees by region



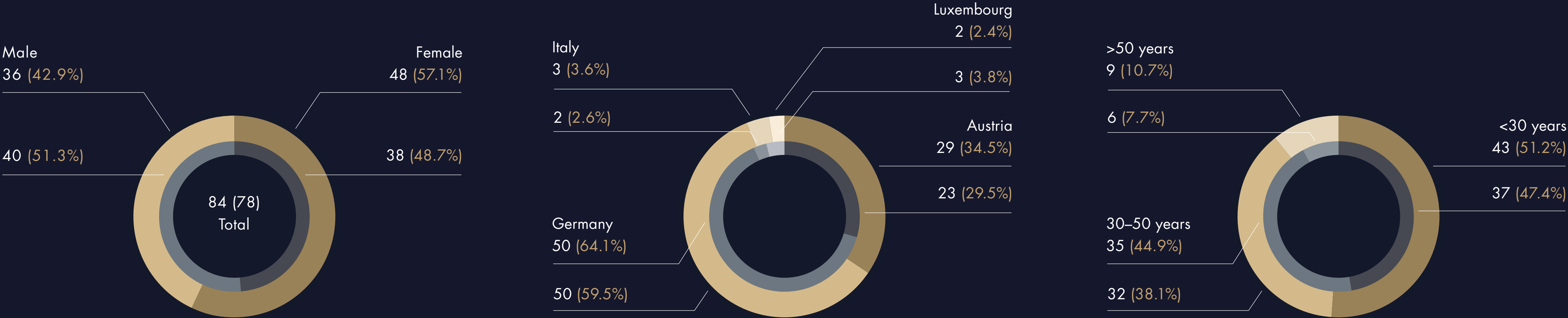
Employees by gender, age, and employee category





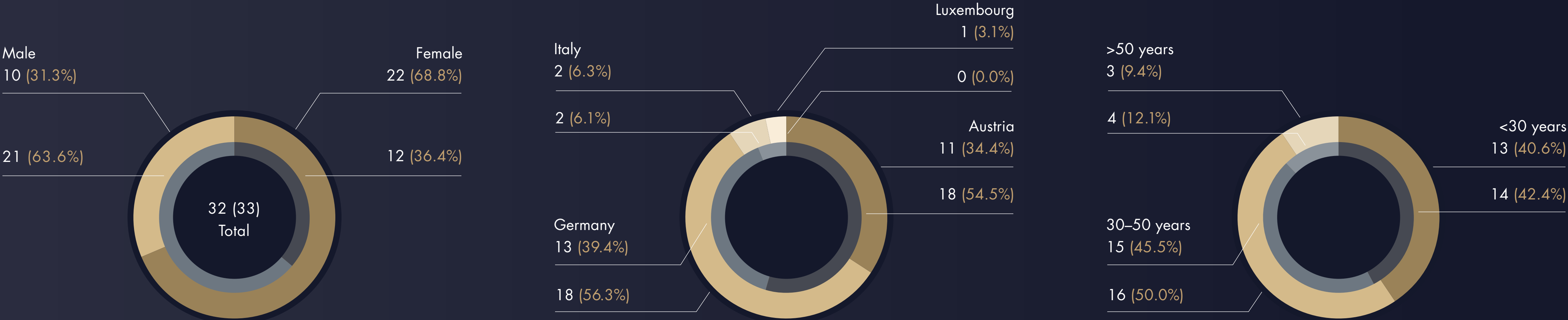
New hires by gender, country, and age

2020 2019 (previous year)



Departures by gender, country, and age

2020 2019 (previous year)







SIGNA PRIME SELECTION AG

# RESPONSIBLE CORPORATE GOVERNANCE

06







As a real estate investment 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 SIGNA Prime wishes to leave.



SIGNA PRIME SELECTION AG

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 SIGNA Prime. 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 SIGNA Prime 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 SIGNA Prime 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.



SIGNA PRIME SELECTION AG





# BUSINESS COMPLIANCE

COMPLIANCE IS A KEY ELEMENT OF SIGNA PRIME'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 SIGNA Prime. 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 a SIGNA Prime compliance officer with responsibility for operational implementation of the CMS at SIGNA Prime 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

/ Anti-trust 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 SIGNA PRIME 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 SIGNA Prime 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.

