



**Sustainability Report**  
Edition 2013



**alstria**  
First German REIT



## PROFILE

alstria office REIT-AG is the leading listed Real Estate Investment Trust (REIT) and the largest listed office property company by market capitalisation in Germany. The Company is focused on acquiring, owning and managing office real estate in Germany. alstria was founded in January 2006 and was converted into the first German REIT in October 2007. Its headquarters are in Hamburg. The Company owns a diversified portfolio of properties across attractive German office real estate markets. Its portfolio as at December 31, 2012 comprises 84 properties with an aggregate lettable space of approx. 929,000 sqm and is valued at approx. EUR 1.6 bn.

This is the fourth report published by the Company in order to communicate its CSR key performance indicators to the market. It emphasises alstria's continuous engagement in sustainability issues and the commitment to its values over time.

It is alstria's aim and policy to incorporate sustainability criteria into all its decisions. As a long-term investor in real estate, alstria has a vested interest in improving its environmental and social behaviour towards its stakeholders.

## CONTENT

### 1 KEY METRICS

#### COMPANY

- 2 Management Letter
- 4 About this report
- 6 alstria's CSR policy
- 7 Sustainability Model
- 8 Stakeholder engagement
- 16 Governance, commitments and engagement

#### ECONOMY

- 24 Economic performance
- 29 Sustainable growth

#### ENVIRONMENT

- 32 Managing our portfolio sustainably
- 42 Holstenhof
- 43 Schopenstehl

#### SOCIAL

- 46 Social responsibility
- 57 Social Part

#### APPENDIX

- 58 GRI and EPRA content index
- 61 GRI application level
- 62 GRI Notes
- 64 Property consumption data
- 66 Analysed assets
- 68 Glossary
- 70 Augmented Reality
- 71 Editorial information

## LEGEND

-  AUGMENTED REALITY
-  BANK
-  CO<sub>2</sub>
-  COMMUNITY
-  ECONOMY
-  ELECTRICITY
-  EMPLOYEES
-  ENERGY INTENSITY
-  ENVIRONMENT
-  GOVERNMENT
-  HEATING
-  INVESTORS
-  SOCIAL
-  TENANTS
-  WASTE
-  WATER

Corporate  
Responsibility

Prime

rated by

oekom research

oekom has classified alstria as 'prime' in its rating. The Company's shares are thereby qualified as an environmental and social investment.

## KEY METRICS

<b>Economic performance</b>	<b>Dec. 31, 2012</b>	<b>Dec. 31, 2011</b>	<b>% Change</b>
Number of properties	84	80	5.0
Market value <i>EUR bn</i>	1.6	1.5	6.7
Contractual rent <i>EUR m/annum</i>	105.5	99.8	5.7
Lettable area <i>k sqm</i>	929	862	7.8
Vacancy <i>% of lettable area</i>	11.4	8.6	2.8 pp
Revenues <i>EUR m/annum</i>	101.3	90.8	11.6
FFO <i>EUR m/annum</i>	43.6	34.7	25.6
<b>Environmental performance<sup>1)</sup></b>			
Building energy intensity <i>kWh/sqm/year</i>	203	205	-1.0
<i>kWh/workstation/year</i>	5,064	5,126	
<i>coverage by number of buildings</i>	73 of 84	55 of 80	
Greenhouse gas intensity from building energy <i>kg CO<sub>2</sub>e/sqm/year</i>	89.6	90.4	-0.9
<i>kg CO<sub>2</sub>e/workstation/year</i>	2,234	2,262	
<i>coverage by number of buildings</i>	73 of 84	55 of 80	
Building water intensity <i>m<sup>3</sup>/sqm/year</i>	0.32	0.30	6.7
<i>m<sup>3</sup>/workstation/year</i>	7.9	7.4	
<i>coverage by number of buildings</i>	74 of 84	57 of 80	
<b>Social performance</b>			
Number of Employees	61	50	22.0
Employee turnover <i>%</i>	10	10	0.0 pp
Absence <i>%</i>	3.8	4.5	-0.7 pp
Annual training costs per employee <i>EUR k</i>	2.1	1.2	75.0

<sup>1)</sup> EPRA Best Practices Recommendations on Sustainability Reporting.

## LADIES AND GENTLEMEN, DEAR STAKEHOLDERS

Sustainability in real estate is by no means a simple topic to address. Neither can it be summarised in a report. Anyone doubting this should have a look at the following word cloud generated from a Google search for 'sustainable real estate'. It ranges from 'efficiency' to 'rainwater' and from 'toilets' to 'leadership'.





While this report provides the reader with an overview of numbers in the main sustainability fields, we are doing more than just generating numbers.

We are convinced that sustainability cannot be compressed into a 'tick the box' exercise. This cannot be done and should not be done! When it comes to sustainability policy, the biggest risk for a company like alstria, is to start acting, not because it should, but for the sake of trying to tick the boxes.

We will continue to report in the future because we believe in the merit of communicating our views and the progress that we have made to our stakeholders. We will, however, make sure that reporting does not become a goal in itself.

There is still a lot we can do to improve and there are vast areas where we have not invested yet, which remain available for us to explore. These new territories make our job so exiting. We look forward to sharing our discoveries with you next year again.

Kind regards

**Olivier Elamine**  
Chief Executive Officer (CEO)

**Alexander Dexne**  
Chief Financial Officer (CFO)

## ABOUT THIS REPORT

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### HOW TO READ THIS REPORT

This is the fourth sustainability report provided by alstria. The sustainability report provides its readers with the most valuable information, in the most efficient way, about our engagement in the field of sustainability. This report aims to explain and illustrate our sustainability approach, which is based on the three-pillar concept. Furthermore, we describe concrete measures within our sustainability framework and our engagement in 2012. Targets are therefore derived from these measures and monitored. (i.e. for more information please refer to » pages 8–15) Sustainability topics are also increasingly integrated in our Annual Report » part I and II.

### REPORTING PERIOD

alstria reports annually on sustainability within the Company. Although publication dates differ, the sustainability reporting cycle is aligned with the financial reporting cycle. This report covers activities of the financial year 2012 (January 1, 2012 to December 31, 2012) and should be read together with the Annual Report 2012 » parts I and II. The Annual Report is available on alstria's website: » [www.alstria.com/en/investors/reports-events/financial-reports/date/2012/](http://www.alstria.com/en/investors/reports-events/financial-reports/date/2012/)

Whenever possible, we have provided 2011 and 2010 data. The report has been written in accordance with the GRI 3.1 guidelines and the sector supplement for construction and real estate (CRESS), as well as the EPRA Best Practices Recommendations on Sustainability Reporting.

### SCOPE OF REPORTING

alstria's activities did not change over the reporting period and no significant changes are planned for the next years. The consolidated financial statements of alstria office REIT-AG and its subsidiaries (together 'alstria Group') have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB).

Unless otherwise stated, economic and social data refer to the alstria Group.

Environmental data refer to assets directly held by the alstria Group (excluding joint ventures). In order to be aligned with the international framework of the Greenhouse Gas Protocol Initiative, we follow the operational approach when it comes to data evaluation. This approach clearly identifies emissions where we have direct control over our own emissions and where emissions accrue due to the Company's activity. Scope 1 and Scope 2 represent emissions that are related to our operations. Scope 3 represents all emissions that occur in the value chain. It also includes downstream activities such as leased assets. The information from tenants' consumption, which is published under Scope 3 depends on data that is provided to us by our tenants. Furthermore, no adjustments for special circumstances were made, such as weather patterns or age of building.

The calculation methods and the number and share of assets included in the calculation are stated in the notes for each relevant indicator.

## LIKE-FOR-LIKE APPROACH

We do not only report the absolute consumption for each year; we also want to compare the data on an annual basis. Therefore, we use the like-for-like approach in our portfolio for better comparability between the reported years. The like-for-like approach disregards assets that have been added or excluded from the portfolio during the reporting frame period and solely focuses on the ones that have contributed during the entire period. We report on the like-for-like changes with respect to the total consumption of our tenants for electricity, heating, CO<sub>2</sub> emissions and water.

It should, however, be noted that the like-for-like comparison only applies to the absolute indicators, whereas intensity indicators look at the total portfolio at the date of reporting.

## AUGMENTED REALITY



This report provides the user with an augmented reality experience. In order to access this experience, download alstria's app from the App Store (iPhone, iPad), or aurasma Lite from Google Play (Android). For more information about the augmented reality feature, please go to » page 70.

## alstria's CSR POLICY

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alstria's business model can be summarised as follows: We invest the Company's equity into real estate assets, which we manage for the long run. Our business cycle is long by definition. Real estate time passes slowly. It can take up to four or five years to plan and properly refurbish a property and lease it up completely. The building itself should be designed to fit tenants' needs for the next 20 to 30 years.

Given the limited trading approach to our business, sustainability comes as a natural feature within alstria. Any decision we make will influence the Company for a long time. And most of them are definitive. Once a decision is executed, there is no turning back, no changes are possible or they are only marginal or very expensive.

As a commercial organisation, our main goal is to yield the best return on the equity of the Company over time.

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**Environment** – Taking this into account allows us to reduce the speed of assets' obsolescence and increase the attractiveness of our offices for our tenants.

**Social** – Unlike other businesses, our fate is tied to the location in which we invest and therefore we have a vested interest in the strong development of the local community.

Any decision that considers the environmental and social aspects will enhance the **economics** of alstria's operations over the long run. It will, at worst, minimise the risk on the value of our assets and, at best, improve it by increasing the underlying land value.

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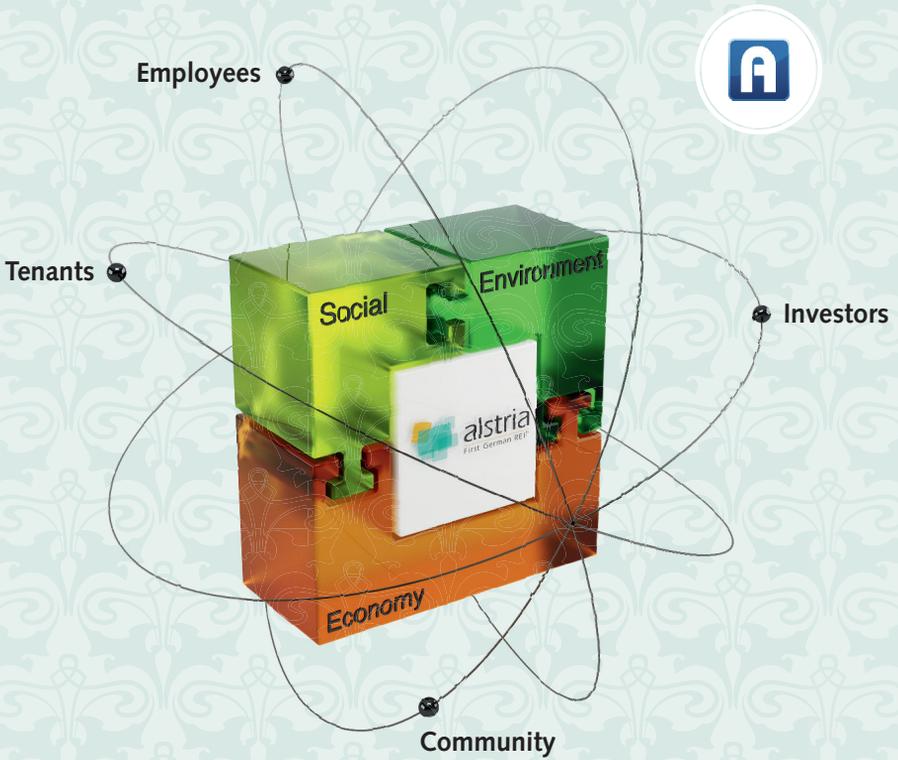
Our sustainability approach is based on the three-pillar model. Any business decision will have an impact on each of the pillars. We will achieve the greatest profit over time by following the middle path, which maximises the returns on each of the three pillars.

Our aim is the further improvement of our data collection, data measurement and, of course, the sustainability reporting itself on an ongoing basis. We have, however, tried as much as possible to underline the shortcuts that we have taken from time to time. The decision to get approximated data was, in a limited number of cases, also driven by the three-pillar approach. This is where we felt that the cost/benefit analysis was in favour of the approximation rather than providing more precise figures.

As a listed and customer-oriented company, alstria has manifold relationships with stakeholders involved in our business. Our most important stakeholders are our investors, our tenants, our employees and the community in which we operate. We believe that each of these stakeholder groups has a vested interest in each of the three sustainability fields.

We always strive to work closely with stakeholders across a broad front, creating shareholder value, working for the benefit of our tenants, providing a healthy and secure working environment and enhancing the quality of life in the communities surrounding the assets in which we invest.

## SUSTAINABILITY MODEL



alstria's sustainability model is based on the three-pillar approach, which impacts the following pillars:



Economy



Environment



Social

Our day-to-day business decisions can impact each of alstria's stakeholders directly or indirectly through one or the other pillar. Being sustainable means trying to strike the right balance for every stakeholder and every pillar.

## STAKEHOLDER ENGAGEMENT

Considering the different needs and focuses of each of our stakeholders, our approach to sustainability aims at finding the right balance between the needs of each stakeholder group.



### We stand for

- › Creating sustainable value and sustainable investment decisions
- › Transparency and reliability towards our shareholders
- › A direct contact to our shareholders
- › Regular financial and sustainable reporting as well as press conferences
- › The participation in industry discussions for relevant reporting indicators
- › Discussions on road shows and property tours
- › Modern communication tools such as Facebook and Twitter

### Targets

- › Increase the basis of energy consumption and CO<sub>2</sub> emission data of our assets to 100 % by 2015
- › Meet all GRI criteria by 2015
- › Report annually on carbon footprint to CDP, on 100 % of our assets by 2015



**We stand for**

- › A good and long-term tenant relationship
- › Our own property management
- › Direct communication with our tenants
- › Full support for tenants' requirements
- › Efficient and sustainable office space
- › Regular site visits by our teams
- › Regular meetings and constructive discussions with our tenants

**Targets**

- › Enable our tenants to get direct access to relevant data by 2015
- › Implement green lease clause in our standard contracts
- › Improve our technical asset management by 2015



**We stand for**

- › Equal opportunities, health management, as well as a strong team spirit
- › A constantly improving human resource management process
- › Specific training and the fostering of talents
- › Talent management, individual support and the personal development of our employees
- › Flat hierarchies and open communication
- › A diverse workforce
- › A flexible working time model

**Targets**

- › Keep annual employee turnover rate below 10 %
- › Implement a trainee programme
- › Promote equal chances



**We stand for**

- › Being a responsible citizen
- › Respecting the interests and quality of life of communities
- › The support of local economy, entrepreneurs and initiatives
- › Our Code of Conduct, which defines our legal guidelines and supports our commitment to integrity
- › Beneficial rental agreements

**Targets**

- › Support at least two social and cultural projects per year by providing vacant space at preferential terms
- › Improve market transparency by supporting at least two transparency initiatives
- › Be continuously involved in academic studies and support at least one academic research work every year



## OUR SUSTAINABILITY FRAMEWORK IS BASED ON OUR STAKEHOLDER ENGAGEMENT

With our first sustainability report we set up a framework that explains our approach towards CSR, our stakeholder engagement and the impact of alstria's CSR policy on our daily business. Most of our decisions have been, and are also, driven by the values and the operational impacts within this framework.

The framework provides an orientation for continual improvement for the future, in order to achieve our goals and set new ones as we move forward.

### Key achievements

In line with our target to cover 100 % of our assets by 2015, we have managed to expand the scope of reporting. With each subsequent report we aim to increase our understanding of the consumption data. Among other things, the successful integration of property management was one driving factor for the increased data coverage of our portfolio.

