

AROUNDTOWN'S EPRA sBPR REPORT

— JUNE 2018

OVERARCHING RECOMMENDATIONS & NARRATIVE ON PERFORMANCE

Introduction

About us

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier cities primarily in Germany and the Netherlands.

Being the largest listed German commercial real estate company we have a clear responsibility to help address the challenges society is facing today. We have made a conscious commitment to providing sustainable value creation for tenants and shareholders alike.

Environmental, Social and Governance (ESG) criteria are at the heart of our Company. We integrate ESG factors that contribute to the profitability and positive reputation of the company wherever we see opportunities to do so. The group's primary task as asset manager is to support its tenants in achieving their sustainability goals. Our asset development and refurbishment activities strategically incorporate technological advancements, energy efficiency concerns, and a wide array of other environmental issues to achieve long-term sustainability improvements.

As EPRA members we have chosen to report on our ESG impacts in accordance with the EPRA Sustainability Best Practice Recommendations (sBPR) for the first time in 2018. Our reporting response has been split into 2 sections:

1. **Overarching recommendations**
2. **Sustainability performance measures**

Our Utility suppliers

For the supply of energy we largely work with companies/frame partners who provide electricity and gas on a national level with the exception of assets where we have inherited the current contract from the previous owner of an asset. Water supply and waste disposal contracts tend to be implemented on a municipal level due to the localized supplier economy in these sectors. Whenever possible, we use wholesale suppliers that are not limited to single geographies.

Data verification and assurance

All data generated is reviewed for consistency and coherence before released into the company reporting database. The data that is reported in 2017 has been assured to AA1000 standard.



Frankfurt

1. Overarching recommendations

Organisational boundaries

As of December 2017 the Aroundtown portfolio covers a commercial portfolio which is diversified over several different asset types including office, hotel, wholesale, logistics, retail and other covering a total of 5.1 million square meters. This is our first year of reporting in line with EPRA's sBPR's and we have collected data on 18 properties covering 489.271 square meters which includes six offices assets, three logistics, wholesale and other (industrial) assets and nine retail assets. Therefore 10,2% of Aroundtown's portfolio data under our management control are considered.

Coverage

Coverage is calculated based on the rental area for each asset type. We report the total rental area under management control so the coverage for all performance measures is 100%.

Coverage for our own office utilities consumption is based on the proportion of the total rental floor area occupied by Aroundtown as we do not occupy the whole building.

Estimation of landlord-obtained utility consumption

All utilities data for the assets which we report on is 100% based on bills received for 2016 and 2017.

Our own office utilities consumption is estimated based on the proportion of the total rental floor area occupied by Aroundtown as we do not occupy the whole building and no sub-meters exist.

Waste data is estimated as it is not possible to report the total amount of waste produced at our assets, or the total proportion of waste recycled. Waste generated by our tenants is generally out of operational control, and only a proportion of the waste generated is handled by Aroundtown. The total waste reported represents the minimum volume of non-recycled waste collected by local authorities in line with legal requirements. This minimum value varies between municipalities, and tenants regularly contract private waste companies to manage their waste once the minimum threshold has been reached as this is more cost effective. For these reasons, it is not possible to report the total volume of waste generated across our portfolio.

Boundaries – reporting on landlord and tenant consumption

The consumption reported includes only energy which we purchase as landlords. Tenant obtained data (i.e. from bills which the tenant receives directly) is excluded.

Analysis - Normalisation

We have calculated intensity indicators using floor area (m²) for whole buildings, including tenant areas. We are aware there is a mismatch between the nominator and denominator in our methodology for calculating intensities, as we receive utility bills for electricity consumed only in common areas, but we receive utility bills for district heating and cooling and fuel consumed both in the common and tenant areas (it is not possible to separate these consumptions).

Health and safety performance measures are calculated using the following formulae:

- Injury rate = Number of reportable injuries / Number of Full Time Employees (FTEs)
- Lost Day Rate = Number of days lost due to injuries / Number of working hours
- Absentee rate = Number of days absent due to illness / Total number of working days

Analysis – Segmental analysis (by property type, geography)

Segmental analysis by geography is not relevant for our portfolio. The majority of our assets are located within Germany and the Netherlands, and therefore in the same climatic zone.