SIGNA Prime 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. SIGNA Prime also has an independent external ombudsman whom employees can contact anonymously ([signa\\_ombudsstelle@vivacis.de](mailto: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 SUPPLIERS 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.



“IN EVERYTHING WE  
DO, WE STAY TRUE TO  
OUR CORE VALUES:  
*responsibility, fairness, compliance,  
transparency, and integrity.*”

**MARCUS MÜHLBERGER** Chief Compliance Officer







IN 100%

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

# REGIONAL VALUE CREATION

## ARCHITECTURE FOR PEOPLE

For SIGNA Prime, sustainability also means ensuring that the regions in which we do business also benefit from our activities. We create and retain jobs, we are a client to local companies, and we help shape cityscapes. In the urban planning context, we consider ourselves to be conservators and restorers of architectural icons. We make sure that buildings with a history retain their historical uniqueness while at the same time meet modern requirements — examples are the Alsterhaus in Hamburg, the Goldenes Quartier in Vienna, and KaDeWe in Berlin.

Wherever possible, we provide public spaces. In Vienna, for example, we plan to install a public, retail-free roof garden on the former Leiner-Haus at Mariahilfer Straße 10–18 that is open to city residents.

This will significantly improve the biodiversity, vegetation structures, habitats, and range of flora and fauna in the neighborhood. At Am Wehrhahn in Düsseldorf, the neighborhood benefits from intricately designed green spaces and children are happy to use modern and well-maintained playgrounds.

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).





## CLIENT TO LOCAL COMPANIES

A historic building that often holds an important place for the residents of a location should be converted or renovated by local companies wherever possible. 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 and central location in downtown areas.

We therefore maintain a varied and broadly diversified supply chain for our conversion and renovation 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 PRIME SELECTION AG

# ABOUT THIS REPORT

07





THE PRESENT REPORT IS SIGNA PRIME’S SECOND SUSTAINABILITY REPORT. IT WAS PREPARED IN ALIGNMENT WITH THE GLOBAL REPORTING INITIATIVE STANDARDS, AN 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 SIGNA Prime’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 SIGNA Prime. 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 SIGNA Prime 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
07 ABOUT THIS REPORT	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 61
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



SIGNA PRIME SELECTION AG

95



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

We are currently setting up quantitative sustainability reporting at SIGNA Prime. A software package is being implemented for this purpose, which will enable us to systematically collect data and report on it going forward.

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

The quantitative disclosures on consumption relate to data from the Long-term Portfolio segment for properties that were part of the portfolio for the entire year in 2020. Purchases made during the year are included in the following reporting period. Because we only presented our own energy consumption (Scope 1 and Scope 2) in this year's sustainability reporting, this data differs from that in the 2019 Sustainability Report. We could not report any data for our New Investments projects, because these are currently under development, and we do not collect any Scope 3 emissions data. In the long term, we wish to also collect data on Scope 3 emissions to further improve transparency. We do not collect any data for the Trading Portfolio, since these assets are only in our portfolio for a short period before they are resold.

Scope 2 emissions are calculated using the market-based approach. We use emissions factors from our electricity contracts for this purpose. In addition, we also disclose our emissions using the location-based approach, taking into account the energy mix of the respective site.

For 2020, we did not yet calculate the emissions from our own business activities, because these are not as extensive as the those of our portfolio. Data on the resulting emissions will be collected 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. SIGNA Prime’s headcount includes the fully consolidated investees, as well as the employees of SIGNA Real Estate Management (REM), who are responsible for the development and administrative activities of the individual development projects.

In cases where activities by employees cannot be clearly assigned to a company, the generalist functions are reported in the headcount disclosures and can result in double-counting in other groups belonging to the SIGNA Group of Companies.

We applied this methodology for the first time in 2020 and retroactively adjusted the 2019 data for purposes of comparability. This results in deviations from the published employee data in the 2019 Sustainability Report. The disclosures relate to the reporting date of December 31, 2020.