### Challenges

Even if we make progress, data gathering was, is and will be one of our greatest challenges in the future, as energy consumption and CO<sub>2</sub> emissions within our portfolio are mainly produced by our tenants. Therefore, we rely on their cooperation and share the responsibility to reduce energy consumption and CO<sub>2</sub> emissions.

### Future targets

Our goal is to identify room for improvement within our sustainability framework, to take the right actions, monitor the progress and continually improve. It is a matter of course that we report about our progress, which is stated with each stakeholder group under 'how we engage'. Instead of resting on our laurels, we aim to further develop our targets in line with the existing ones and to try to improve our sustainable engagement and transparency in reporting.

By 2015, we aim to evaluate 100% of our assets, monitor the data and derive measures.

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The façade of the Holstenhof shows clear and symmetric structures, enriched with sculptures, combined with Art Nouveau influences.



## OUR INVESTORS

- VALUES
- › Promote transparency
  - › Retain reliability
  - › Create long-term value

### OPERATIONAL IMPACT

### HOW WE ENGAGE

#### Optimise cash flow generation

Our cash flow strategy enables us to conduct capital increases and allows an attractive dividend policy.

Based on recent acquisitions and a tight cost control, alstria was able to strengthen its cash flow substantially. For FY 2012 we increased our dividend by 14 % to EUR 0.50 per share.

#### Maintain the quality of the portfolio

Creating sustainable value means investing in the existing assets in order to maintain the quality of our portfolio.

In 2012, we invested around EUR 12.9 m in ongoing refurbishment projects. The main investments were linked to the development projects Mundsburg Office Tower and Bartholomayhaus.

#### Act proactively on the market

We show our industry leadership by taking an active role in the market.

We continued to inform our investors, analysts and the press about our development and market trends. In 2012, we presented the Company during 28 conferences and road shows, and had more than 200 meetings with investors and analysts.

#### Optimise risk-return matrix

alstria's acquisition strategy is focused on assets that we feel present the most attractive risk-return profile in the current market.

In 2012, we expanded our portfolio by six assets with an investment volume of EUR 95,092 k. The transaction was financed by the capital increase in February 2012.

#### Take tomorrow's needs into consideration

We consider sustainable refurbishment with every development project, as it is an investment for a lifetime.

In 2012, we began planning the refurbishment of the historic building Holstenhof in Hamburg. While safeguarding its historical look, the building will meet all the requirements of a modern office building going forward and achieve a certification according to BREEAM standards.

#### Favour long-term view to short-term trade

alstria only invests in assets that will sustain our growth requirements and deliver returns over a long time.

Based on a survey of IPD (Investment Property Database) alstria's property portfolio has delivered the highest total return relative to the German office benchmark annualised over the three years 2010 to 2012.

#### Implement best-in-class reporting

We constantly improve our reporting to better meet investors' and stakeholders' needs.

alstria has been awarded for its transparent and best-in-class reporting by various organisations. In 2012, we extended our reporting framework by new financial key data, providing analysts and investors a better understanding of alstria's underlying business.

#### Improve corporate governance and transparency

A growing interest of our investors in the sustainable approach of alstria increases our own engagement in sustainability reporting.

We continued to report our carbon emissions and climate change strategy to the 'Carbon Disclosure Project', which aims to set up a global database for carbon emissions.



## OUR TENANTS

- VALUES
- › Maintain long-term tenant relationships
  - › Improve transparency and property management
  - › Provide efficient and sustainable office space

### OPERATIONAL IMPACT

### HOW WE ENGAGE

#### Enhance transparency in terms of invoicing and reporting

A structured property management ensures the quality of our work and improves communication with our tenants.

Over the last years, alstria has continually integrated the property management into its value chain, allowing better communication with our tenants.

#### Maintain constant dialogue

We organise regular meetings with our key tenants to maintain a constant dialogue.

In 2012, alstria maintained constant dialogue with key decision makers at tenant level.

#### Understand tenants' needs and deliver solutions

It goes without saying that having a close relationship with our tenants leads to a better mutual understanding.

In our daily work we ensure that our real estate operations teams are always available to respond to tenant concerns and to develop ideas and solutions.

#### Encourage tenants to adopt sustainable behaviour

We are engaged in different working groups to pursue opportunities in order to reduce a building's environmental footprint.

The 'Green Leases' working group published 50 regulatory recommendations for landlords and tenants; they include, among other things, measures for energy saving and regulations of utility costs to support sustainable behaviour.

#### Sustainable certification of assets

alstria's development projects are focused on the sustainable modernisation of existing buildings.

Our new project development in Hamburg, the Holstenhof, is aiming to achieve a BREEM 'Good' certification.

#### Optimisation of workspace use

A flexible floor plan allows us to realise various office concepts for our tenants. In cooperation with our tenants, we respond to their individual needs.

alstria has two employees working full-time on office planning. In 2012, they worked on 500 plans.

#### Improve knowledge of the assets

A comprehensive and improved data management allows efficient processes within the Company.

alstria is in the process of consolidating its IT infrastructure in order to have a better overview of all data and to improve data management.



## OUR EMPLOYEES

- VALUES
- > Support entrepreneurship
  - > Encourage initiative
  - > Promote equal chances

### OPERATIONAL IMPACT

#### Fair and balanced HR policy

We believe in positive and respectful communication, a cooperative management style and we also focus on developing our employees.

#### Remuneration package includes share-based component

alstria offers a convertible profit participation rights programme as part of the overall remuneration package to its employees. This allows our employees to participate in the future success of the Company and the development of its share price.

#### Encourage team relationship

As a growing company we are responsible for encouraging and maintaining a team relationship and for keeping up the team spirit of a dynamic start-up culture.

#### Non-discrimination policy

We value diversity in our workforce, and seek to create an environment that allows us to recruit and retain a diverse workforce.

#### Support education

We believe that the regular training of our employees forms the basis for sustaining a high level of know-how and motivation.

#### Take into account employees' specific needs

We use several strategies and tactics to engage with employees. Our management style is based on intensive communication to meet our employees' needs.

### HOW WE ENGAGE

The Management Board pays attention to diversity in management positions. As at December 31, 2012, 44 % of these positions were held by female employees.

For the 86,000 certificates issued in 2012, the market condition was fulfilled until the end of the financial year 2012. As of December 31, 2012, this represents a total of EUR 623.5 k, distributed to our employees. A total of 194,500 convertible profit participation certificates existed as of December 31, 2012.

alstria holds a team workshop every year. Each department presents current projects. Additional team-building measures, open-space and open-door policies strengthen the corporate climate.

Our non-discrimination policy is described in our Code of Conduct, which is presented to every employee on a yearly basis.

In 2012, each employee received an average 32 hours of training. Each year we offer workshops, inhouse training as well as individual support.

Our employee turnover rate was 10 % in 2012. To keep this rate at 10 %, we work on management structures and foster employee engagement.



## COMMUNITY

- VALUES**
- > Be responsible citizens
  - > Support local economy
  - > Remain a fair and open partner

### OPERATIONAL IMPACT

#### Support and maintain historical buildings

Our refurbishment projects strive to strike the right balance between the assets' spirit, history and future needs to meet tenants' demands in the foreseeable future.

#### Participate in city redevelopment

We work hand-in-hand with local authorities during a development process. Only the close collaboration of all involved parties will lead to success.

#### Engage with local suppliers

We strategically engage third-party local suppliers for our development projects, as well as for the regular maintenance of our buildings.

#### Improve health, safety and environment

alstria runs an ongoing review and investment plan for the fire and safety measures in its assets.

#### Engage in best-in-class corporate governance measures

We regard responsible and transparent corporate governance as a central challenge and indispensable prerequisite for the creation of sustainable value for shareholders and stakeholders.

#### Engage with national and international organisations

alstria is engaged in several discussion groups regarding issues such as accounting, sustainability and transparency.

#### Support fundamental R&D

We support research concerning real estate by funding certain studies and by providing relevant data.

### HOW WE ENGAGE

In 2011, alstria refurbished the Bieberhaus in Hamburg and provided a new home for the well-known Ohnsorg Theatre, also in Hamburg. In 2012, the association of Hamburg architects acknowledged this effort and granted the historic Bieberhaus the award for best refurbished building of the year.

In cooperation with its joint venture partner Quantum, alstria is busy refurbishing the Kaisergalerie, which is located in Hamburg's high street area and will accommodate first-class retail stores from 2014. Our engagement supports the efforts of the City of Hamburg to further improve the attractiveness of the BID 'Passagenviertel' in the inner city.

We have a responsible contracting policy and engage, whenever possible, local SMEs. Furthermore, alstria is conducting a 'green list', which comprises suppliers that have proven to be reliable. In 2012, we continued to favour working with local SMEs and hired 646 local suppliers.

In 2012, we invested around EUR 400 k in measures that were solely focused on improving the safety of our assets for our tenants.

alstria meets the highest standards in corporate governance. In 2012, the Company implemented new corporate governance guidelines regarding the independence of the Supervisory Board.

alstria is actively supporting the working groups of EPRA and the GRI, which are continuously enhancing sustainability reporting standards. In 2012, alstria included the newly developed EPRA cost ratio into its reporting, in order to increase transparency and facilitate comparisons with its European peers. alstria also continued to participate in a number of public comments consultations from the European Union, the IASB, GRI, BaFin and ESMA.

alstria continued to fund the 'Competence Center Real Estate Investment Trust' at the EBS University, Real Estate Management Institute (REMI). In close cooperation with the University, alstria supported students preparing their dissertations.

# GOVERNANCE, COMMITMENTS AND ENGAGEMENT

## CORPORATE GOVERNANCE

Good corporate governance is an essential precondition for the Company's success. It provides a legal and factual framework and promotes transparency, accountability, the appropriate dealing with risks and sound business practices.

alstria complies with the German Corporate Governance Code. The Company's declaration of compliance with the recommendations of the German Corporate Governance Code is published on alstria's website: » [www.alstria.com/en/investors/corporate-governance/code/](http://www.alstria.com/en/investors/corporate-governance/code/)

A full description of the structure and the functioning of the Supervisory Board and Management Board, including their purpose, powers, limitations, activities and remuneration policies, is printed in the Annual Report for the financial year ended December 31, 2012 » Part II/II, pages 80–93. The Annual Report can also be found at » [www.alstria.com/en/investors/reports-events/financial-reports/date/2012/](http://www.alstria.com/en/investors/reports-events/financial-reports/date/2012/).

## ETHICS AND COMPLIANCE

As the good reputation of alstria and the trust of our business partners, shareholders, employees and of the public crucially depend on the conduct of each of our employees, alstria's management and employees are committed to a Code of Conduct. In this way the correct conduct for all employees of the Group is defined. In 2012, the regulations within the Code of Conduct have been updated. The new regulations were explained and illustrated to all employees on the basis of compliance training. The employee handbook consists of, among others, the following guidelines:

### 1 CODE OF CONDUCT

- › General requirements of behaviour:
  - Legal compliance
  - No acceptance/granting of advantages, which also includes business relations with tenants, service providers and other business partners
  - 'Green list' of approved suppliers
  - Leadership and example: executives have, in their exemplary function, a responsibility to be compliant with the Code of Conduct
  - Conflicts of interests
  - Insider information
  - No discrimination
  - Whistle-blower hotline

### 2 PROCUREMENT

- › Ensure the centrally controlled, structured procurement and purchase of technical material and the continuous documentation of the observance of competence guidelines

### 3 EQUAL TREATMENT OF EMPLOYEES WITHIN THE COMPANY AND PROHIBITION OF DISCRIMINATION

- › Implementation of equal opportunities within the Company
- › Means for avoiding discrimination
- › Obligations under this guideline
- › New hiring
- › Remuneration

The employee handbook is distributed to all employees, who are asked to confirm their acceptance of the terms in writing. The Code of Conduct is periodically presented during compliance training. The training programme was set up to reinforce employees' awareness on the requirements of the Compliance Book, containing the Code of Conduct as well as the Company's internal policies. This training programme takes place on a regular basis. Since 2011, especially the range concerning procurement and signatures, as well as the four-eye principle, has been part of the training programme.

alstria has set up a compliance organisation to further strengthen the implementation of alstria's ethical standards within the Company. The Compliance Officer reports directly to the Chairman of the Management Board. Employees with concerns about compliance or ethics are invited to contact the Compliance Officer directly or via an external whistle-blower hotline, through which employees can anonymously report any violations of the Code of Conduct or the Company's internal guidelines. Our Code of Conduct is explicit in the protection of the whistle-blower. No incidents were reported to this line in 2012.

As a result, our compliance organisation collects all complaints, breaches and actions taken relating to the Code of Conduct, all company policies or any unlawful behaviour. No incidents or complaints relating to any unlawful behaviour have been recorded. Hence, no actions had to be taken and no fines had to be paid.

With respect to certain activities, which are considered to have a high compliance risk, alstria evaluates its service providers before entering into a business relationship with them. We have therefore established a 'green list', which includes all the providers with which the Company is allowed to enter into a business relationship. Contractors on the 'green list' have been screened for reputation and market behaviour prior to the Company's engagement in any business.

alstria adheres to national and European regulations on the reporting of compliance breaches to financial authorities.

## 4 PROHIBITION OF HARASSMENT AT THE WORKPLACE

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- › Responsibility for adhering to these guidelines
- › The role of the Management Board and supervisors
- › The role of employees
- › The role of the Company
- › Special complaint and investigation procedures

## 5 MONEY LAUNDERING

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- › Guidelines to sensitise all employees to money laundering and to ensure that money laundering is prevented
- › Reporting and record-keeping obligations
- › Rules of conduct

## RISKS AND OPPORTUNITIES

alstria has implemented a structured risk management system and an early warning system in accordance with Section 91 (2) of the German Stock Corporation Act (AktG).

The aim of the risk management is to support the securing of the Group's long-term future success and to increase enterprise value through the systematic management of risk. Due to the integration of risk data into the Group's existing reporting process, alstria will be able to recognise potential risks early and to increase the planning security of future developments.

For a detailed description of the Company's risk management, please refer to the section 'Report on risks and opportunities' in the Annual Report 2012 » Part II/II, pages 15–19.

In order to ensure a useful identification of risks and opportunities, it is necessary to cope with all relevant risks that result from changes and events out of internal and external processes.

From a sustainable point of view, we consider the potential consequences of climate change in our risk and business strategy. As a real estate owner, and a long-term holder of assets, alstria takes a long-term view on its standing investments. Within its investment decisions, the Company takes into consideration the expected change in behaviour of its customers (corporate tenants) over a period of ten to 20 years.

To counter the climate change and to protect the environment we try to focus on upgrading existing buildings into more modern and more environmentally friendly ones and not to cover green land with buildings.

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### The following opportunities result from the risks described:

- › Increasing the attractiveness of our assets in the leasing markets
- › Better control of assets' obsolescence speed
- › Safeguarding historical assets and architectural patrimonial

As we are aware of alstria's responsibility towards its stakeholders, we do not only consider economic risks and opportunities within our risk management approach, but also environmental and social issues for the Company's long-term success. alstria aims to identify proposals for improvements and to take corrective measures when necessary.

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We believe that climate change, increased energy costs and changes in human behaviour will fundamentally change the way the urban landscape is constructed over time. Our scale of time is long enough to consider the concrete effects of climate change on day-to-day life. Specific consideration is taken to the accessibility of alstria's assets by public transportation, or integration of these assets within a living environment which provides access to essential day-to-day needs, limiting the recourse to cars.