Segmental analysis is instead provided by asset type and is consistent with our financial reporting (see table “EPRA Environmental Performance Measures: Portfolio”).

Disclosure on own offices

Our own occupied offices are reported separately to our portfolio as we are a tenant in the building, and the asset is not part of the Aroundtown investment portfolio (see table “EPRA Environmental Performance Measures: Own Office”).

Narrative on performance

Environmental performance

Energy & emissions

In 2017, electricity consumption across our retail and logistics, wholesale and other portfolios decreased by 18.61% and 15.81% respectively. This was partially offset by a small 0.29% increase in our office portfolio. Equally significant reductions were achieved across our portfolio with respect to district heating and cooling. Here, our office, retail and logistics, wholesale and other portfolios achieved reductions of 11.36%, 11.84% and 25.27% respectively. Fuels meanwhile reduced by 0.19% in our office portfolio, and increased by 2.3% and 3.46% respectively in our retail and logistics, wholesale and other portfolios.



As a result, Scope 1 GHG emissions from fuels decreased by 17.78% across our office portfolio, 5.9% across our retail portfolio, but increased by 4.76% across our logistics, wholesale and other portfolio. Scope 2 emissions (accounting for the purchase of renewable energy) decreased by 14.26%, 10.32% and 20.6% respectively across each asset class.

Consequently, our energy intensity improved by 3.4%, 8.61% and 13.34% respectively across each portfolio, reflecting our reductions in energy consumption by our tenants. Our GHG emissions intensity likewise improved by 15.67%, 8.62% and 12.92% respectively reflecting the increase in the proportion of electricity and fuels procured from renewable sources in our office portfolio.

The majority of our assets' energy use and associated GHG emissions are due to tenant activities. Aroundtown has only limited influence on tenants' consumption behavior, but we nonetheless utilize a variety of strategies to enhance energy efficiency in our buildings and help tenants reduce their carbon footprint. These include investments in insulation and facade improvements and the installation of energy-efficient heating systems. The Group further performs technical audits of its assets on a regular basis to continually identify potential areas for improvement.

Within contractual limits set by existing contracts, Aroundtown is also switching its entire

portfolio to gas providers who fully offset their CO₂ emissions and to electricity providers with 100% renewable sources to further reduce GHG emissions.

For more information on our approach and performance, see section 4 of our Corporate Responsibility Report 2017.

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Water

In 2017, water consumption and intensity decreased by 10.09% across our office portfolio, and 0.43% across our retail portfolio. The percentage increase across our logistics, wholesale and other portfolio reflects the small amount of water consumed in this portfolio in absolute terms, with the water intensity rising from 0.04 m³/m²/year in 2016 to 0.06 m³/m²/year in 2017. This increase is largely due to tenant behaviour.

While Aroundtown is not directly responsible for the majority of water consumption related to its operations, we can however influence tenant consumption indirectly via technical and information means. Where possible, we install technical improvements that will result in lower water consumption. A key factor in consumption behaviour is the ability to monitor and record consumption; we are therefore prioritizing the installation of water meters in all assets in our portfolio. In addition to technical capacities, we undertake awareness raising initiatives among our tenants through a variety of information measures.

For more information on our approach and performance, see section 4 of our Corporate Responsibility Report 2017.

Waste Management

In 2017, absolute waste handled by Aroundtown decreased by 6.1% across our office portfolio, and 12.83% across our logistics, wholesale and other portfolio. However, we saw a 5.91% increase across our retail portfolio.

Waste generated by our tenants is generally out of operational control, and only a proportion of the waste generated is handled by Aroundtown.

The total waste reported represents the minimum volume of non-recycled waste collected by local authorities. Regulations in Germany require that local authorities are legally obliged to manage a minimum proportion of the waste generated by our tenants. This minimum value varies between municipalities, and tenants have the option of contracting private waste contractors once the minimum threshold has been reached. For these reasons, it is not possible to report the total volume of waste generated across our portfolio.

For more information on our approach and performance, see section 4 of our Corporate Responsibility Report 2017.