# OUR SUSTAINABILITY PROGRAM

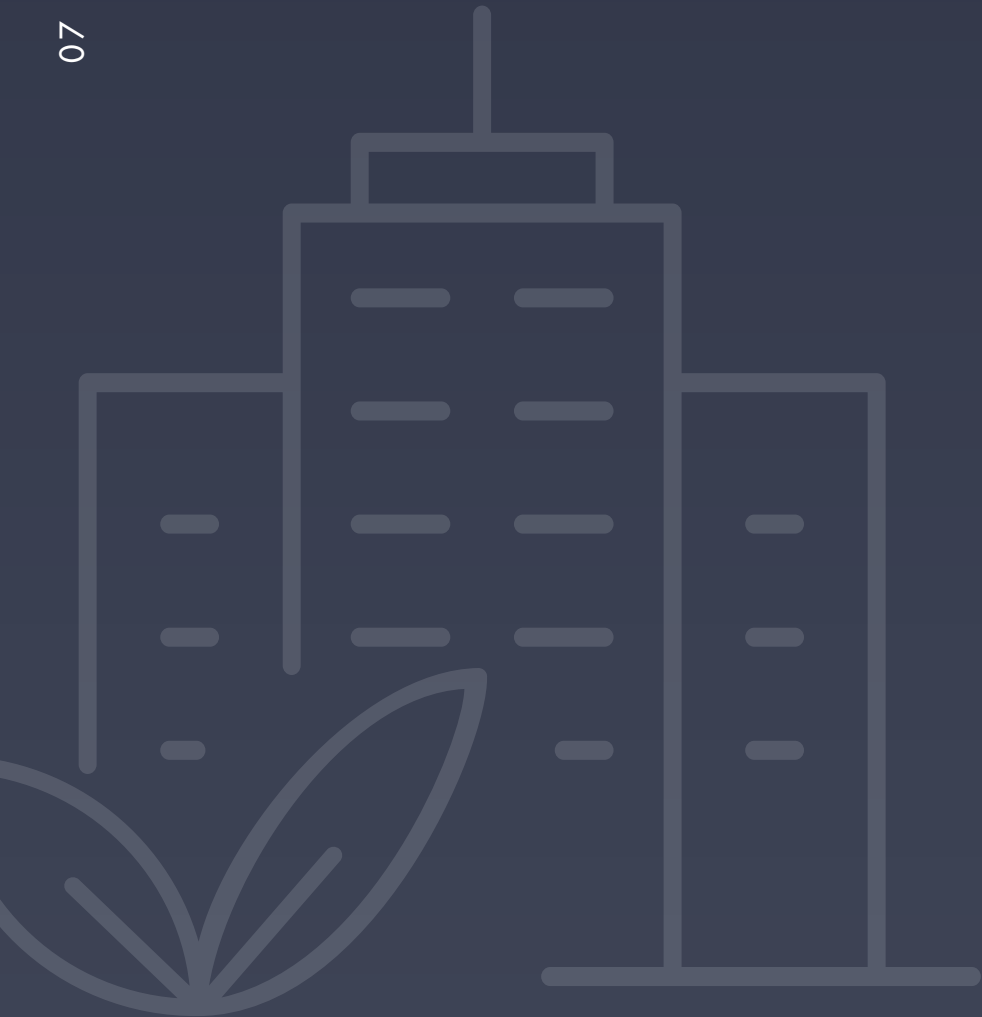




SUSTAINABLE BUILDINGS

ENERGY AND EMISSIONS DURING PLANNING, CONSTRUCTION, AND OPERATION

TARGET	ACTION	KPI	TIME HORIZON
Obtain certification according to green building standards for 100% of New Investments	Adhere to green building requirements for New Investments and complete pre-certification	Number/share of certified assets in portfolio as a whole	ongoing
	Conduct life cycle analyses on New Investments		2023
Increase number of green building certifications in real estate portfolio	Evaluate post-certification of the real estate portfolio according to green building standards and implement if a positive determination is made	Number/share of certified assets	2021
Ensure climate neutrality of real estate portfolio	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 <sub>2</sub>	ongoing
	Evaluate alternative energy sources for real estate portfolio and implement if a positive determination is made		ongoing
	Evaluate use of green power contracts for the real estate portfolio and implement if a positive determination is made	Percentage of electricity from renewable energy	2021
	Evaluate the greening of the real estate portfolio 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