Considering the long-term nature of our business, and the immovable nature of our assets, an important issue to take into consideration is the development of climate change to our future prospects.

The following potential sustainability risks and the methods to prevent these risks demonstrate the importance of dealing with climate change and its potential future effects on alstria.

	RISKS	METHODS
... driven by regulation	<ul style="list-style-type: none"> <li>› Strict legislation amendments               <ul style="list-style-type: none"> <li>– Energy Saving Regulation (EnEV) in Germany</li> <li>– Energy transition in Germany with the conclusion of the withdrawal from nuclear power by 2022 › energy efficiency will be affected</li> <li>– By 2020, 30 % of the electricity should come from renewable energies</li> </ul> </li> <li>› High investments in building and construction of the assets at the required level</li> </ul>	<ul style="list-style-type: none"> <li>› Monitoring legislative risks in order to take these necessary changes into consideration when we acquire or refurbish an asset</li> <li>› Investing in monitoring systems to improve the sustainability data gathering</li> <li>› Engagement in regulatory and economic lobby groups</li> <li>› Investing in the assets to keep them on a modern level</li> </ul>
... driven by changes in physical climate system <sup>1)</sup>	<ul style="list-style-type: none"> <li>› Changes in temperature extremes</li> <li>› High significant precipitation</li> <li>› Heavy wind speeds</li> <li>› Sea level rise</li> <li>› More extreme events, such as heat periods</li> </ul>	<ul style="list-style-type: none"> <li>› Monitoring climate change on an ongoing process</li> <li>› Taking advantage of the weather extremes, e. g. use of solar cells, rainwater tank, recycling rainwater</li> </ul>
... driven by changes in other climate-related developments	<ul style="list-style-type: none"> <li>› Changes in tenants' behaviour requiring 'green rental space'</li> <li>› Failure to understand and respond to the communication needs of investors and analysts</li> <li>› Failure to find and retain tenants, because of changing climate awareness</li> </ul>	<ul style="list-style-type: none"> <li>› Consideration of assets' location within their environment at the time of an acquisition</li> <li>› One of our acquisition criteria is the access to existing or planned public transportation</li> <li>› Early recognition of the financial needs to upgrade a building</li> <li>› Consideration of tenants' climate-related demands</li> <li>› Encourage tenants to adopt sustainable behaviour</li> <li>› Support and maintain historical buildings – sustainable certification of assets</li> </ul>

<sup>1)</sup> Source: Federal Environment Agency.

## ENGAGEMENT IN SUSTAINABILITY

alstria is engaged in the highest level of industry discussions with regard to sustainability. The Management Board of alstria has been involved in the GRI G4 emission working group, helping to develop the new G4 standard. The GRI G4 offer reporting principles, standard disclosures and an implementation manual for the preparation of sustainability reports.

Furthermore, alstria has been involved in several working groups at the European Public Real Estate Association (EPRA). EPRA is a well-known international index which tracks the performance of the largest European and North American listed property companies. It represents the interests of the major European property management companies and supports the development and market presence of these companies. alstria supports the reporting standardisation and the reporting committee for the economic and sustainability key indicators. The Company also has participated in a number of public consultations during 2012. Those consultations were initiated by the IASB, the European Commission and ESMA.

For our results, we have been rated as 'prime' in the real estate sector by the oekom research AG. The oekom research AG is one of the world's leading rating agencies and provides the crucial advantage in the segment of sustainable investments. The classification as 'prime' qualifies our market-traded securities as a sustainable investment from an environmental and social point of view.

alstria is also a member of the German Sustainable Building Council ('Deutsche Gesellschaft für Nachhaltiges Bauen', DGNB).

Finally, we engage with our stakeholders on sustainability issues on our corporate blog » [www.alstria.blogspot.com](http://www.alstria.blogspot.com), Twitter » [www.twitter.com/alstria\\_REIT](http://www.twitter.com/alstria_REIT), Facebook » [www.facebook.com/alstriareit](http://www.facebook.com/alstriareit) and YouTube » [www.youtube.com/alstria](http://www.youtube.com/alstria).



## AWARDS AND ACHIEVEMENTS

alstria has been ranked highly in numerous national and international surveys for its engagement, projects and reporting.

### Institutional Investor Award

- › Second place among European real estate companies for Alexander Dexne in the CFO ranking

### DIRK Thomson Reuters Extel

- › Fourth place in the category overall best investor relations (small cap)

### EPRA

- › EPRA Gold Award for one of the best financial reports in the European real estate sector
- › EPRA Bronze Award for our sustainability report 2012

## alstria IS A MEMBER OF THE FOLLOWING ORGANISATIONS





# ECONOMY

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Our capital strength, the access to financial resources and our operating platform has put us in an excellent position, which we are determined to use for the benefit of our Company and its shareholders. The strength of our balance sheet allows us to further benefit from investment opportunities that can be expected to come into the market sooner or later.



**The entire Holstenhof  
will be revitalised extensively.  
The redevelopment includes the  
rebuilding of the entire roof  
construction.**



## ECONOMIC PERFORMANCE

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We act reliably and generate profit in a responsible manner. Our economic approach regarding sustainability always takes into account the consequences of our actions in order to fulfil our responsibility towards our stakeholders. This is an important approach to create long-term confidence and success.

### **T**HE FINANCIAL YEAR 2012

The financial year 2012 was a very successful year for alstria. Due to the growth of the portfolio, successful leasing and value creating development activities, the Company achieved the highest absolute FFO in its history.

#### **Financial activities**

In the first quarter of 2012, alstria successfully executed a capital increase and placed 7,170,362 new ordinary bearer shares, increasing its nominal share capital from EUR 71,703,625 to EUR 78,873,987. The funds raised through the capital increase have been used to finance the equity portion of the DIVE portfolio. Following the acquisition, alstria successfully financed the new assets with a bullet loan of EUR 42.5 m in the fourth quarter of 2012, which has a maturity of seven years.

#### **Acquisition**

Investment decisions at alstria are based on the analyses of the local markets and on the adequacy of a building within its local environment in terms of location, size and quality. alstria's strategy is to enter new markets and build critical mass through long-term secured assets. In light of this approach alstria added six properties (DIVE portfolio) and approx. 71,800 sqm of lettable space to the portfolio to strengthen its position in the Düsseldorf and Hamburg market. After reaching a critical size in the Rhine-Ruhr area, alstria opened its first regional branch in Düsseldorf in 2012, in order to be even more reactive in the local market.

#### **Leasing activity**

Leasing activity was very successful in 2012. alstria signed new leases totalling approx. 44,800 sqm. From the lease agreements which were due to expire in 2012, over 60 % (of lettable area) or 41,000 sqm could be retained during the year. However, the vacancy rate increased to 11.4 % due to the acquisitions in 2011 and 2012 that incorporated a significant portion of vacancy.

One of the key re-letting achievements was the lease-up with one of our key tenants in Hanover, Werner-von-Siemens-Platz. The tenant signed a three-year contract for around 19,400 sqm of office and ancillary space.

In the newly acquired assets, vacancy has been substantially reduced with the lease-up of more than 4,700 sqm. The asset located in Norderstedt is testimony

to the Company's strong position, as the occupancy rate increased from 62 % at acquisition date up to 79 % as at December 31, 2012, boosting the rental income by more than 39 %.

For further information about our economic performance in 2012, please refer to our Annual Report 2012 Part I and Part II » <http://www.alstria.com/en/investors/reports-events/financial-reports/date/2012/>.

### 61 employees and four times as many supported

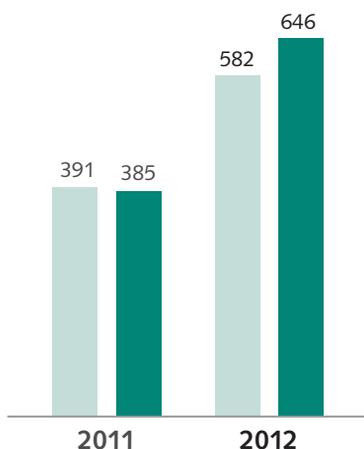
The investment of over EUR 30 m in the refurbishment, development and regular maintenance of alstria's buildings in 2012 corresponds to the support of around 263 jobs (2011: 291 jobs supported; 2010: 241 jobs supported), on top of the 61 employees\* of alstria.

Due to the Company's growth strategy and the asset acquisitions, the number of direct employees increased in 2012. With 52.6 % of our suppliers and contractors being locally based (2011: 49.6 %; 2010: 52.4 %), we invested a great part in the local economy. We tend to hire suppliers and contractors based in the surroundings of our assets to support the local economy.

#### HIRED SUPPLIERS

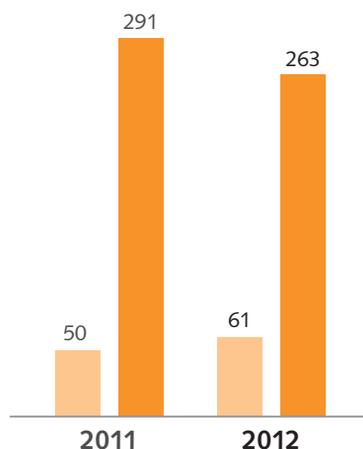
Number of suppliers hired in the reporting period

- non-local (nationwide)
- local (next to our assets)



#### JOBS SUPPORTED BY alstria

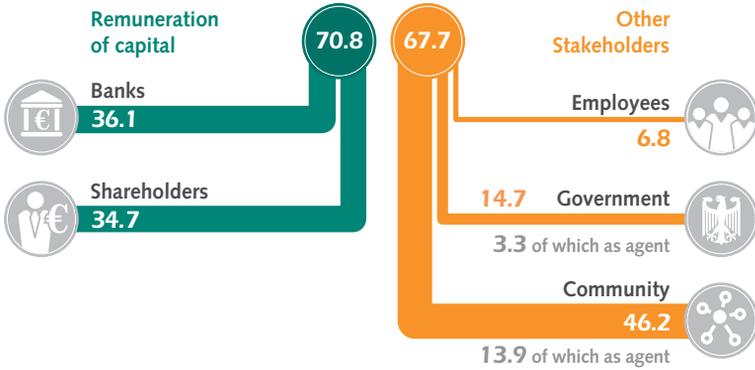
- alstria's employees at the end of the period
- Jobs supported in the construction sector by alstria



\* The difference between this number and the numbers reported in the Annual Report 2012 part II/II result from German accounting principles (HGB) where employees in parental leave are not included in the total employee number.

## Where does it go to?

2012, in EUR m



## CASH FLOW BETWEEN STAKEHOLDERS

alstria's operations have a financial impact on several stakeholders such as tenants, employees, shareholders and banks.

The Company redistributes most of its financial resources to its shareholders, to its lenders, to the government, to its service providers and the wider community, and to its employees. As a REIT, alstria barely keeps any of the proceeds generated for itself. By doing so, alstria remunerates the capital it employs (both debt and equity), participates in government finance through taxes and stimulates the underlying economy by spending on its assets and paying wages and salaries.

## RECENT DEVELOPMENT IN 2013

In mid-2013, alstria resolved to issue senior, unsecured convertible bonds into new and/or existing shares of the Company. The bonds had a total placement volume of approx. EUR 80 million. The Company intends to use these proceeds for the refinancing of debt and general corporate purposes. The convertible issue has improved the current maturity profile.

## EPRA PERFORMANCE MEASURES

The European Public Real Estate Association (EPRA) represents the interests of the major European property management companies and supports the development and market presence of European public property companies.

The EPRA Performance Measures are the key indicators for the investors in the real estate sector and bring overall transparency to the industry sector.



KEY FIGURES	2012	2011	Change
1. EPRA earnings per share <i>in EUR</i>	<b>0.55</b>	0.50	10.0 %
2. EPRA NAV per share <i>in EUR</i>	<b>10.98</b>	11.32	-3.0 %
3. EPRA NNNAV per share <i>in EUR</i>	<b>10.50</b>	10.71	-2.0 %
4. (a) EPRA NIY <i>in %</i>	<b>5.7</b>	5.8	-0.1 pp
(b) EPRA 'topped-up' NIY <i>in %</i>	<b>5.7</b>	5.8	-0.1 pp
5. EPRA vacancy rate <i>in %</i>	<b>8.0</b>	6.5	1.5 pp
6. EPRA cost ratio <i>in %</i>	<b>21.4</b>	24.0	-2.6 pp

The historic Kontorhaus  
Holstenhof in Hamburg, Kaiser-Wilhelm-Strasse,  
was erected between 1900 and 1901 by the  
architect Albert Lindhorst.





## ❧ SUSTAINABLE GROWTH ❧

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In 2006, when alstria was founded, the Company acquired the historic Kontorhaus Holstenhof in Hamburg, Kaiser-Wilhelm-Strasse. At that time, the building was rented to the social service department of Hamburg. At the time of acquisition, the listed Art Nouveau building, which had been erected in 1900/01, was in need of a renovation, as the last modernisation measures had been carried out in 1990.

In June 2009, alstria seized the chance and signed an acquisition contract for the building Schopenstehl for its main tenant in the Kaiser-Wilhelm-Strasse. In the mid-term, the acquired building offered the opportunity to ensure the planned move of the social service department. Thus, alstria was able to keep its tenant and ensure the complete revitalisation of the Holstenhof.

At the time of the Schopenstehl acquisition in June 2009, the rental areas already had been vacant for more than three years. In close collaboration with the City of Hamburg, alstria succeeded in adapting and modernising the building to the special needs of the social service department, such as a payment office for welfare recipients. The social service department signed a new lease contract at the start of the reconstruction and modernisation measures at Schopenstehl. The lease term was 15 years and alstria received an annual rental income of EUR 255 k.

In June 2012, alstria sold the building for EUR 5,040 k with a total lettable area of around 2,100 sqm and a yield of 5.06 %.

At the same time, the construction plans for Holstenhof were finished and its realisation started at the end of 2012. The plan is that the modern and high-quality office areas are ready for occupancy in spring 2014.

The information site » [www.holstenhof.info](http://www.holstenhof.info) offers a first impression of the development project.



# ENVIRONMENT

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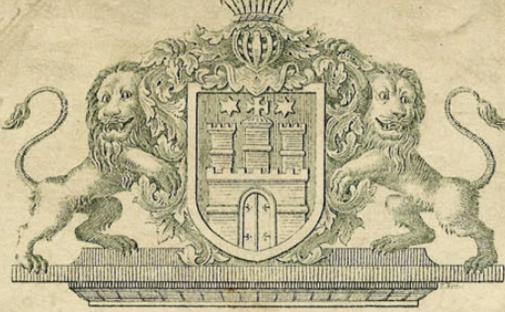
As users  
of the real estate sector  
are among the main consumers  
of energy and among the major  
producers of total GHG emissions,  
we are fully aware of the role we  
and our assets play in creating and  
maintaining a sustainable environ-  
ment. With our focus on sustainable  
asset and portfolio management, and  
on sustainable refurbishment  
measures, we are trying  
to live up to  
this role.



BAUPOLIZ  
Journ. No.  
Acte No.

S

17. JAN. 1902  
1107  
H. 16734  
16734



Hamburg, den 15. Januar 1902.

Der Senat verfaßt auf das Gesuch  
der Buchverleger-Firma Fr. Neche & Co.,  
Verlag der „Neuen Leipzig-Anzeiger“,  
den Lesebrief:

Daß der nachgenannte Lieferant von der  
Kopfschrift unter I. 1. der Bestimmungen, be-  
treffend die Einweisung und den Inhalt der  
Lieferungsverträge und Verlagsverträge, vom  
31. Juli 1897, nach welcher der Lieferant der  
Arbeitsräume nicht länger als einen halben  
Meter unter dem ihm umgebenen Geländer  
liegen darf, für den Inhalt der Geschäftsalle-  
en im Kaiserlichen Reichsdruckerei 83 nicht  
zu verantworten sei, im übrigen der Einweisung  
der Arbeitsräume der Geschäftsalleen nicht  
unterworfen sei, sobald eine Kartierung der  
Geflügel auf dem genannten Grundstück  
noch vorzunehmen sein wird, daß der

Gef.