Building certifications

By the end of 2017, 100% of the assets in our portfolio had an energy performance certificate. The proportion of certificates achieved by type is not applicable as different values are awarded depending on whether the energy performance certificate is based on actual energy performance or potential performance (due to building design and fabric).

For more information on our approach and performance, see section 4 of our Corporate Responsibility Report 2017.

Social performance

Diversity

By the end of 2017, women occupied 44% of senior management positions (up from 29% in 2016). This rises to 54% taking into account all employees across the Group. The increase reflects our efforts to support employees with more family-friendly work policies (such as flexible working hours, part time working etc.), and our commitment to the in-house development of employees.

Aroundtown is a signatory of the German Diversity Charter, and our commitment to diversity is laid out in the company's mission statement and further defined in the Employee Code of Conduct, which is supplemented by the Diversity Policy and the Anti-Discrimination Policy. We have also established a Diversity Committee to more firmly embed diversity issues in both operational and strategic alignment. The Diversity Committee is made up of employees from all organizational levels of the company and guides the Group's engagement in this area.

Remuneration is determined solely based on the skills of the individual, the tasks and responsibilities associated with the position, and their personal success in their role. For 2017, the gender pay gap was 22% among all employees, and 11% at management level. This represents an improvement from 70% in 2016 for the whole workforce, and an improvement from 32% at management level.

For more information on our approach and performance, see section 3 of our Corporate Responsibility Report 2017.

Turnover

Our new hire rate of 47% in 2017 (building on 61% in 2016) reflects our strong growth in 2016 and 2017, and was only partially offset by a turnover rate of 10%. The majority of new positions created were in operational departments such as Asset Management, Tenant Accounting, Operational Costs and Construction. Our goal is to reduce staff turnover to 8% and the Group has implemented a retention program designed to boost loyalty and reduce fluctuation.

For more information on our approach and performance, see section 3 of our Corporate Responsibility Report 2017.

Health and safety

In 2017 we saw an improvement across our key health and safety indicators. The injury rate among employees reduced from 0.66% in 2016 to 0.47% in 2017. Likewise, the lost day rate also decreased from 0.004% in 2016 to 0.001% in 2017. These reductions can be attributed in part to the introduction of an in-house work safety training and awareness programme for employees.

For more information on our approach and performance, see section 3 of our Corporate Responsibility Report 2017.

During 2017, health and safety assessments were conducted across 100% of Aroundtown assets as part of our extensive due diligence activities. Aroundtown requires that all tenants carry out annual technical reviews of all properties in line with legislative requirements. Among other things, the assessments include fire protection systems, general technical assessments (i.e. water quality, elevators), other organisational measures (i.e. assigning fire protection officers, provision of a fire protection order, internal and external fire protection audits).

We also carry out regular site visits by asset managers and on-site property/hotel managers which provide valuable input for identifying areas in need of enhancement, and ensuring any issues are dealt with promptly. Necessary repairs are dependent on the contractual obligations of the tenant or the owner and are commissioned immediately from the responsible party and any dangers associated with the issue eliminated. All safety-related incidents are thoroughly investigated. Site management also assist in carrying out regular tests of fire safety systems.

Aroundtown uses external service providers for fire safety assessments. The external assessors prepare expert opinions on various fire safety issues through on-site visits at all properties. Where defects are identified, Aroundtown relays the issue to the responsible asset/operational manager/tenant who are tasked with ensuring the defect is eliminated swiftly. Comprehensive documentation of the process, from identification to elimination and follow-up ensure that transparency of all measures and work conducted is maintained. Where necessary, additional site visits are performed at multiyear intervals.

For more information on our approach and performance, see section 2 of our Corporate Responsibility Report 2017.

Governance

As the largest listed German commercial real estate company, strong governance is central to Aroundtown's value creation promise. Operational oversight is administered by the Board of Directors and appointed management teams. The Board of Directors comprises three executive and three independent directors, who are elected at the Annual General Meeting. The number of directors, their term and their remuneration are determined by the general meeting of shareholders and the maximum term of directors' appointment per election is six years according to Luxembourg law.