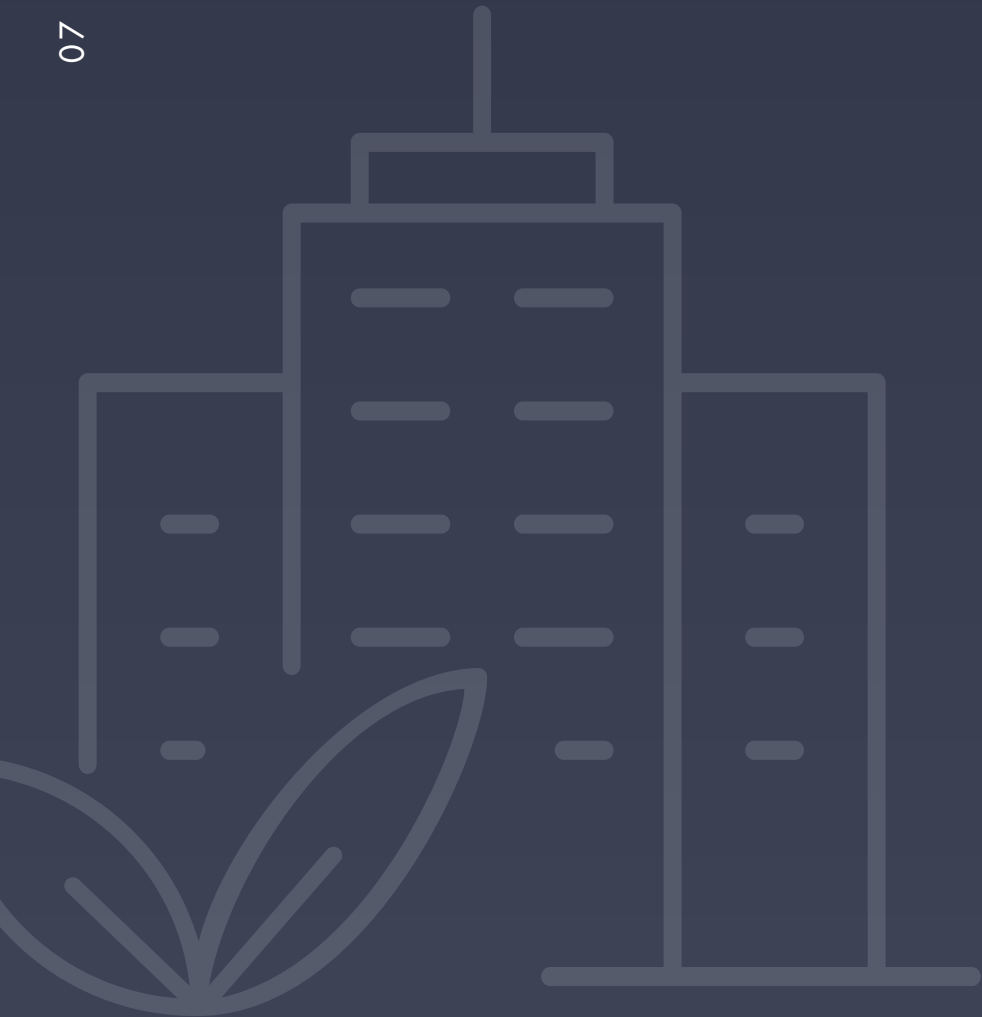
RECYCLABILITY AND LONGEVITY OF CONSTRUCTION MATERIALS

TARGETACTIONKPI TIME HORIZON

Sustainably use and manage real estate portfolio	Evaluate green lease components in the New Investments portfolio 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		2021
	Participate in the Science Based Targets initiative		2024
Guarantee health and safety of end users	Aim for WELL Building certification for New Investments	Number/share of WELL Building certifications	ongoing
	Evaluate WELL Building certification for the Long-term Portfolio and implement if a positive determination is made		2022
	Aim for WELL Building certification for SIGNA offices		2022/23
Build and renovate according to green building standards	Reduce material use by optimizing design		ongoing