## MANAGING OUR PORTFOLIO SUSTAINABLY

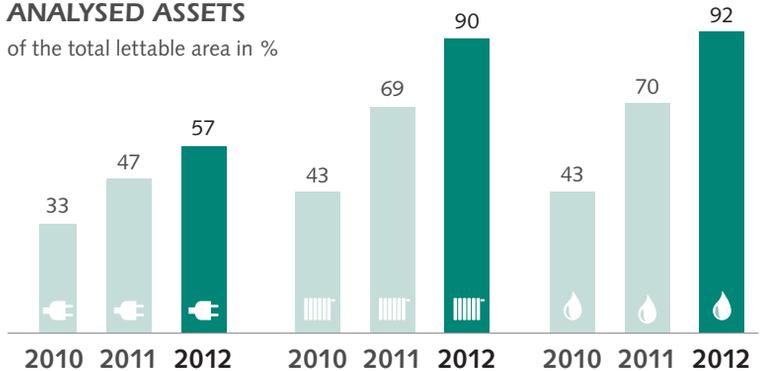
Managing the portfolio in a sustainable manner implies properly measuring our impact and acting in order to limit it. During the year, we have concentrated on further integrating responsibility for sustainability in our real estate operations teams. This increases the awareness and importance of sustainability at alstria. Sustainability aspects are especially integrated in our development projects. The focus is on combining modern technique and energy efficiency with the requirements of our tenants.

In order to better understand the Company's impact on its environment, we started to build-up a meaningful environmental reporting system in 2010. The data collection is a large-scale complex process, as we depend on the reliability of our tenants' consumption data. In close collaboration with our tenants we have been able to increase the level of coverage of our reporting base.

A stringent reporting base allows us to use the data for our environmental balance sheet as well as to derive measures from data evaluation. By identifying the priority targets, data evaluation helps us to steer the Company's investments in fields that are linked to sustainability.

### ANALYSED ASSETS

of the total lettable area in %



## REPORTING METHODOLOGY

For this reporting period we have significantly enhanced our internal reporting process to collect more data. alstria now has a database covering four years of consumption for a large part of its portfolio. The boundaries for alstria's environmental reporting are described in detail at the beginning of the report » page 6.

We have measured the consumption and emission data of our portfolio, including heat, electricity and water. In 2012, the carbon footprint of our portfolio totalled 89.6 kg CO<sub>2</sub>e/sqm\* (2011: 90.4 kg CO<sub>2</sub>e/sqm\*\*). Nevertheless, we are aware that the data collection is not yet fully complete as data on tenants' consumption is not always available to alstria.

Changes in the consumptions might result from a change of the tenants usage, improvements in the granularity of the data collection, a change in the vacancy rate, or external weather factors such as a cold and long winter, or a very hot summer. No adjustments have been made to express vacancy, the age of a building or weather conditions.

## ENVIRONMENTAL FOOTPRINT OF A BUILDING

Average absorption of energy, water and waste per sqm in 2012



<sup>11</sup>(e) = estimated on the basis of water consumption.

\* 2012: 73 assets of our portfolio.

\*\* 2011: 55 assets of our portfolio.

## PORTFOLIO EMISSIONS AND RESOURCE CONSUMPTION FROM TENANT AREAS

The following description of consumption data reflects the performance of the tenant areas of our portfolio in 2012.



### Heating

We were able to measure the energy data from long-distance heating, oil and gas of around 90 % of the total lettable area in 2012 (2011: 69 %). In comparison to the previous year, we remarkably increased the number of assets covered. In total around 74,555,370 kWh accrued from indirect energy heating and generated 32,892 tCO<sub>2</sub>e in 2012. The total energy consumption from heating was 89 kWh/sqm in 2012 (2011: 87 kWh/sqm).

For a better comparison of the consumption data for 2012 with 2011, we used the like-for-like approach. The energy consumption from heating amounted to 51,249,114 kWh in 2012 (87 kWh/sqm) and 51,458,902 kWh in 2011 (87 kWh/sqm) on the same property basis in the reporting years.



	2012	2011	2010	% change 2011–2012
<b>ABSOLUTE PERFORMANCE MEASURES</b>				
Total energy from district heating and cooling in kWh	74,555,370	52,090,493	29,997,250	
Coverage by number of properties	73 of 84	53 of 80	29 of 70	
<b>LIKE-FOR-LIKE PERFORMANCE MEASURES</b>				
Total energy from district heating and cooling in kWh	51,249,114	51,458,902		-0.4
Coverage by number of properties	50 of 80	50 of 80		
<b>INTENSITY INDICATORS</b>				
Total energy from district heating and cooling kWh/sqm/year	89	87	92	2.3
kWh/workstation/year	2,218	2,182	2,300	
Coverage by number of properties	73 of 84	53 of 80	29 of 70	

## Electricity

Around 57 % of the total lettable area was considered for electricity consumption in 2012 (2011: 47 %). In total 60,020,585 kWh of electricity was used in the assets and generated 26,480 tCO<sub>2</sub>e from indirect energy electricity in 2012. The average energy consumption from electricity was 114 kWh/sqm in 2012 (2011: 118 kWh/sqm).



For a better comparison of the consumption data for 2012 with 2011, we used the like-for-like approach. The energy consumption from electricity amounted to 47,850,182 kWh in 2012 (123 kWh/sqm) and 46,931,160 kWh in 2011 (120 kWh/sqm) on the same property basis in the reporting years.



	2012	2011	2010	% change 2011–2012
<b>ABSOLUTE PERFORMANCE MEASURES</b>				
Total energy consumption from electricity <i>in kWh</i>	60,020,585	47,263,909	13,275,300	
Coverage by number of properties	35 of 84	30 of 80	26 of 70	
<b>LIKE-FOR-LIKE PERFORMANCE MEASURES</b>				
Total energy consumption from electricity <i>in kWh</i>	47,850,182	46,931,160		2.0
Coverage by number of properties	26 of 80	26 of 80		
<b>INTENSITY INDICATORS</b>				
Total energy consumption from electricity and cooling <i>kWh/sqm/year</i>	114	118	51	-3.4
<i>kWh/workstation/year</i>	2,846	2,944	1,280	
Coverage by number of properties	35 of 84	30 of 80	26 of 70	



### Energy intensity

The total energy intensity in alstria's portfolio (tenant areas), which is the sum of energy consumption from heating and electricity, was at 203 kWh/sqm in 2012 (2011: 205 kWh/sqm). The Greenprint Performance Report™ shows for office buildings in the EMEA region an energy intensity of 246 kWh/sqm (Median) which is 21.2 % higher than the energy intensity of alstria's portfolio.\*



<b>INTENSITY INDICATORS</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>% change 2011–2012</b>
Total annual energy consumption <i>kWh/sqm/year</i>	203	205	143	-1.0
<i>kWh/workstation/year</i>	5,064	5,126	3,580	
Coverage by number of properties	73 of 84	55 of 80	35 of 70	



### GHG emissions

In 2012, indirect GHG emissions, which derive from heating and electricity tenant consumption, amounted to 59,372 metric tonnes CO<sub>2</sub>e or 89.6 kg CO<sub>2</sub>e/sqm.

For a better comparison of the consumption data of 2012 with 2011, we used the like-for-like approach. The GHG emissions amounted to 43,721 tCO<sub>2</sub>e in 2012 and 42,900 tCO<sub>2</sub>e in 2011 on the same property basis in the reporting years.



<b>ABSOLUTE PERFORMANCE MEASURES</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>% change 2011–2012</b>
Total indirect GHG emissions <i>metric tCO<sub>2</sub>e</i>	59,372	43,833	17,465	
Coverage by number of properties	73 of 84	55 of 80	35 of 70	
<b>LIKE-FOR-LIKE PERFORMANCE MEASURES</b>				
Total indirect GHG emissions <i>metric tCO<sub>2</sub>e</i>	43,721	42,900		1.9
Coverage by number of properties	51 of 80	51 of 80		
<b>INTENSITY INDICATORS</b>				
Total indirect GHG emissions <i>kg CO<sub>2</sub>e/sqm/year</i>	89.6	90.4 <sup>1)</sup>	57.8	-0.9
<i>kg CO<sub>2</sub>e/workstation/year</i>	2,234	2,262 <sup>1)</sup>	1,447	
Coverage by number of properties	73 of 84	55 of 80	35 of 70	

<sup>1)</sup> Difference to last year's numbers due to change in methodology.

\* Greenprint Performance Report™, Volume 4, 2012 by ULI Greenprint Center for Building Performance.

## Water

In 2012, we were able to collect the data of around 92 % of the total lettable area (2011: 70 %). In total, 2012 water withdrawal of the analysed assets amounted to 270,630 m<sup>3</sup> or 0.32 m<sup>3</sup>/sqm. The increase can be explained by the increase in the number of buildings which were analysed for this report. Most of the new additional analysed assets have a higher consumption, because they include service providers such as restaurants or hairdressers who systematically have a higher consumption than an office building.

The Greenprint Performance Report™ shows for office a water intensity of 0.5 m<sup>3</sup>/sqm which is 56.3 % higher than the water intensity of alstria's portfolio.\*

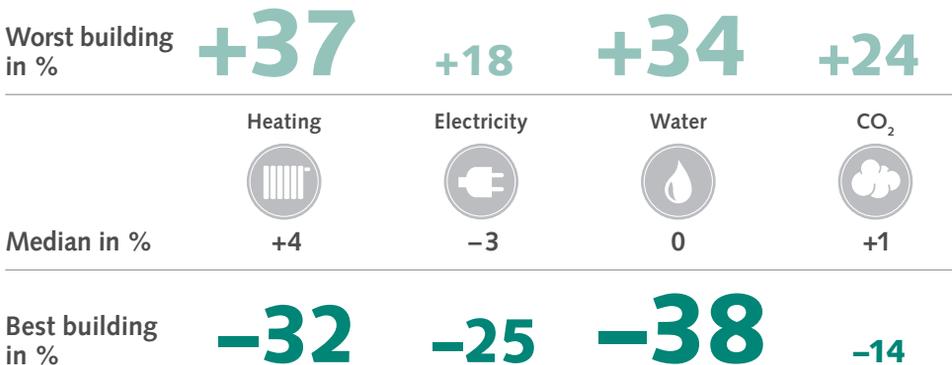


For a better comparison of the consumption data of 2012 with 2011, we used the like-for-like approach. The water consumption amounted to 193,929 m<sup>3</sup> in 2012 (2012: 0.33 m<sup>3</sup>/sqm) and 177,805 m<sup>3</sup> in 2011 (2011: 0.30 m<sup>3</sup>/sqm) on the same property basis in the reporting years.



ABSOLUTE PERFORMANCE MEASURES	2012	2011	2010	% change 2011-2012
Total water withdrawal in m <sup>3</sup>	270,630	181,205	64,703	
Coverage by number of properties	74 of 84	57 of 80	31 of 70	
LIKE-FOR-LIKE PERFORMANCE MEASURES				
Total water withdrawal in m <sup>3</sup>	193,929	177,805		9.1
Coverage by number of properties	54 of 80	54 of 80		
INTENSITY INDICATORS				
Total water withdrawal m <sup>3</sup> /sqm/year	0.32	0.30	0.19	6.7
m <sup>3</sup> /workstation/year	7.9	7.4	4.8	
Coverage by number of properties	74 of 84	57 of 80	31 of 70	

## CONSUMPTION 2012 VS. 2011



\* Greenprint Performance Report™, Volume 4, 2012 by ULI Greenprint Center for Building Performance.



## WASTE MANAGEMENT WITHIN alstria's PORTFOLIO

In 2011, we have started to collect waste data from the waste generated by the tenants that occupy our assets. In 2012, around 52 % of the total lettable area was evaluated for our tenants' waste volume (2011: 56 %). This number has to be considered on a relative basis, as it also includes the acquisitions in 2012.

If we ignore these assets and only consider the data on the same property basis as in 2011, we evaluated 55 % of the total lettable area. In total, 1,150 tonnes of waste was generated by our tenants (2011: 870 tonnes). On average, the assets generated 2.39 kg of waste/sqm and 60 kg/workstation in 2012 (2011: 1.80 kg/sqm; 45 kg/workstation).

While we will strive to report according to type of waste in the future, we have to focus on the validity of the data in the first place. We are confident of being able to report more details for segment waste in the next reporting period, as we have changed the requirements in our contracts and thus will receive more reliable data from third parties.

### CONSTRUCTION WASTE

	Unit	2012	2011	2010
Concrete	t	0	6,817	168
Bricks	m <sup>3</sup>	0	2,485	24
Tiles, bricks, ceramic	t	0	274	0
Wood	t	0	168	129
Glass	t	0	53	16
Bituminous mixtures	m <sup>3</sup>	0	13	0
Coal tar and tarred products	t	0	13	11
Copper, bronze, brass	kg	0	31	0
Aluminium	kg	0	46	0
Iron and steel	t	0	22	45
Mixed metals	kg	0	4,740	0
Soil and stones	m <sup>3</sup>	0	7	0
Other: mineral wool	t	0	6	433
Insulation materials	t	0	416	0
Asbestos-containing construction materials	m <sup>3</sup>	0	5	0
Gypsum-based building materials	m <sup>3</sup>	0	95	1,152
Mixed construction and demolition wastes	m <sup>3</sup>	0	926	301
Paper and board	t	0	9	0
Fluorescent tubes and other mercury	unit	0	0	4

### Refurbishment produces waste but saves material

In the course of the refurbishments, construction waste is generated. This affects the environment, depending on the type of waste and its treatment. We report about the waste of our development projects on a regular basis. However, a comparison of the data is not possible, because the different building designs generate different types of waste. In addition, our development projects are at different stages, so that even a comparison between two reporting periods for one project is not possible.

The disposal of construction waste is carried out by local waste management companies as well as licensed companies for hazardous waste only. To our knowledge, the waste is properly disposed of in Germany and not abroad. As there have not been any deconstruction activities in 2012, alstria has not generated any significant construction waste in the reporting period. In 2011, construction waste was generated during the refurbishment of three Hamburg assets (2010: one Hamburg asset).

Despite the production of waste during refurbishment/deconstruction activities, we would like to highlight that our approach to retrofit assets generates much lower waste, and utilises much fewer resources and less energy than the full demolition and rebuilding of an asset. Although the main factor for us in deciding between reconstructions and retrofitting is economic, if the two options yield similar economic results, we would always choose the retrofit on environmental grounds.

## alstria's CARBON FOOTPRINT

alstria's carbon footprint totalled 2,485 tCO<sub>2</sub>e in 2012 (2011: 1,142 tCO<sub>2</sub>e; 2010: 413 tCO<sub>2</sub>e). Our own consumption is described in detail in the section 'Leading by example'. Electricity and heating consumption were not the only sources of emissions from our operations. We also cause CO<sub>2</sub> emissions with our business travel and employee commuting.

In 2012, we took 391 business trips by plane (2011: 606; 2010: 342), which represent a cumulative distance of approx. 511,075 km (2011: 718,300 km; 2010: 213,000 km). The decrease in number can be also explained by the opening of a new branch in the Rhine area in 2012 as well as the use of more efficient communication channels like telephone/video conferences.