The Board of Directors is supported in its stewardship of the Group's operational activities by work from the Risk Committee, the Audit Committee, the Nomination Committee, and the Remuneration Committee, with the Advisory Board providing additional oversight. In order to embed the Group's commitment to sustainability issues within its governance structures, the Board of Directors has also established an ESG/CSR Committee.

For more information on our approach and performance, see section 1 of our Corporate Responsibility Report 2017.

Location of EPRA sustainability performance measures

EPRA sustainability performance measures for our portfolio and own offices can be found in the tables on pages 6, 7 and 8 of this report.



Berlin

SUSTAINABILITY BEST PRACTICE PERFORMANCE MEASURES

2. Sustainability performance measures

AROUNDTOWN PORTFOLIO INTENSITY

IMPACT AREA		EPRA SUSTAINABILITY PERFORMANCE MEASURES	INTENSITY INDICATOR	PORTFOLIO TOTAL			OFFICE			RETAIL			LOGISTIC, WHOLESALE, OTHER		
				2016	2017	% change	2016	2017	% change	2016	2017	% change	2016	2017	% change
ENERGY	Energy-Int	Building energy intensity [GRI-CRESS: CRE1]	kWh / m ² / year	83,24	76,78	-7,76%	82,85	80,03	-3,40%	120,27	109,92	-8,61%	46,59	40,37	-13,34%
GREENHOUSE GAS EMISSIONS	GHG-int	Greenhouse gas Scope 1 and 2 intensity from building energy [GRI-CRESS CRE3]	kg CO ₂ e / m ² / year	17,49	15,39	-11,97%	22,13	18,66	-15,67%	25,68	23,47	-8,62%	4,64	4,04	-12,92%
WATER	Water-Int	Building water intensity [GRI-CRESS: CRE2]	m ³ / m ² / year	0,1991	0,1985	-0,29%	0,23	0,21	-10,09%	0,3242	0,3227	-0,43%	0,04	0,06	59,63%
Net Lettable Area (m ²)				498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
Number of applicable buildings				18	18	-----	6	6	-----	9	9	-----	3	3	-----

HEADQUARTES BERLIN				2016	2017	% change
ENERGY	Energy-Int	Building energy intensity [GRI-CRESS: CRE1]	kWh / m ² / year	N/A	99,23	N/A
GREENHOUSE GAS EMISSIONS	GHG-int	Greenhouse gas Scope 1 and 2 intensity from building energy [GRI-CRESS CRE3]	kg CO ₂ e / m ² / year	N/A	5,10	N/A
WATER	Water-Int	Building water intensity [GRI-CRESS: CRE2]	m ³ / m ² / year	N/A	0,41	N/A
Net Lettable Area (m ²)				N/A	1.960	N/A
Proportion of floor area occupied by Aroundtown				N/A	100%	N/A

Overarching recommendations

For details on Organisational Boundaries and Coverage please see page 2 in the narrative.

Absolute and like-for-like performance data

There were no changes to the portfolio we are reporting on (18 assets with 498.271 sqm) between 2016 and 2017 meaning our absolute and like-for-like portfolio performance data are the same.

Conversion factors GHG emissions

Conversion factors for GHG emissions and for all relevant energy media are in line with the requirements of the German environmental protection association which represents the highest authority in the country.

EPRA ENVIRONMENTAL PERFORMANCE MEASURES (PORTFOLIO)