# SUSTAINABLE BUILDINGS

## SUSTAINABLE MOBILITY

TARGET	ACTION	KPI	TIME HORIZON
Build and renovate according to green building standards	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
Link real estate portfolio to various modes of transportation	Consider good transportation connections for the real estate portfolio	Average distance from local public transportation (in km)	ongoing
	Enter into partnerships with ride sharing providers		ongoing
	Enter into partnerships with bike sharing providers		2021/22
Provide infrastructure for electric transportation in the real estate portfolio	Plan New Investments with parking spaces and charging stations for electric vehicles	Number of parking spaces for electric vehicles (specific)	2021/22
	Evaluate parking spaces for electric vehicles for the Long-term Portfolio and install charging stations if a positive determination is made	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	Employee satisfaction index from survey	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 managers 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 "Values Management" 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 management positions with women	Determine gender quota for management positions	Share of women in management 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%	Actively promote parental leave and clearly define the return to work	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
	Chief Compliance Officer to report regularly to the Group’s Management Board and the Supervisory Board on the progress of compliance activities and important compliance matters		ongoing





# CORPORATE GOVERNANCE AND COMPLIANCE

BUSINESS COMPLIANCE, INCLUDING ANTI-CORRUPTION AND MONEY LAUNDERING PREVENTION

TARGET	ACTION	KPI	TIME HORIZON
Guarantee business compliance	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
Effectively manage ESG risks	Identify and assess ESG risks in SIGNA portfolio	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 New Investments	Number/share of New Investments in conformity with ESG guidelines (target of: 100%)	2021
	Develop ESG guideline for renovations of properties in the Long-term Portfolio		2021
	Draft ESG guideline for New Investments		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



CORPORATE  
GOVERNANCE AND  
COMPLIANCE

BUSINESS COMPLIANCE,  
INCLUDING ANTI-CORRUPTION  
AND MONEY LAUNDERING  
PREVENTION

TARGET	ACTION	KPI	TIME HORIZON
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
Dialogue with stakeholders	Conduct regular internal and external supplier audits		2023
	Conduct regular real estate-related dialogues and consultations with stakeholders, and stakeholder participation processes		ongoing
	Standardize existing dialogue platforms with political decision-makers and multipliers at the federal, state, and municipal level	Number of stakeholder dialogues	2023/24





# CORPORATE GOVERNANCE AND COMPLIANCE

BUSINESS COMPLIANCE, INCLUDING ANTI-CORRUPTION AND MONEY LAUNDERING PREVENTION

## REGIONAL VALUE CREATION



TARGET	ACTION	KPI	TIME HORIZON
Expand ESG reporting	Evaluate and roll out software for ESG data collection		2021
	Expand annual ESG reporting according to GRI Standards and EPRA sBPR		2022
	Commission external audit of annual ESG reporting		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
	Preferred renovation and preservation of historical buildings	Number of renovated buildings in portfolio under preservation orders	ongoing
Promote local communities	Engage in ESG-relevant pro-bono activities in cities and municipalities		ongoing
	Donate to ESG-related projects, programs, and initiatives	Donations (in €)	2022
	Set up employee volunteering program		2022





# GRI CONTENT INDEX



07 ABOUT THIS REPORT	GENERAL INFORMATION		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 101	Foundation 2016			
	GRI 102	General disclosures 2016			
	Organizational profile				
	GRI 102-1	Name of the organization	SIGNA Prime Selection AG (SIGNA Prime)		
	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, Switzerland		
	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. 67 - 68
	GRI 102-9	Supply chain			pp. 6, 89, 91 - 92
	GRI 102-10	Significant changes to the organization and its supply chain	In 2020, there were no significant changes to the organization and its supply chain.		
					110





07 ABOUT THIS REPORT	GENERAL INFORMATION		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 201	General disclosures 2016			
	Organizational profile				
	GRI 102-11	Precautionary Principle or approach	SIGNA Prime 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, 14, 16, 85, 94
	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. 68, 78, 87, 94
<div> <div>   </div> <div>111</div> </div>					



GENERAL INFORMATION		COMMENT	UN GLOBAL COMPACT	PAGE
GRI 102	General disclosures 2016			
Governance				
GRI 102-18	Governance structure			p. 17
Stakeholder engagement				
GRI 102-40	List of stakeholder groups			p. 20
GRI 102-41	Collective bargaining agreements	SIGNA Prime is not subject to any collective bargaining agreements.	3	SIGNA PRIME SELECTION AG
GRI 102-42	Identifying and selecting stakeholders			
GRI 102-43	Approach to stakeholder engagement			
GRI 102-44	Key topics and concerns raised			
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 companies), 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. 17-18