We try as much as possible to reduce our own carbon footprint. This can be illustrated by the commuting allowance we have offered our employees since 2009, by which we subsidise a local public transport ticket to encourage the use of this environmentally friendly means of commuter transportation rather than cars. More than half of alstria's employees made use of the Company's subsidy in 2012. Among others this is just one of alstria's contributions to reduce the CO<sub>2</sub> emissions.

## GLOBAL OVERVIEW OF GHG EMISSIONS BY SOURCE tCO<sub>2</sub>e

	2012	2011
<b>Scope 1</b>		
Company vehicles	29	39
<b>Total Scope 1</b>	<b>29</b>	<b>39</b>
<b>Scope 2</b>		
alstria's consumption	72	60
Offices – controlled common parts	2,249	842
Number of buildings covered	33 of 46	21 of 43
<b>Total Scope 2</b>	<b>2,321</b>	<b>902</b>
<b>Scope 3</b>		
Business travel	63	134
Employee commuting	72	67
Direct tenant consumption	59,473	43,833
Number of buildings covered	73 of 84	55 of 80
<b>Total Scope 3</b>	<b>59,608</b>	<b>44,034</b>
<b>Scope 1 and 2 in relation to Scope 3 in %</b>	<b>4</b>	<b>2</b>

## LEADING BY EXAMPLE

alstria occupies office space for its own operation. As a company working in one of our assets, we want to lead by example and therefore implemented a number of measures that we recommend to our tenants. Today, we have rainwater harvesting, which recycles the rainwater into the undrinkable water distribution system, thus reducing the water consumption needs to operate the building. The following description of consumption data reflects the performance of alstria's operations within the offices (in Hamburg and Düsseldorf) which alstria uses for itself in 2012.



### Heating

alstria's own energy consumption from long-distance heating was 76 kWh/sqm in 2012 (2011: 68 kWh/sqm; 2010: 64 kWh/sqm). Due to the relocation of alstria's headquarters in 2010 and the ongoing refurbishment measures, we adjusted the consumption data for 2010.



### Electricity

alstria's own electricity consumption remained stable (2012: 32 kWh/sqm; 2011: 32 kWh/sqm). While refurbishing alstria's headquarters during 2010 and 2011, we took the opportunity to install solar panels on the roof of the building. In 2012, around 2,286 kWh were fed into the power grid which is around 4 % of alstria's energy consumption.



### Energy intensity

The total energy intensity of alstria's own areas, which is the sum of energy consumption from heating and electricity, was at 108 kWh/sqm in 2012 (2011: 100 kWh/sqm).



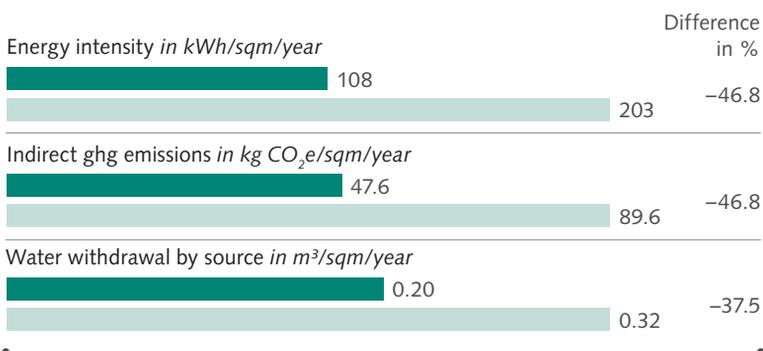
### Water

alstria's own water consumption was 0.20 m<sup>3</sup>/sqm in 2012 (0.26 m<sup>3</sup>/sqm in 2011). For the total consumption it should be noted that it includes recycled water which accounts for 0.13 m<sup>3</sup>/sqm (0.02 m<sup>3</sup>/sqm in 2011) and the remaining 0.07 m<sup>3</sup>/sqm comes from ground water. The rain water harvesting recycles rainwater into the non-drinkable water distribution system, thus reducing the water withdrawal needs to operate the building – this saved us 0.13 m<sup>3</sup>/sqm ground water in 2012.

We will continue to improve the quality of data collection on alstria's and on our tenants' consumption, as well as raise awareness for energy saving.

## alstria's OFFICES VS. alstria's PORTFOLIO IN 2012

● alstria ● portfolio



## ENVIRONMENTAL ENGAGEMENT

### Life-cycle costing: the basis of alstria's refurbishment policy

As a long-term holder of real estate, the main objective of refurbishment measures is to create efficient office space, but also to reduce energy consumption and occupancy costs for the tenant. In the course of the refurbishment and regular maintenance of buildings, we take into consideration not only the initial costs of the refurbishment but also the overall costs of running the assets in our building design. Life-cycle costing is the ABC of our refurbishment policy.

Our business model involves an annual review of each of the assets in order to determine the needs for preventive capital expenditure and renovations. To sustain a high quality level, in 2012 alstria invested around EUR 12.9 m in ongoing refurbishment projects. Expenditures that can be directly related to the improvement of environmental performance of existing assets amounted to EUR 1.3 m. These are mainly invested in projects such as the improvement or renewal of windows, façades and heating systems (2011: 2.02 m; 2010: 1.90 m). The EUR 1.3 m of investment represents around 1.3 % of alstria's total revenues during the reporting year (2011: 2 %; 2010: 2 %).

### Green lease working group

In 2012, the project group 'green lease' published its regulatory recommendations. The catalogue consists of 50 recommendations for green leases to manage a building sustainably. This includes conditions with rights, obligations and requested actions for tenants and landlords of commercial properties. The specific lease terms include various topics such as measures for energy saving, standards for the annual electricity and water consumption per tenants' employee and separate waste collection.

### Engagement in green reporting

In May 2011, we reported to the Carbon Disclosure Project for the first time. The Carbon Disclosure Project is an organisation holding the largest database of corporate climate change information in the world. We provided our GHG emission database as well as our corporate climate change strategy.

In addition, we are engaged at s-i-r-e, which stands for Sustainable Investment in Real Estate. This international research programme develops a sustainability scorecard for real estate companies. The scorecard is focused on the minimum requirements of GRI and CRESS. For further information please refer to » [www.s-i-r-e.org](http://www.s-i-r-e.org).

## RECENT DEVELOPMENT IN 2013

In 2013, the project group 'green lease' has been awarded the Sustainability Award 2013 by the 'immobilienmanager' for its excellent and interdisciplinary work on the 'green lease' recommendations.

Furthermore, alstria joined the 'UmweltPartnerschaft Hamburg' which is a voluntary partnership between the City of Hamburg and companies to manage the challenges of climate protection together. This initiative brings different partners from the economy, politics and administration together to discuss different eco-political topics. For further information please refer to » <http://www.hamburg.de/umweltpartnerschaft/>.



## 🌿 HOLSTENHOF 🌿

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Once the decision to revitalise the complete Kon-  
torhaus Holstenhof was taken, the new location  
Schopenstehl was modernised for the social service  
department, so that the main construction work  
could begin at Kaiser-Wilhelm-Strasse.

After completion of all modifications in the Hol-  
stenhof, the building will offer efficient office space  
with high-quality equipment features and modern  
retail space on the ground floor. Furthermore, the  
building will be certified with the status 'major re-  
furbishment' by the BREEAM International Green  
Building Standard. In spring 2014, the areas will be  
ready for occupancy.

### THE FOLLOWING MEASURES ARE PART OF THE HOLSTENHOF MODERNISATION:

- › Reconstruction of the entire roof structure  
and the ceiling above the 4th floor
- › Extension of the attic floor area
- › Fitting of two new lifts
- › Replacement of all windows
- › New building services engineering
- › Installation of a new sun screen
- › Partial mechanical ventilation combined with  
hygienic air changes
- › Large roof terrace with a view over the town  
and the Elbphilharmonie



## SCHOPENSTEHL

In 2009, the modernisation measures at Schopenstehl started after the decision to revitalise Holstenhof was taken. The building was adapted to the special needs of the tenant and modernised sustainably.

alstria has taken special care that materials were reused. Furthermore, the Company engaged a specialist for the refurbishment of the façade, as some of the 100-year-old ceramic elements were missing. These elements were baked with clay and placed at the façade in order to meet the requirements of the listed visual appearance.

### THE FOLLOWING MEASURES WERE IMPLEMENTED:

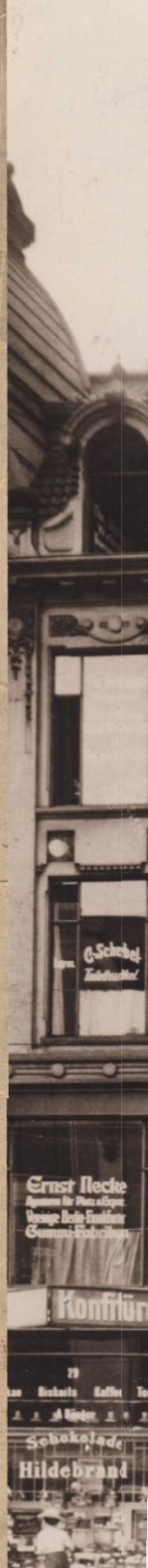
- › Refurbishment of the asbestos façade under consideration of new thermal insulation
- › New equipment of electrical engineering
- › Replacement of all lifts
- › Accessible handicapped sanitary facilities as well as a new barrier-free handicapped entrance
- › Fire alarm system for the entire building
- › Refurbishment of the listed façade



# SOCIAL

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As a  
real estate owner  
we have a responsibility towards  
our tenants, the communities and  
our employees. alstria aims to be a  
well-regarded and reliable landlord,  
a responsible employer and a good  
corporate citizen.



The Art Nouveau Kontorhaus is one of the most striking buildings in Hamburg's Kaiser-Wilhelm-Strasse. Its design exaggerates the epochal trend with its breaking up of the lower floors into glass surfaces.



## SOCIAL RESPONSIBILITY

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### **W**E HAVE A RESPONSIBILITY TOWARDS OUR TENANTS, LOCAL COMMUNITIES AND OUR EMPLOYEES

Through its business activities, alstria has a great influence on its social environment. Dealing responsibly with our tenants, our employees and the local community is of great importance to us. It is a matter of course to have a good relationship with our tenants and to understand their individual needs and deliver appropriate solutions.

With every asset and business decision, we take into consideration indoor air quality, the visual comfort of the occupier, the quality of the workspace environment etc. With reference to our development projects, we are fully aware of our responsibility towards our tenants and local community. Therefore, we communicate up-front all relevant information about our development projects to affected tenants and immediate neighbours. On construction sites we measure the incremental noise that is generated by our activities. We also make sure that our contractual partners use modern equipment to keep the noise level to a minimum. We always try to find solutions, such as shifting site activities, with approval, to Saturdays to reduce the impact for our tenants. It is also a matter of course that we implement the legal requirements of our business practices through our general terms and conditions as well as our building contracts for undeclared work, work permits, work on Sundays, public holidays and minimum pay. For further information please refer to our general terms and conditions on our website » [www.alstria.com/en/agb/](http://www.alstria.com/en/agb/).

The key to long-term success is based on alstria's employees. The know-how, engagement and motivation of our employees play a crucial role in operating the Company successfully. Therefore, alstria seeks ways to create an attractive and professional working environment for them. Among other things, alstria has implemented individual support programmes to ensure staff satisfaction and alstria's long-term corporate success. For further information please refer to » page 54–55.

As a long-term-oriented real estate Company we have a great interest in supporting projects which influence the social and cultural environment. In the context of the refurbishment of the Bartholomayhaus in 2012 we reconstructed the historic façade of the building. The Bartholomayhaus is part of the historical Kontorhausviertel in Hamburg, which is currently applying for the inclusion into the UNESCO World Heritage programme. The listed Kontorhausviertel will be a new point of attraction in Hamburg.

Apart from our social and development projects, we also offer beneficial rental agreements to start-up enterprises. In 2012, we supported an art gallery with such a rental agreement. Furthermore, we provide vacant areas to beneficial events.

## ACTIVE AND FORESIGHTED ENGAGEMENT

Since the Company's foundation, we have participated in accounting, regulation and sustainability discussions. We have broadened our engagement with national and international initiatives to take part in different working groups concerning the real estate sector. One important reason for this contribution is our vision of increasing transparency in the real estate sector. This engagement provides us with the opportunity to meet all regulatory requirements, to react at an early stage to new trends and even to set new trends.

Among others, we are a member of the German sustainable building council (DGNB), EPRA (European Public Real Estate Association), ZIA (Zentraler Immobilienausschuss), DIRK (Deutscher Investor Relations Verband e. V.) and the Real Estate Share Initiative. For an explanation of these initiatives please see the glossary on » pages 68–69.

Together with the EBS University, Real Estate Management Institute (REMI), alstria founded the 'Competence Centre Real Estate Investment Trust'. It offers the opportunity for experts and students to exchange know-how and experience. Through the 'Competence Centre', questions concerning the optimal capital structure or cash flow management can be answered and analysed interdisciplinary by the EBS-REMI.

Along with the IPD, we have also designed and initiated the German Office Rent Reversion Index (DMX), which has been published every year since 2007 and shows the reversion potential of the main German office markets. Market participants are able to compare their rents, operating costs or expenses with the current development on the German market. This indication helps companies and investors to make better-educated investment decisions and provide the market with a new key indicator. The complete DMX results are available from IPD free of charge at » [www.ipd.com/germany](http://www.ipd.com/germany) or by sending an e-mail to » [germany@ipd.com](mailto:germany@ipd.com).

In 2012, we spent over EUR 141 k (2011: EUR 138 k) and around 73.5 working hours to support and participate in these associations.

## S AFE GUARDING HISTORICAL BUILDINGS AND CULTURE

In our day-to-day asset management, we embed the support and maintaining of historical buildings. It is our responsibility to preserve places of cultural interest. With some of our refurbishment projects, we give new life to several of these places while keeping the original spirit intact.

In 2012, one of our completed development projects was the Bartholomayhaus located in the historical Kontorhausviertel in Hamburg. The Kontorhausviertel is a merchants and warehouse district located in the inner city, in close vicinity to Hamburg's port. The district consists of historical buildings erected in the early 20th century and is characterised by a number of impressive red-brick landmark buildings. The Kontorhausviertel is being considered for inclusion in the list of the UNESCO World Heritage sites. alstria's development of the Bartholomayhaus included the reconstruction of a historical porch in order to re-establish the historical look of the building.

## S OCIAL PROJECTS

alstria does not only take the environmental values into account, but also social values. Therefore alstria supports the initiative 'Viva con Agua'. The main objective is to enable people who are living in developing countries to gain access to drinking water. Sixty per cent of 'Viva con Agua' profit goes to long-term drinking water projects by purchasing water bottles from the initiative. In 2012, we supported the project with over EUR 1,600.

Additionally, 17 employees of alstria registered for DKMS. The organisation (Delete Blood Cancer DKMS) leads the fight to delete blood cancer by empowering people to take action, donate bone marrow and save lives. Delete Blood Cancer DKMS is the largest bone marrow donor centre in the world.

## O UR EMPLOYEES

### Managing our people

As the employees are our most important asset within alstria, we believe in the positive impact of a professional and strategic Human Resources Management. Since January 2012, when the department started its work as a formal unit of alstria, we focussed on professionalising the HR administration, on building an efficient and strengths-based recruiting process and on strengthening the management structures within our Company.

Regarding the HR administration the first step was to integrate the alstria HR business into the company-wide documentation management system and to improve the administrative processes regarding service orientation and quality.

Regarding recruiting, we have implemented a standardised alstria recruiting process and employee-start-procedure. This helps us to serve the employees market with a consistent and reliable employer branding and image, we gain more transparency and also comparable information to increase our cultural fit of new hires.