IMPACT AREA	UNIT	EPRA SUSTAINABILITY BEST PRACTICE PERFORMANCE MEASURES			PORTFOLIO TOTAL			OFFICE			RETAIL			LOGISTIC, WHOLESALE, OTHER		
					2016	2017	% change	2016	2017	% change	2016	2017	% change	2016	2017	% change
ENERGY	kWh	Elec-Abs, Elec-LfL	Electricity (indirect)	Total landlord-obtained electricity	7.972.866	7.005.017,20	-12,14%	2.506.560	2.513.795,20	0,29%	3.965.956	3.228.087	-18,61%	1.500.350	1.263.135	-15,81%
	%	% from renewable sources			33,67%	41,67%	23,76%	25,00%	39,00%	56,00%	47,00%	52,00%	10,64%	29,00%	34,00%	17,24%
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
	kWh	DH&C-Abs, DH&C-LfL	Heat (indirect)	Total landlord-obtained heat	13.558.729	11.095.563	-18,17%	2.826.328	2.505.160	-11,36%	4.242.801	3.740.403	-11,84%	6.489.600	4.850.000	-25,27%
	%	% from renewable sources			13,20%	12,90%	-2,27%	13,20%	12,90%	-3,00%	13,20%	12,90%	-30,00%	13,20%	12,90%	-30,00%
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
	kWh	Fuels-Abs, Fuels-LfL	Fuels (direct)	Total landlord-obtained fuels	13.848.511	14.120.370	1,96%	4.127.580	4.119.683	-0,19%	4.891.589	5.004.320	2,30%	4.829.342	4.996.367	3,46%
	%	% from renewable sources			21,00%	26,33%	25,40%	0%	8%	800,00%	0%	8%	800,00%	63%	63%	0,00%
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
GREEN-HOUSE GAS EMISSIONS	tonnes CO ₂ e	GHG-Dir-Abs, GHG-Dir-LfL	Direct	Scope 1	2.473,86	2.249,04	-9,09%	1.010,55	830,84	-17,78%	1.076,15	1.012,61	-5,90%	387,16	405,59	4,76%
		GHG-Indir-Abs, GHG-Indir-LfL	Indirect	Scope 2 (location-based)	5.645,35	5.188,28	-8,10%	1.845,39	1.813,78	-1,71%	2.678,31	2.441,41	-8,85%	1.121,65	933,09	-16,81%
				Scope 2 (market-based)	4.128,36	3.550,99	-13,99%	1.516,59	1.300,37	-14,26%	1.721,31	1.543,63	-10,32%	890,46	706,99	-20,60%
			Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163
WATER	m ³	Water-Abs, Water-LfL	Water	Total landlord-obtained water	72.786	76.343	4,89%	26.733	24.036	-10,09%	35.308	35.155	-0,43%	10.745	17.152	59,63%
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
WASTE	liters	Waste-Abs, Waste LfL	Waste	Total waste (non-recycled waste)	3.772.380	3.800.660	0,75%	1.416.590	1.330.140	-6,10%	2.225.450	2.356.900	5,91%	130.340	113.620	-12,83%
	%	% recycled			N/A	N/A	---	N/A	N/A	---	N/A	N/A	---	N/A	N/A	---
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%
CERTIFIED ASSETS	%	Cert-Tot	Mandatory (EPC): energy certificates	% of portfolio certified by building	100	100	0,00%	100	100	0,00%	100	100	0,00%	100	100	0,00%
		Applicable net lettable area (m ²) total			498.271	498.271	0,00%	114.184	114.184	0,00%	108.924	108.924	0,00%	275.163	275.163	0,00%

Overarching recommendations

For details on Organisational Boundaries and Coverage please see page 2 in the narrative.

Absolute and like-for-like performance data

There were no changes to the portfolio we are reporting on (18 assets with 498.271 sqm) between 2016 and 2017 meaning our absolute and like-for-like portfolio performance data are the same.

Waste

It is not possible to report the total amount of waste produced at our assets, or the total proportion of waste recycled. Waste generated by our tenants is generally out of operational control, and only a proportion of the waste generated is handled by Arountdown. The total waste reported represents the minimum volume of non-recycled waste collected by local authorities in line with legal requirements. This minimum value varies between municipalities, and tenants regularly contract private waste companies to manage their waste once the minimum threshold has been reached as this is more cost effective. For these reasons, it is not possible to report the total volume of waste generated across our portfolio.

District heating & cooling

Due to different energy mixes provided by local suppliers, the proportion of district heating from renewable sources is taken from the German environmental protection association which represents the highest authority in the country.

GHG Emissions conversion factors

Conversion factors for GHG emissions and for all relevant energy media are in line with the requirements of the German environmental protection association which represents the highest authority in the country.