07 ABOUT THIS REPORT

112





GENERAL INFORMATION		COMMENT	UN GLOBAL COMPACT	PAGE
GRI 102		General disclosures 2016		
Reporting practice				
07 ABOUT THIS REPORT	GRI 102-47	List of material topics		p. 18
	GRI 102-48	Restatements of information	The report fulfills the requirements of the GRI Standards: Core option.	
	GRI 102-49	Changes in reporting	There are no changes in reporting.	
	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		p. 126
	GRI 102-54	Claims of reporting in accordance with the GRI Standards		pp. 27, 94
	GRI 102-55	GRI Content Index		pp. 109-124
	GRI 102-56	External assurance	The report has not been reviewed/audited by a third party.	
<div> <div></div> <div></div> </div>				113



MATERIAL TOPICS

COMMENT

UN GLOBAL COMPACT

PAGE

GRI 102

Economic Performance 2016

GRI 103

Management approach (including GRI 103-1, 103-2, 103-3)

GRI 201-1

Direct economic value generated and distributed

GRI 202

Market presence 2016

GRI 103

Management approach (including GRI 103-1, 103-2, 103-3)

GRI 202-1

Ratios of standard entry level wage by gender compared to local minimum wage

GRI 202-2

Proportion of senior management hired from the local community

SIGNA Prime pays market-rate salaries. Depending on qualifications and experience, compensation reflects performance and exceeds the legal minimum wage.

The following managers have significant leadership responsibilities at SIGNA Prime: 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.

At SIGNA, 86.5% of managers were hired from the local community.

pp. 5-6, 8, 11-12

p. 9

pp. 66-68

SIGNA PRIME SELECTION AG





Material Topics		Comment		UN Global Compact	Page
07 ABOUT THIS REPORT	GRI 204	Procurement practices 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 89
	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. 89
	GRI 205-1	Operations assessed for risks related to corruption		10	p. 89
	GRI 205-2	Communication and training about anti-corruption policies and procedures		10	p. 89
	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. 89
<div> <div></div> <div></div> </div>		GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		p. 89
					115



07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 301	Materials 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 36, 55, 101
	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. 41-43
	GRI 302-1	Energy consumption within the organization	We currently only collect data on the consumption of our real estate portfolio (see p. 42), not data on our own business activities. We plan to do so for the first time in the 2021 reporting period.	8	
	GRI 302-4	Reduction of energy consumption		8.9	p. 41
	GRI 305	Emissions 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)		7, 8	pp. 48-52
	GRI 305-1	Direct (Scope 1) GHG emissions		8	p. 49
	GRI 305-2	Energy indirect (Scope 2) GHG emissions		8	p. 49
<div> <div></div> <div></div> </div>	GRI 305-5	Reduction of GHG emissions		8, 9	p. 49
					116



07 ABOUT THIS REPORT	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. 55-56
	GRI 306-1	Waste generation and significant waste-related impacts		8	pp. 55-56
	GRI 306-2	Management of significant waste-related impacts		7, 8	pp. 55-56
	GRI 306-3	Waste generated	Currently, we only collect data on the waste generated by our Long-term Portfolio. Collecting data on waste generated by New Investments is currently not possible.	8	
	GRI 307	Environmental compliance 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 86-88
	GRI 307-1	Non-compliance with environmental laws and regulations	No fines or sanctions were imposed on SIGNA Prime 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. 89
	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.		