The focus on building and strengthening management structures will be ongoing because of its importance for a healthy and highly dedicated working culture. We have started to develop a mission statement and we plan to finalise and implement it during the year. We chose a bottom-up process to integrate the highly motivated alstria spirit throughout the Company.

**Diversity**

It is a principle of alstria to create the same working environments for all employees, including the selection, hiring and training of employees as well as working conditions and the ending of an employment relationship.

The Management Board pays attention to diversity in filling its management positions and aims to consciously consider women for these positions. As at December 31, 2012, 44 % of the management positions at alstria were held by female employees (December 31, 2011: 50 %). 75 % of these female positions were filled by part-time employees, which is proof of the support of diversity and flexible working conditions at alstria.

**NEW AND LEAVING EMPLOYEES BY GENDER**

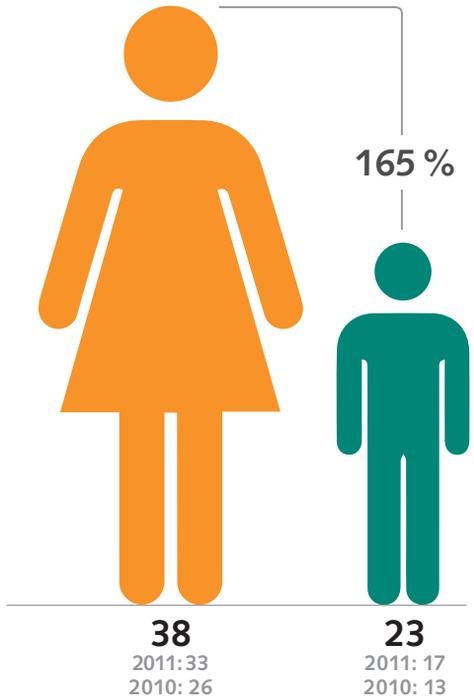


## FEMALE TO MALE RATIO 2012

### EMPLOYEE NUMBERS

As of December 31, 2012 the total number of employees was at 61\* (December 31, 2011: 50 employees). The increase in the number of employees can be explained by the opening of a new office in Düsseldorf in mid-2012 and the ongoing process of building a professional organisation. As at December 31, 2012, alstria employed 23 men and 38 women, showing a female to male ratio of 165 %.

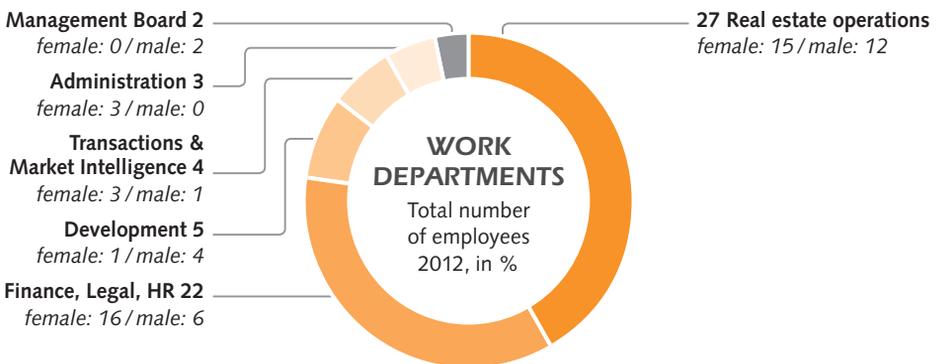
At alstria, a female employee earned in 2012 on average 18 % less than a male employee (2011: 14 % less). Comparing salaries of equivalent positions, there is no difference between female and male salaries (females would on average earn 1 % higher salary than males).



### WORK DEPARTMENTS

More than half of alstria's employees are dedicated to the management, the acquisition and the development of real estate (December 31, 2012: 36 employees; December 31, 2011: 33 employees). The remainder of alstria's workforce is spread between supportive departments such as

finance reporting and controlling, legal and compliance and administration (December 31, 2012: 25 employees; December 31, 2011: 17 employees). The increase of supportive departments can be explained by the regrouping of property accounting to financial accounting.



\* The difference between this number and the number presented in the Annual Report 2012 results from German GAAP (HGB) principles which do not allow to include employees who are on parental leave in the total number of employees.

## HEALTH MANAGEMENT

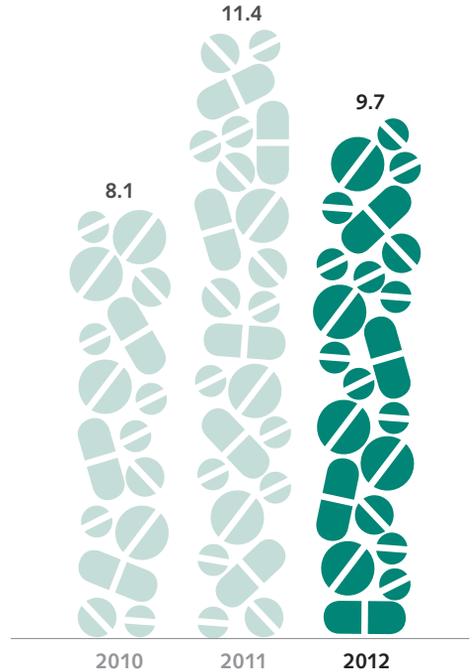
We also strive to reduce the risk of absenteeism. The number of absent days per employee was 9.7 in 2012 and 11.4 in 2011, which equates to an absentee rate of 3.8 % in 2012 (female: 4.7 %, male: 2.3 %), (in 2011: 4.5 %; female: 3.9 %, male: 5.4 %), i.e. 3.8 %\* of alstria's total workforce during the year 2012 could not operate due to illness. Lost days are scheduled work days and counted from the first day of the absentee.

On average, German employees were absent 18\*\* days due to illness. In comparison, alstria was able to undercut this rate by around nine days. Among the actions taken by alstria in order to limit the risk of sick days, the Company offers its employees a free vaccine against influenza. In 2012, nearly 25 % of alstria's employees made use of the opportunity.

As an employer it is in our responsibility to offer adequate job positions for chronically ill employees and to integrate them in our daily work. In such cases we have in-depth discussions with the affected employee up-front and offer individual solutions.

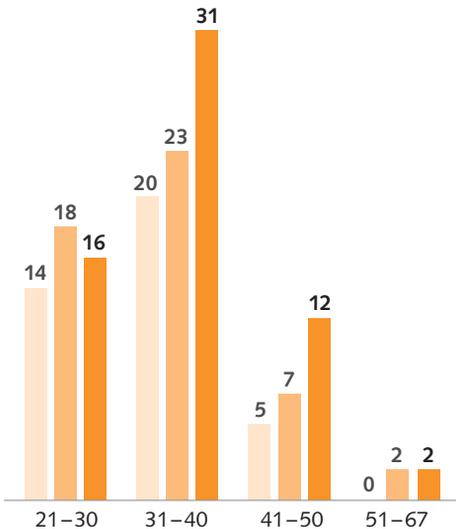
## AVERAGE ABSENT

in days per employee



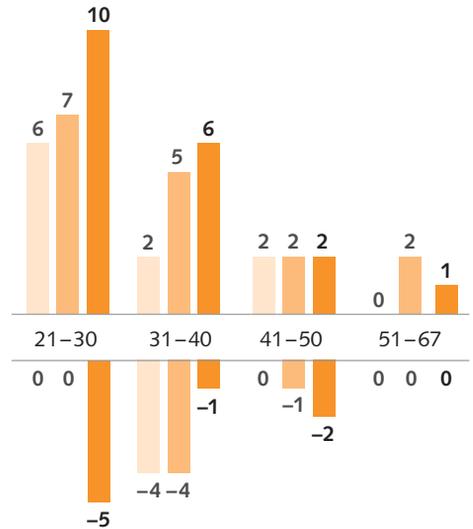
## EMPLOYEES BY AGE GROUP

Number of employees ● 2010 ● 2011 ● 2012



## NEW AND LEAVING EMPLOYEES BY AGE GROUP

Number of employees ● 2010 ● 2011 ● 2012



\* Calculation: absent days/(total working days during the year × average number of employees during the year).

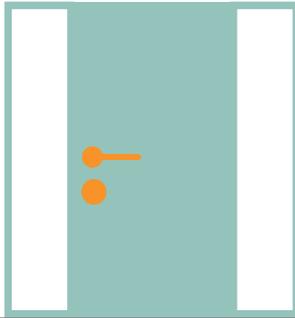
\*\* According to 'AOK Bundesverband', www.aok-bv.de.

## SAFETY AND HEALTH MANAGEMENT

Although alstria does not have a specific health and safety policy, we have implemented, in addition to the legal requirements, some best-in-class practices.

### WORKPLACE DESIGN

A good and healthy workplace design is essential in delivering good working results. Among other things, alstria has implemented the following practices in its own offices:



- › Natural daylight for all workstations and meeting rooms
- › Individual heating regulation and internal sunshades to provide thermal comfort
- › Closed rooms which offer privacy of speech and which control the noise in the open space area



- › Recreation room and other facilities like a roof terrace, shower facilities and secure cycle storage



- › A document management system to facilitate the storage of original documentation
- › Availability of headsets to facilitate intense usage of the phone
- › Docking station, regular keyboards and wide screens for easier operation of laptops

**Work time model**

alstria supports its employees with a flexible work-time model. The model is called 'Vertrauensarbeitszeit' which means that each employee is free to arrange its personal time model in cooperation with the manager, according to business needs.

Furthermore, the Company has a policy to support young parents who want to re-enter the workforce after their parental leave by providing them with flexible working times and individual support for child care. This can be a part-time job or involve job sharing. In addition, alstria offers the possibility of a sabbatical.

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**TOTAL NUMBER OF EMPLOYEES IN 2012**

**FULL-TIME**



**56**

2011: 46  
2010: 36

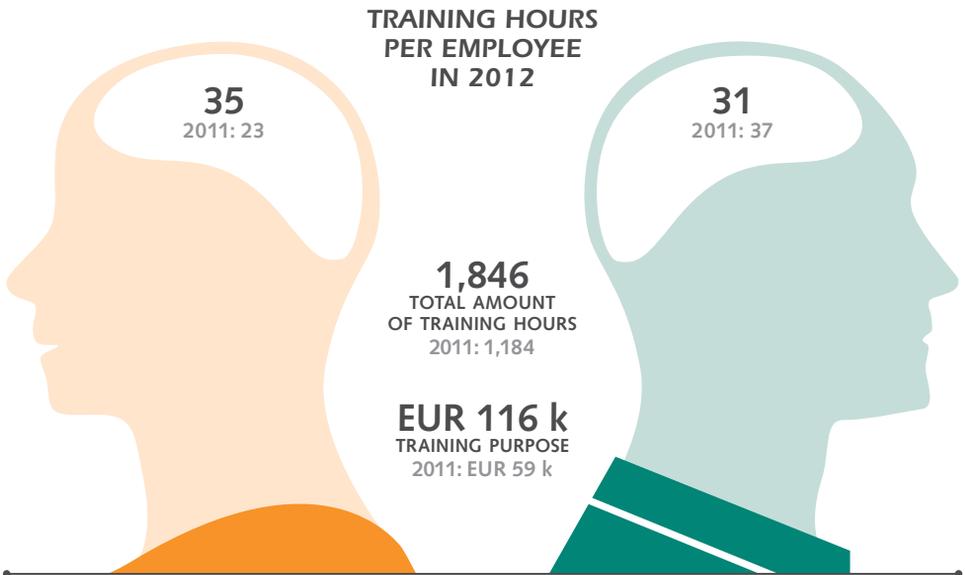
**PART-TIME**



**5**

2011: 4  
2010: 3





### Training

alstria supports its employees in undertaking further training. It is in alstria's interest that all employees are up to date with their knowledge and that they extend their qualifications where needed. They are also supported by a flexible working time for academic studies as well as granted training costs. Beside external training alstria also offers internal training in business relevant areas. In addition, all employees have the possibility of taking part in weekly English classes. The participation is voluntary and for free.

For training purposes we spent around EUR 116 k in 2012 (2011: EUR 59 k). Each employee received on average 32 hours of training during the year (2011: 25 hours).

In comparison to the previous year the total amount of training hours increased from 1,184 in 2011 to 1,846 in 2012, mainly due to more internal training sessions. Female employees received 35 training hours and male employees received 31 training hours in 2012 (2011: female 23 hours and male 37 hours).

### Other benefits

alstria supports its employees with various other benefits. We make an individual transportation contribution to each employee and we have a broad-minded vacation model in place. alstria also maintains a generous company pension scheme. In addition, we organise yearly team events to foster team spirit. Furthermore we support and encourage our employees to take part in regular sport events.

## REMUNERATION

### Management Board remuneration

The remuneration system for the members of the Management Board is determined by the Supervisory Board and is reviewed regularly. The remuneration consists of a fixed basic salary, a short-term and a long-term variable component and ancillary benefits for each Management Board member. The majority of the remuneration is made up of the variable components which are primarily based on several years of assessment. For a detailed description of the Management Board remuneration, please refer to the section 'Remuneration report' in the Annual Report 2012 » part II/II, pages 90–93.

### Employee profit participation programme

In 2007, the Supervisory Board of the Company resolved the issuing of convertible profit participation certificates to employees of the Company. Convertible profit participation rights granted to employees entitle not only a conversion when the conditions apply, but also an annual payment equivalent to the dividend per share.

A total of 387,100 certificates were issued in the course of the employee profit participation programme within the last years. Some 59,500 certificates, issued on June 17, 2010, were converted into alstria shares in the second quarter of 2012. For the 86,000 certificates issued on June 18, 2012, the market condition was fulfilled until the end of the financial year 2012.

For a detailed description of the employee profit participation programme, please refer to the section 'Convertible profit participation rights programme' in the Annual Report 2012 » part II/II, pages 63–65.

### Additional pension plan

In addition to the mandatory social pension provision, in 2010 alstria introduced a pension plan for all employees (excluding the Management Board). alstria contributes to the plan the same rate along with each of the employees up to a maximum of EUR 1,320 per year.

## RECENT DEVELOPMENT IN 2013

One of the HR focuses in 2013 is the revision and improvement of the objective agreements and the performance measurement. Furthermore, the development of Human Resources has been aligned with the corporate strategy. In 2013, the Company continued to improve standards in administration and recruiting, and it set up new programmes and initiatives.

One of these new programmes is a family advice service, which alstria has offered to its employees since the beginning of 2013. The service programme aims at supporting alstria's employees in difficult private situations and allows them to find a work life balance. For example, alstria bears the expenses for the mediation of child care or elder care to give its employees more flexibility. The programme also offers an emergency back-up child care service of up to ten days per year for free.

**The revitalisation  
of the Holstenhof will create  
modern office space while safeguarding  
its historic spirit, such as the striking  
main staircase which features  
the original richly ornamented  
ceramic tiles.**



## 🌿 SOCIAL PART 🌿

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In the context of the modernisation measures of Holstenhof and Schopenstehl, alstria has never lost sight of the social aspects. Once the decision was taken to revitalise the building Holstenhof, alstria asked the former main tenant, the City of Hamburg, to relocate its rental areas to another building.

On this occasion and with the approval of the tenant, alstria was able to find new headquarters quickly. At that time the building Schopenstehl had already been vacant for more than three years. The modernisation measurements of the rental areas took place in close cooperation with the City of Hamburg to meet the tenant's requirements and to guarantee an accurate processing of the construction work. For this particular case alstria implemented an optimised procurement process for construction work and commissioned 31 local companies.

alstria was not only aware of its role as a responsible landlord, but also of the appreciation of the historical background of both buildings.