EPRA ENVIRONMENTAL PERFORMANCE MEASURES (OWN OFFICE AND HEADQUARTERS)

IMPACT AREA	UNIT	EPRA SUSTAINABILITY BEST PRACTICE PERFORMANCE MEASURES			ABSOLUTE
		HEADQUARTER BERLIN			2017
ENERGY	kWh	Elec-Abs, Elec-LfL	Electricity (indirect)	Total landlord-obtained electricity	44.725
	%	% from renewable sources			100
		Applicable net lettable area (m ²) total			1.960
	kWh	DH&C-Abs, DH&C-LfL	Heat (indirect)	Total landlord-obtained heat	Not applicable
	%	% from renewable sources			Not applicable
	kWh	Fuels-Abs, Fuels-LfL	Fuels (direct)	Total landlord-obtained fuels	149.765
	%	% from renewable sources			69
		Applicable net lettable area (m ²) total			1.960
GREEN-HOUSE GAS EMISSIONS	tonnes CO ₂ e	GHG-Dir-Abs, GHG-Dir-LfL	Direct	Scope 1	10
		GHG-Indir-Abs, GHG-Indir-LfL	Indirect	Scope 2 (location-based)	236
				Scope 2 (market-based)	0
		No. of applicable units total (coverage)			7
		Applicable net lettable area (m ²) total			1.960
WATER	m ³	Water-Abs, Water-LfL	Water	Total landlord-obtained water	799
		Applicable net lettable area (m ²) total			1.960
WASTE	liters	Waste-Abs, Waste LfL	Waste	Total waste (non-recycled waste)	Not available
	%			% recycled	Not available
		Applicable net lettable area (m ²) total			1.960
CERTIFIED ASSETS	%	Cert-Tot	Mandatory (EPC): energy certificates	% of portfolio certified by building	100
		Applicable net lettable area (m ²) total			1.960

Like-for-like performance measures:

The reported data covers our headquarters in Berlin in which 80% of our employees are located. Like-for-like data is not available as prior to 2017 our corporate offices consisted of predominantly small offices for asset and property managers across our assets in Germany. Our headquarters in Berlin has increased significantly in size following the rapid growth in our headcount over the past couple of years and the restructuring we have put in place as we centralise more corporate functions.

Estimations of utility consumption data:

Utilities consumption is estimated based on whole building data for the building occupied by Aroundtown. Aroundtown's proportion has been calculated based on the floor area occupied by Aroundtown.

Waste

Waste data is not available as waste is handled by the landlord and it is not plausible to estimate Aroundtown's share of waste based on the floor area occupied by Aroundtown.

EPRA SOCIAL AND GOVERNANCE PERFORMANCE MEASURES (PORTFOLIO AND CORPORATE)

INDICATOR	EPRA CODE	UNIT OF MEASURE	COVERAGE	2016	2017
EMPLOYEE DIVERSITY	Diversity-Emp	% male/female (Board)	Corporate operations	75% male, 25% female	86% male, 14% female
		% male/female (Senior management)		71% male, 29% female	56% male, 44% female
		% male/female (all employees)		46% male, 54% female	46% male, 54% female
	Diversity-Pay	Ratio of basic salary and remuneration of women to men (Board)	Corporate operations	0.62:1	0.82:1
		Ratio of basic salary and remuneration of women to men (Senior Management)		0.68:1	0.89:1
		Ratio of basic salary and remuneration of women to men (all employees)		0.70:1	0.78:1
EMPLOYEE TRAINING AND DEVELOPMENT	Emp-Training	Average hours per employee	Corporate operations	N/A	N/A
	Emp-Dev	% of total workforce with performance appraisals	Corporate operations	N/A	N/A
	Emp-Turnover	Total number of new hires	Corporate operations	95	126
		Rate (%)		61%	47%
		Total number of leavers		9	53
Rate (%)	6%	10%			
HEALTH AND SAFETY	H&S-Emp	Injury rate	Corporate operations	0.66%	0.47%
		Lost day rate		0.004%	0.001%
		Absentee rate		4%	4%
		Fatalities (total number)		0	0
	H&S-Asset	% of assets undergoing health & safety assessments	Portfolio	100%	100%
H&S-Comp	Total number of incidents of non-compliance from health & safety assessments	Portfolio	N/A	N/A	
COMMUNITIES	Comty-Eng	% of assets with community engagement initiatives	Portfolio	N/A	N/A
GOVERNANCE	Gov-Board	Total number of Executive members	Corporate operations	4	3
		Total number of Independent members		1	3
		Average tenure		1.5	1.08
		Total number with competencies relating to environmental and social topics		2	6
	Gov-Select	Description	Corporate operations	Please see the Corporate Governance section of our website: http://www.aroundtown.de/investor-relations/corporate-governance/	
Gov-CoI	Description	Corporate operations	Please see the Board of Directors' Report (page 46) of our Consolidated Financial Statements for the year ended December 31, 2017		

Emp-Training & Emp-Development

We are not able to report these performance measures following strong growth in employee numbers since 2016. We are expanding our HR reporting tools and aim to report these performance measures in 2019.