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. 67-76
	GRI 401-1	New employee hires and employee turnover			pp. 67, 74, 80-81
	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. SIGNA Prime 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. 68
	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. 53-54, 77
	GRI 403-1	Occupational health and safety management system			pp. 53-54, 77
<div> <div>Q</div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> </div> <div>118</div>					



07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 403	Occupational health and safety 2018			
	GRI 403-2	Hazard identification, risk assessment, and incident investigation			pp. 53-54
	GRI 403-3	Occupational health services			p. 77
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety			p. 77
	GRI 403-5	Worker training on occupational health and safety			p. 77
	GRI 403-6	Promotion of worker health			p. 77
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			pp. 53-54, 77
	GRI 403-8	Workers covered by an occupational health and safety management system	A total of 97.8% of our employees are covered by our management system.		
	GRI 403-9	Work-related injuries			p. 77
					119





07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 404	Training and education 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 70-74
	GRI 404-1	Average hours of training per year per employee	The average number of hours of training per employee was 5.8 hours in 2020.		
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs			pp. 70, 72-74
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	In 2020, 91.0% 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. 78-79
	GRI 405-1	Diversity of governance bodies and employees		6	pp. 78-81
	GRI 405-2	Ratio of basic salary and remuneration of women to men	SIGNA Prime compensates all employees according to their position and performance regardless of gender.	6	
					120





MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
GRI 406	Non-discrimination 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 78, 87
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. 84, 87, 89
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. 78
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	SIGNA Prime 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	





MATERIAL TOPICS

COMMENT

UN GLOBAL COMPACT

PAGE

GRI 409

Forced or compulsory labor 2016

GRI 103

Management approach (including GRI 103-1, 103-2, 103-3)

GRI 409-1

Operations and suppliers at significant risk for incidents of forced or compulsory labor

SIGNA Prime 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.

4

p. 78

GRI 412

Human rights assessment 2016

GRI 103

Management approach (including GRI 103-1, 103-2, 103-3)

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.

1.2

pp. 14, 85, 89

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.





MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
GRI 414	Supplier social assessment 2016			
GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			p. 89
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. 89
GRI 415-1	Political contributions	As a rule, SIGNA Prime 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 SIGNA.		





07 ABOUT THIS REPORT	MATERIAL TOPICS		COMMENT	UN GLOBAL COMPACT	PAGE
	GRI 416	Customer health and safety 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			pp. 53-54
	GRI 416-1	Assessment of the health and safety impacts of product and service categories			p. 53
	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. 83-85
	GRI 419-1	Non-compliance with laws and regulations in the social and economic area	No fines or sanctions were imposed on SIGNA Prime due to non-compliance with laws or regulations in the social and economic area.		





SIGNA PRIME SELECTION AG

# CONTACT AND EDITORIAL DETAILS

08





Please contact us for  
further information:

SIGNA Prime Selection AG  
Natalie Wierzbicki, MSc  
Head of ESG Strategy &  
Sustainable Finance  
Freyung 3, Palais Harrach  
1010 Wien

Tel +43 1 53 29 848-0  
Fax +43 1 53 29 848-2023  
nachhaltigkeit@signa.at

Corporate Communications  
Phone: +43 1 53 29 848-0 | presse@signa.at

Disclaimer

This report was prepared and the data checked with the greatest possible care. Rounding, transmission, typesetting, or printing errors can nevertheless not be ruled out.

The report contains assumptions and forecasts made on the basis of all of the information available at the time of preparation. If the estimates on which the forecasts are based prove to be incorrect, the actual results may deviate from those currently expected.

Automated calculation software may cause apparent errors in calculation due to rounding for commercial purposes. For reasons of better readability and reading flow, gender-specific designations have not been taken into account.

The report is published in German and English. In cases of doubt, the German version is binding.

Editorial details

PUBLISHED BY  
SIGNA Prime Selection AG  
Freyung 3, Palais Harrach  
1010 Vienna, Austria  
www.signa.at

ESG CONSULTING, CONCEPT,  
TEXT, AND CHARTS  
Kirchhoff Consult AG

LAYOUT  
altcramer GmbH

TRANSLATION AND LINGUISTIC  
CONSULTING  
ASI GmbH — Austria  
Sprachendienst International

PHOTOGRAPHY  
© Black Bucket 56-58, 60  
© David Chipperfield Architects 2, 84-85  
© Eva Kelety 26  
© Franz Brück 2, 5, 14, 19, 31, 34, 43, 53,  
77, 86, 91, 126  
© OMA 2, 38-39  
© SIGNA 2, 10, 23-24, 41, 45  
© SIGNA Real Estate 44  
© Simon & Paul 47, 55, 92  
© Stefan Seelig 25, 37, 53

May 28, 2021  
© SIGNA Prime Selection AG





SIGNA PRIME SELECTION AG