The Kontorhaus Holstenhof in the Kaiser-Wilhelm-Strasse was erected by Albert Lindhorst in 1900/01 for Johann Möller. Today it is a listed building.

The Art Nouveau of this building is particular pronounced and therefore has a special significance for Hamburg's Kontorhaus history. At that time it was used in a typical Kontorhaus style and housed a raincoat factory, a printing office, a pastry shop, a bakery and many other shops. With the revitalisation of the building alstria intends to create modern and flexible office space as well as shops on the ground floor, which will enhance the city location.

The building Schopenstehl also joins the commercial and Kontorhaus history of Hamburg. It was erected in 1907/08 and was made a listed building by Hamburg's department of culture. The façade is richly decorated with ornaments and therefore appears in the classic Kontorhaus style.

# GRI AND EPRA CONTENT INDEX

## REPORT PARAMETERS

This is alstria's fourth Sustainability Report. It informs the reader about our key achievements, challenges and future targets. We have noted that environmental data collection and measurement is a challenge. Nevertheless, we are constantly making progress and were able to widen our database compared to the previous report. Our aim is to increase the number of analysed assets, figures and calculations to 100 % in 2015 in order to strengthen the validity of our disclosures. The evaluated database becomes more comparable with every new reporting year, as the collected database itself increases our knowledge about the assets. We are pleased to share these results with our stakeholders and we are committed to making further progress.

The report covers the operations and employer practices of alstria. Sustainability figures for the governance, economic, environmental and social section refer to the financial year 2012 (January 1, 2012 to December 31, 2012) unless otherwise stated. alstria's Sustainability Report follows the Global Reporting Initiative (GRI) G3.1 framework covering economic, environmental and social performance. The GRI contains globally applicable guidelines for sustainability reporting. In addition, the EPRA Best Practice Recommendations and the Construction and Real Estate Sector Supplements are applied, as they were developed specifically for the real estate sector. The content index states where in the present report the standard disclosures and indicators of the GRI and EPRA are dealt with as well as the degree to which each indicator is fulfilled.

For more information on GRI, visit » [www.globalreporting.org](http://www.globalreporting.org), for EPRA visit » [www.epra.com](http://www.epra.com) and for CRESS visit » [www.globalreporting.org/ReportingFramework/SectorSupplements/ConstructionandRealEstate/](http://www.globalreporting.org/ReportingFramework/SectorSupplements/ConstructionandRealEstate/). If you have any questions relating to this report or our sustainability activities, please contact us via e-mail at » [sustainability@alstria.de](mailto:sustainability@alstria.de) or visit » [www.alstria.com/en/sustainability/](http://www.alstria.com/en/sustainability/).

Data for the economic section relate to the alstria Group, excluding joint ventures as presented in the Annual Report 2012 » part II/II.

This report reflects the GRI Level B (self-declared). It has therefore not been reviewed externally.

GRI/EPRA INDEX	N	P	S
<b>1. Strategy and analysis</b>			
1.1 Statement from the most senior decision maker of the organization	2–3		■
1.2 Description of key impacts, risks, and opportunities	16–19		■
<b>2. Organizational profile</b>			
2.1 Name of the organization	1		■
2.2 Primary brands, products, and/or services	1		■
2.3 Operational structure of the organization	1		■
2.4 Location of organization's headquarters	1		■
2.5 Number of countries	1		■
2.6 Nature of ownership and legal form	1		■
2.7 Markets served	1		■
2.8 Scale of the reporting organization	1		■
2.9 Significant changes during the period regarding size, structure, or ownership	4–5		■
2.10 Awards received	21		■
<b>3. Report parameters</b>			
3.1 Reporting period	4		■
3.2 Date of most recent previous report	Nov. 6, 2012		
3.3 Reporting cycle	58		■
3.4 Contact point	71		■
3.5 Process for defining report content	58		■
3.6 Boundary of the report	58, 62–63		■
3.7 Limitations on the scope or boundary of the report	58, 62–63		■
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations	58, 62–63		■
3.9 Data measurement techniques	58, 62–63		■
3.10 Explanation of the effect of any re-statements			n. r.
3.11 Significant changes from previous reporting periods			n. r.
3.12 GRI Index	58–61		■
3.13 External assurance for the report	58		■
<b>4. Governance, commitments, and engagement</b>			
4.1 Governance structure	[1]	16–17	■
4.2 Indicate whether the Chair of the highest governance body is also an executive officer	[2]		■
4.3 Number of members of the highest governance body that are independent and/or non-executive members	3, 16		■

GRI/EPRA INDEX		N	P	S
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	[3]		■
4.5	Linkage between compensation for members of governance bodies and the organization's performance	[4]		■
4.6	Process for the highest governance body to avoid conflicts of interest	[5]		■
4.7	Qualifications and expertise of the members of the highest governance body and its committees	[5]		■
4.8	Internally developed statements of mission or values, codes of conduct, and principles	16–17		■
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance	2–3		■
4.10	Process for evaluating the highest governance body's own sustainability performance	[4]		■
4.11	Precautionary approach	[6]		■
4.12	External charters, principles, or other initiatives	[7]		■
4.13	Memberships in associations	20–21		■
4.14	List of stakeholder groups engaged by the organization	8–15		■
4.15	Basis for identification and selection of stakeholders with whom to engage	8–15		■
4.16	Approaches to stakeholder engagement	8–15		■
4.17	Key topics and concerns of stakeholders	[8]		■
<b>Economic performance indicators (EC)</b>				
Management approach		2–3, 24–27		■
<b>Economic performance</b>				
EC1	Direct economic value generated and distributed	[9]	24–27	■
EC2	Risks and opportunities due to climate change	18–19		■
EC3	Defined benefit plan obligations	55		■
EC4	Financial assistance from government	[10]		■
<b>Market presence</b>				
EC6	Locally-based suppliers	25		■
EC7	Senior management hired from the local community	[11]		■
<b>Indirect economic impacts</b>				

GRI/EPRA INDEX		N	P	S
EC8	Infrastructure investments for public benefit	26, 46		■
<b>Environmental performance indicators (EN)</b>				
Management approach		32–41		■
<b>Materials</b>				
EN1	Materials used			□
EN2	Percentage of materials used that are recycled			□
<b>Energy</b>				
EN3	Direct energy consumption**	[12]	33–40	■
EN4	Indirect energy consumption**	[13]	33–40	■
CRE1	Building energy intensity**		33–40	■
EN5	Energy saved due to conservation and efficiency improvements	39		■
EN6	Energy-efficient initiatives**		33–41	■
EN7*	Reduction of indirect energy consumption	[14]	39	■
<b>Water</b>				
EN8	Water withdrawal**	[15]	37, 40	■
EN9*	Water sources	[15]	37, 40	■
EN10*	Percentage of water recycled and reused	[17]	37, 40	■
CRE2	Building water intensity**		37, 40	■
<b>Biodiversity</b>				
EN11	Land owned in protected areas and areas of high diversity	[16]		n.r.
EN12	Impacts of activities on biodiversity in protected areas	[16]		n.r.
<b>Emissions, effluents, and waste</b>				
EN16	Direct and indirect ghg emissions**	[14]	36, 39	■
EN17	Other indirect ghg emissions**	[14]	36, 39	■
CRE3	Greenhouse gas intensity from		36, 39	■
CRE4	Greenhouse gas intensity from construction activity			□
EN18	Initiatives to reduce greenhouse gas emissions	36, 39, 41		■
EN19	Emissions of ozone-depleting substances by weight			□
EN20	NO, SO, and other significant air emissions by type and weight			□
EN21	Water discharge by quality and destination	[17]	37, 40	■

GRI/EPRA INDEX	N	P	S
EN22 Waste by type and disposal method**	[18]	38	■□
EN23 Number and volume of significant spills			□
EN24* Weight of transported hazardous waste		38	■
CRE5 Land remediated			n. r.
<b>Products and services</b>			
EN26 Initiatives to mitigate environmental impacts of products and services		32–43	■
EN27 Percentage of products sold and their packaging materials that are reclaimed			n. r.
<b>Compliance</b>			
EN28 Fines and sanctions for non-compliance of environmental laws	[19]	16–17	■
<b>Transport</b>			
EN29* Significant environmental impacts of transporting		39	■□
<b>Overall</b>			
EN30* Environmental protection expenditures		41	■
Labor practices and decent work performance indicators (LA)			
Management approach			
		2–3, 46–57	■
<b>Employment</b>			
LA1 Workforce by type	[20]	50–53	■
LA2 Employee turnover		49, 51	■
LA3* Benefits provided to employees		52–55	■
LA15 Return to work and retention rates after parental leave, by gender	[21]		■
<b>Labor/management relations</b>			
LA4 Employees covered by collective bargaining agreements			n. r.
LA5 Minimum notice period regarding operational changes			n. r.
<b>Occupational health and safety</b>			
LA7 Injuries, occupational diseases, lost days, absenteeism, and number of work-related fatalities	[22]	51	■
CRE6 Health and Safety Management System	[23]	51–52	■□
LA8 Education, training, counseling, prevention, and risk-control programs	[24]	54	■
<b>Training and education</b>			
LA10 Training hours	[25]	54	■
LA11* Programs for skills management		54	■
LA12* Percentage of employees receiving regular performance and career development reviews		54	■
<b>Diversity and equal opportunity</b>			
LA13 Composition of governance bodies and breakdown of employees	[26]	49–53	■
<b>Equal remuneration for women and men</b>			
LA14 Ratio salary men/women		50	■

GRI/EPRA INDEX	N	P	S
<b>Human rights performance indicators (HR)</b>			
Management approach			
		16–17	■
<b>Investment and procurement practices</b>			
HR1 Investment agreements and contracts that include human rights clauses	[27]		■□
HR2 Screening on human rights of suppliers and contractors	[28]	16–17	■
HR3 Total hours of employee training on human rights aspects	[29]		n. r.
<b>Non-discrimination</b>			
HR4 Incidents of discrimination	[19]	16–17	■
<b>Freedom of association and collective bargaining</b>			
HR5 Right to exercise of association and collective bargaining	[19]	16–17	■
<b>Child labor</b>			
HR6 Child labor	[30]	16–17	■
<b>Forced and compulsory labor</b>			
HR7 Forced and compulsory labor	[19]	16–17	■
<b>Assessment</b>			
HR10 Operations that have been subject to human rights reviews	[31]	16–17	■
<b>Remediation</b>			
HR11 Number of grievances related to human rights filed	[32]	16–17	■
<b>Social performance indicators (SO)</b>			
Management approach			
		16–17, 46–57	■
<b>Community</b>			
SO1 Programs that assess and manage impacts of operations on communities		46–48, 57	■□
SO9 Operations with significant potential or actual negative and positive impacts on local communities		46	■
SO10 Prevention and mitigation measures implemented in operations		46	■
CRE7 Number of persons voluntarily/involuntarily displaced and/or resettled		57	■
<b>Corruption</b>			
SO2 Business units analyzed for corruption	[33]		■
SO3 Anti-corruption training		16–17	■
SO4 Response to incidents of corruption	[19]	16–17	■
<b>Public policy</b>			
SO5 Public policy position and lobbying		16–21	■
SO6* Financial value of contributions to political parties	[34]	47	■
<b>Anti-competitive behavior</b>			
SO7* Anti-competitive behavior, anti-trust	[19]	16–17	■
<b>Compliance</b>			
SO8 Fines for non-compliance with laws	[19]	16–17	■

GRI/EPRA INDEX		N	P	S
<b>Product responsibility performance indicators (PR)</b>				
Management approach		2-3, 16-17	■	
<b>Customer health and safety</b>				
PR1	Health and safety impacts of products and services		□	
PR2*	Non-compliance with regulations concerning health and safety impacts	[19] 16-17	■	
<b>Product and service labelling</b>				
PR3	Type of product and service information required by procedures	[35] 1, 13	■	
CRE8	Type and number of sustainability certification	13	■	
PR5*	Tenant satisfaction	9, 13	□	
<b>Marketing communications</b>				
PR6	Programs for adherence to laws and voluntary codes		□	
<b>Compliance</b>				
PR9	Fines for non-compliance with laws concerning the provision and use of products and services	[19] 16-17	■	

- \*\* EPRA Best Practice Recommendations on Sustainability Reporting
- N Notes
- P Page
- S Status
- Not covered
- ▣ Partially covered
- Completely covered
- n.r. Not relevant
- \* Additional indicators
- [X] See notes on » pages 54 to 55

## GRI APPLICATION LEVEL

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosure <b>OUTPUT</b>	Report on: 1.1 2.1 – 2.10 3.1 – 3.8, 3.10 – 3.12 4.1 – 4.4, 4.14 – 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 – 4.13, 4.16 – 4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
	G3 Management Approach Disclosure <b>OUTPUT</b>	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators <b>OUTPUT</b>	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Reponsibility.		Report on each core G3 and Sector Supplement <sup>1)</sup> Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

<sup>1)</sup> Sector supplement in final version.



**[1]** See also chapter 'Corporate Governance' in the Annual Report for the financial year 2012 » part II/II, pages 80–93 and on alstria's website.

**[2]** Chair of highest governance body is not executive.

**[3]** At our Annual General Meeting all shareholders can engage with our Management Board and Supervisory Board and are updated on our performance and strategy. There are no limitations on voting rights, i.e. one share entitles the holder to one vote.

**[4]** See Remuneration Report in the Annual Report for the financial year 2012 » part II/II, pages 90–93.

**[5]** See working methods of the Management Board and the Supervisory Board in the Annual Report for the financial year 2011 » part II/II, pages 88–89.

**[6]** See Report on Risks and Opportunities in the Annual Report for the financial year 2012 » part II/II, pages 15–19.

**[7]** We promote transparency and comparability of sustainability reports by implementing the GRI/CRESS guidelines and EPRA Best Practice Recommendations.

**[8]** alstria comments and engages with its stakeholders on its blog with respect (among other things) to sustainability and climate change issues » [alstria.blogspot.com](http://alstria.blogspot.com).

**[9]** See also the Annual Report for the financial year 2012.

**[10]** As a REIT alstria is tax-exempt effective as of January 1, 2007.

**[11]** There is no personnel policy at alstria which prefers local applicants and their employment.

**[12]** Boundaries for electricity: 35 assets; 57 % of the total lettable area; 65 % of the total value. Boundaries for heating: 73 assets; 90 % of the total lettable area; 92 % of the total value.

**[13]** Only indirect secondary energy from tenants' consumption. Boundaries for electricity (absolute performance measures 2012): 35 assets; 57 % of the total lettable area; 65 % of the total value. Boundaries for electricity (like-for-like performance measures 2012): 26 assets; 42 % of the total lettable area; 48 % of the total value. Boundaries for heating (absolute performance measures 2012): 73 assets; 90 % of the total lettable area; 92 % of the total value. Boundaries for heating (like-for-like performance measures 2012): 50 assets; 63 % of the total lettable area; 68 % of the total value. For the 2011 and 2010 boundaries please see the Sustainability Reports 2011 and 2010.

Segmental analysis: Only office buildings in Germany.

**[14]** Calculated with the help of a software tool from the GHG Initiative, available on » [www.ghgprotocol.org](http://www.ghgprotocol.org). Boundaries for GHG emissions (absolute performance measures 2012): 74 assets; (like-for-like performance measures 2012): 54 assets.

Segmental analysis: Only office buildings in Germany.

**[15]** Boundaries for water (absolute performance measures 2012): 74 assets; 92 % of the total lettable area; 93 % of the total value. For the 2011 and 2010 boundaries please see the Sustainability Reports 2011 and 2010. Boundaries for water (like-for-like performance measures 2012): 54 assets; 64 % of the total lettable area; 68 % of the total value.