Comty-Eng

Aroundtown's community initiatives have mainly involved sponsorships (i.e. youth soccer teams) and donations (Berlin Charité Hospital "Baby Pilots Project"). We are currently working on a programme to report community engagement initiatives across our portfolio and will aim to report this data in 2019.

Assurance Statement

Third Party Assurance



Third Party Independent Report Document to Aroundtown SA including its investees ('Aroundtown')

In accordance with our mandate, GUTcert GmbH (GUTcert) accomplished an independent third party validation to obtain a **limited assurance** (within the meaning of the Assurance Standard AA1000) of the disclosures in the EPRA Sustainability Reporting 2018 by Aroundtown SA for the financial years 01.01.2016 to 31.12.2017. The check includes also the method of collection of consumption data and the special requirements in Germany.

Organisational boundaries, Coverage

As of 31 December 2017 the Aroundtown's portfolio covers a commercial portfolio diversified over several different asset types including office, hotel, logistics wholesale, retail and other covering a total of 5.1 million square meters. For EPRA Sustainability Performance Measures Aroundtown collect data of 18 properties with 498,271 square meters. Therefore 10.2% percent of Aroundtown's portfolio data are considered.

Within the chosen organizational boundaries all assets includes all Sustainability Performance Measures of the EPRA Reporting. GUTcert activity consists of the validation of the acquisition data process adopted by Aroundtown and of the control of the Environmental performance data set and KPIs about consumption of electricity, gas, district heating, oil, water and waste as well as CO₂ Emissions for the years 2016 and 2017.

Methodology

GUTcert undertook the following assurance activities:

- 1) Organization of a meeting with the referee of Aroundtown to receive the official procedures of the Company for the acquisition and the processing of the data. This method is in accordance to the Best Practices Recommendations on Sustainability Reporting, developed by EPRA.
- 2) Providing a review in a random sample survey, concerning:
 - the consumption data reported in the bills of each energy supplier or contractor,
 - the summary data list collection reported within a dedicated model for each property,
 - a final table of general recording of consumption data that includes the comparison of all the collected values with the whole data.
- 3) Discussion of results of the above analysis with the referee of GCP to close open issues and point recommendations.

Verdict

GUTcert verified consumption data of Aroundtown SA for all EPRA sBPR Performance Measures and the methodology of data collection and their treatment. The data set were ordered in a coherent and comprehensive way, contractors' bills are complete (as far as possible) and traceable. If contractors' bills are not available, the figures are based on an extrapolation of actual data from previous period. As a result of our validation process about the figures from a random sample survey we confirm the correctness of the calculated values. The examination and comparison of data do not put in evidence any incorrect situation or any non-conformity.

On the basis of our assessment to obtain a limited level of security, we have not been aware of any issues that may lead us to believe that the EPRA Report of Aroundtown SA is not materially in accordance with the EPRA sBPR Performance Measures.

Recommendations

Without limiting the above mentioned results, we would like to make the following recommendations for the further development of data management and reporting:

- Internal standards should to be defined and implemented for all EPRA relevant data collecting
- The data collection should be based on a software tool, adding the consumption data by hand is error-prone
- Copies of the consumption bills should be stored centrally

Independence of Assurance

- GUTcert is a certification body and has a number of accreditations through DAkkS e.g. ISO 9001, ISO 14001, BS OHSAS 18001, ISO 50001, ISO 14064 as well approved body for Validation of European Emissions Trading.

Berlin, 29th June 2018

GUT Zertifizierungsgesellschaft für
Managementsysteme mbH Umweltgutachter


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