Segmental analysis: Only office buildings in Germany.

**[16]** alstria does not own any assets in protected areas.

**[17]** Boundaries: 74 assets; 92 % of the total lettable area; 93 % of the total value. See also EN8 and EN9.

**[18]** No deconstruction activities in 2012, therefore no significant construction waste in the reporting period.

**[19]** No incidents known.

**[20]** In 2012, there were two students who worked in fixed-term contracts.

**[21]** In 2012, two female employees returned to work from parental leave, and two female employees went on parental leave. In total, two female employees were on parental leave as at December 31, 2012.

**[22]** Absentee rate in 2012: (534 lost days/253 total working days per year × 56 average number of employees during the period) × 200,000 = 7,538. (female: 5,731; male: 1,807).

Lost days of female employees in 2012: 406; lost days of male employees in 2012: 128.

Absentee rate in 2011: (548 lost days/254 total working days per year × 48 average number of employees during the period) × 200,000 = 8,990. (female: 5,135; male: 3,855).

Lost days of female employees in 2011: 313; lost days of male employees in 2011: 235.

Absentee rate in 2010: (300 lost days/256 total working days per year × 37 average number of employees during the period) × 200,000 = 6,334. (female: 4,434; male: 1,900).

Lost days of female employees in 2010: 210; lost days of male employees in 2010: 90.

There have been no work-related and job-related fatal accidents among our employees. There are no work-related accidents among our contractors employees on construction sites known during the last three years.

**[23]** Our construction sites are subject to audits by the (German) public authorities with respect to labour law violations. As of today, none of these audits have identified any substantial issue. In addition, for all construction sites we have specific health and safety planning. We assign a safety coordinator whose duty is to ensure the health and safety of employees and subcontractor's employees. The coordinator can stop work on a site if she/he suspects any risk related to health and safety.

**[24]** At alstria, there are no operational activities with a high risk, which would cause serious diseases or many cases of illness.

**[25]** We do not report for each employment category, such as senior management or middle management.

**[26]** See also the 'Corporate Governance Statement' » pages 84–89 in the Annual Report for the financial year 2012 » part II/II and LA1 and LA2 of this report.

**[27]** alstria has no specific investment agreements with human rights clauses. As alstria's focus is on the German market, human rights are protected by law. In Germany most international human rights treaties are ratified. alstria operates in the framework of the German law and obeys these rules and regulations.

**[28]** Our construction sites have been audited on a regular basis. None of these audits have identified any substantial issue. With respect to health and safety, alstria assigns a coordinator for each site.

**[29]** There was no specific training on human rights aspects. alstria has a specific policy on equal treatment as well as on harassment which is included in training on a regular basis.

**[30]** No incidents known. We are aware of the risk for child labour in the real estate sector, but we only operate in Germany and screen our contractors regarding such issues.

**[31]** alstria operates in the framework of the German law and obeys these rules and regulations. Germany has ratified most international human rights treaties. There are no human rights conflicts with other countries.

**[32]** There are no grievances related to human rights in 2012.

**[33]** Risks of corruption and validity of financial information are reviewed in the framework of the annual review by our auditors. In addition, the internal control system as well as the internal audit also prevents possible risks. The Code of Conduct is another preventive instrument.

**[34]** We do not make political donations.

**[35]** Each of our key business meets product and service information, disclosure requirements and contractual requirements as required by legislation.

# PROPERTY CONSUMPTION DATA



Properties	Electricity in kWh			Heating in kWh			Water in m³		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Building 1	0	0	0	624,722	0	0	943	0	0
Building 2	0	0	0	540,969	0	0	2,805	0	0
Building 3	0	0	0	0	0	0	1,286	1,307	0
Building 4	0	0	0	0	0	0	1,567	1,434	0
Building 5	0	0	0	0	0	0	1,062	1,183	0
Building 6	0	0	0	0	232,783	0	0	2,038	0
Building 7	0	0	0	321,610	310,427	0	855	956	0
Building 8	0	0	0	605,910	891,684	0	4,886	4,960	0
Building 9	0	0	0	0	0	0	0	0	0
Building 10	858,980	887,268	912,932	3,354,950	2,958,500	4,399,920	2,230	2,333	2,128
Building 11	733,153	765,982	782,474	1,859,270	1,689,650	2,263,730	2,200	2,081	3,627
Building 12	1,081,138	1,171,832	1,169,747	1,975,220	1,444,830	2,246,820	4,770	2,232	2,120
Building 13	166,771	169,847	189,316	465,251	520,336	507,000	735	715	835
Building 14	422,385	487,932	447,573	794,522	774,007	830,050	1,757	1,902	1,742
Building 15	522,768	564,892	587,220	586,832	508,391	623,408	1,433	1,464	1,482
Building 16	88,082	113,399	133,208	637,206	555,558	0	1,050	1,196	1,205
Building 17	178,898	184,396	188,486	436,176	365,605	496,055	1,047	878	848
Building 18	124,608	116,032	117,507	386,415	446,018	446,596	801	853	794
Building 19	0	0	0	1,218,510	0	0	4,332	0	0
Building 20	110,632	119,675	124,613	379,995	0	430,353	1,133	1,125	1,062
Building 21	693,901	717,544	736,005	2,022,560	1,970,400	2,394,400	4,123	4,066	3,558
Building 22	172,639	169,929	182,474	716,746	833,815	940,573	1,116	943	908
Building 23	79,294	106,416	106,654	215,270	571,156	0	679	700	649
Building 24	720,954	0	0	991,908	898,891	1,174,171	3,367	2,743	3,141
Building 25	0	0	0	0	0	0	0	0	0
Building 26	386,516	380,406	381,188	629,656	556,735	698,133	1,126	1,046	984
Building 27	118,934	0	0	347,625	408,743	409,273	1,047	938	918
Building 28	327,972	332,346	315,702	1,200,667	902,202	1,259,392	701	688	1,786
Building 29	288,111	298,973	318,175	571,299	630,247	640,356	2,095	2,261	2,211
Building 30	122,282	132,247	144,757	248,806	299,018	0	1,308	607	517
Building 31	849,879	0	0	1,606,610	1,586,830	1,114,240	4,378	3,968	2,798
Building 32	0	0	0	129,902	168,882	0	549	410	0
Building 33	0	0	0	743,087	0	0	1,300	0	0
Building 34	0	0	0	239,469	215,734	295,077	851	1,069	0
Building 35	0	0	0	800,290	1,151,310	0	1,267	2,060	0
Building 36	0	0	0	320,564	303,432	0	903	0	0
Building 37	2,561,160	2,561,160	0	1,328,000	1,328,000	0	7,637	7,637	0
Building 38	32,028,000	31,900,000	0	12,017,000	14,963,000	0	90,629	80,100	0
Building 39	0	0	0	2,369,934	409,556	0	4,350	2,581	0
Building 40	0	0	0	1,148,620	1,006,800	0	2,373	2,293	0
Building 41	0	0	0	0	0	0	0	0	0
Building 42	1,421,660	338,580	0	2,260,730	1,464,500	0	3,814	4,649	0
Building 43	3,600,000	0	0	2,300,000	0	0	6,480	0	0



Properties	Electricity in kWh			Heating in kWh			Water in m <sup>3</sup>		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Building 44	0	0	0	0	0	0	0	0	0
Building 45	0	0	0	0	0	0	5,399	5,161	0
Building 46	0	0	0	646,132	53,293	0	698	918	0
Building 47	0	35,147	0	115,440	104,965	0	559	723	0
Building 48	0	0	0	803,118	774,451	1,957,736	6,901	0	9,713
Building 49	1,246,000	0	0	2,560,000	0	0	20,645	0	0
Building 50	0	0	0	307,455	283,612	359,956	359	377	0
Building 51	0	0	0	0	234,035	0	0	390	0
Building 52	0	113,771	120,242	198,631	205,054	257,782	545	601	2,096
Building 53	2,209,567	2,147,735	2,564,625	1,329,160	3,547,940	3,188,650	4,479	4,521	4,658
Building 54	474,989	401,445	489,864	575,760	462,168	310,062	1,136	1,566	1,310
Building 55	259,454	302,247	408,859	572,654	586,247	199,333	934	2,135	2,135
Building 56	0	183,831	188,975	532,222	502,495	0	894	692	0
Building 57	489,758	473,464	486,537	882,733	966,534	287,815	2,487	2,790	0
Building 58	0	0	0	280,346	285,580	0	304	271	0
Building 59	1,601,292	1,616,959	1,708,139	1,148,533	836,980	0	4,629	4,489	4,999
Building 60	0	0	0	42,332	15,047	47,550	992	770	871
Building 61	0	29,560	29,163	35,796	0	0	19	149	278
Building 62	0	0	0	496,959	415,643	568,579	1,615	1,495	1,635
Building 63	0	0	0	274,446	306,388	0	1,048	1,039	619
Building 64	446,172	440,894	440,831	732,112	885,199	1,154,155	2,946	3,078	3,076
Building 65	776,497	0	0	464,291	377,933	496,087	1,005	1,047	0
Building 66	0	0	0	341,679	299,104	0	903	821	0
Building 67	0	0	0	0	164,773	0	0	0	0
Building 68	2,492,000	0	0	3,650,000	0	0	9,724	0	0
Building 69	0	0	0	300,775	163,030	0	1,227	770	0
Building 70	0	0	0	0	0	0	0	972	0
Building 71	0	0	0	615,319	252,982	0	3,529	1,014	0
Building 72	0	0	0	170,002	0	0	108	0	0
Building 73	0	0	0	800,237	0	0	6,271	0	0
Building 74	1,349,875	0	0	1,186,748	0	0	2,398	0	0
Building 75	0	0	0	37,665	0	0	0	0	0
Building 76	0	0	0	751,110	0	0	2,505	0	0
Building 77	0	0	0	869,000	0	0	1,929	0	0
Building 78	0	0	0	539,846	0	0	0	0	0
Building 79	0	0	0	2,617,360	0	0	0	0	0
Building 80	0	0	0	1,128,900	0	0	1,061	0	0
Building 81	1,016,264	0	0	1,027,810	0	0	5,176	0	0
Building 82	0	0	0	550,983	0	0	1,743	0	0
Building 83	0	0	0	1,092,820	0	0	319	0	0
Building 84	0	0	0	465,432	0	0	703	0	0
Building 85	0	0	0	15,264	0	0	455	0	0

# ANALYSED ASSETS



Properties	Electricity			Heating			Water		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
<b>Berlin</b>									
Darwinstrasse 14–18/Quedlinburger Strasse 2	✓			✓			✓		
Holzhauser Strasse 175–177	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Hamburg</b>									
Alte Königstrasse 29–39	✓	✓	✓	✓	✓	✓	✓	✓	✓
Alter Steinweg 4	✓	✓	✓	✓	✓	✓	✓	✓	✓
Amsinckstrasse 28	✓	✓	✓	✓	✓	✓	✓	✓	✓
Amsinckstrasse 34	✓	✓	✓	✓	✓	✓	✓	✓	✓
Bäckerbreitengang 73–75		✓		✓	✓		✓	✓	
Basselweg 73	✓	✓	✓	✓	✓		✓	✓	✓
Besenbinderhof 41	✓	✓	✓	✓	✓	✓	✓	✓	✓
Buxtehuder Strasse 9–11a	✓	✓	✓	✓	✓	✓	✓	✓	✓
Drehbahn 36	✓	✓	✓	✓	✓	✓	✓	✓	✓
Englische Planke 2				✓	✓		✓	✓	
Ernst-Merck-Strasse 9 (Bieberhaus)				✓			✓		
Garstedter Weg 13	✓	✓	✓	✓		✓	✓	✓	✓
Grindelberg 62–66	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hamburger Strasse 43–49	✓	✓		✓	✓		✓	✓	
Hamburger Strasse 1–15 Tower				✓					
Hammer Steindamm 129	✓	✓	✓	✓	✓	✓	✓	✓	✓
Harburger Ring 17				✓			✓		
Herthastrasse 20	✓	✓	✓	✓	✓		✓	✓	✓
Johanniswall 4	✓			✓	✓	✓	✓	✓	✓
Kanalstrasse 44	✓	✓	✓	✓	✓	✓	✓	✓	
Kattunbleiche 19	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ludwig-Rosenberg-Ring 41	✓			✓	✓	✓	✓	✓	✓
Max-Brauer-Allee 41–43				✓	✓		✓	✓	
Max-Brauer-Allee 89–91	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nagelsweg 41–45				✓	✓	✓	✓	✓	✓
Öjendorfer Weg 9–11	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rahlstedter Strasse 151–157	✓	✓	✓	✓	✓		✓	✓	✓
Steinstrasse 10	✓	✓	✓	✓	✓	✓	✓	✓	✓
Steinstrasse 5–7	✓			✓	✓	✓	✓	✓	✓
Süderstrasse 24				✓	✓		✓	✓	
Wandsbeker Chaussee 220				✓	✓	✓	✓	✓	
<b>Hanover</b>									
Werner-von-Siemens-Platz 1	✓			✓			✓		
<b>Munich</b>									
Arnulfstrasse 150							✓	✓	
Hofmannstrasse 51									
<b>Rhine-Main</b>									
Emil-von-Behring-Strasse 2, Frankfurt/Main	✓	✓		✓	✓		✓	✓	
Goldsteinstrasse 114, Frankfurt/Main	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gustav-Nachtigal-Strasse 3, Wiesbaden	✓	✓	✓	✓	✓		✓	✓	✓
Gustav-Nachtigal-Strasse 4, Wiesbaden		✓	✓	✓			✓	✓	✓
Insterburger Strasse 16, Frankfurt/ Main				✓			✓		
Mainzer Landstrasse 33a, Frankfurt/ Main				✓			✓		
<b>Rhine-Ruhr</b>									
Bamlerstrasse 1–5, Essen				✓	✓	✓	✓		✓

Properties	 Electricity			 Heating			 Water		
	2012	2011	2010	2012	2011	2010	2012	2011	2010
Emanuel-Leutze-Strasse 11, Düsseldorf	✓			✓			✓		
Friedrichstrasse 19, Düsseldorf				✓	✓		✓	✓	
Gathe 78, Wuppertal				✓	✓		✓	✓	
Gereonsdriesch 13, Cologne				✓	✓		✓	✓	✓
Hans-Böckler-Strasse 36, Düsseldorf				✓					
Horbeller Strasse 11, Cologne		✓	✓	✓	✓		✓	✓	
Jagenbergstrasse 1, Neuss							✓	✓	
Kaistraße 16, 16a, 18, Düsseldorf				✓			✓		
<b>Saxony</b>									
Lothar-Streit-Strasse 10b, Zwickau									
Ludwig-Erhard-Strasse 49, Leipzig							✓	✓	
Washingtonstrasse 16/16a, Dresden				✓	✓		✓	✓	
Zellescher Weg 21–25a, Dresden				✓			✓		
<b>Stuttgart</b>									
Epplestrasse 225, Stuttgart	✓	✓		✓	✓		✓	✓	
Ernstaldenstrasse 17, Stuttgart				✓	✓		✓	✓	
Rotebühlstrasse 98–100, Stuttgart				✓			✓		
Siemensstrasse 33, Ditzingen				✓	✓		✓	✓	
<b>Others</b>									
Am Roten Berg 5, Erfurt				✓	✓	✓	✓	✓	
Carl-Reiß-Platz 1–5, Mannheim	✓	✓	✓	✓	✓	✓	✓	✓	✓
Doktorweg 2–4 /Bismarkstr. 3, Detmold	✓	✓	✓	✓	✓	✓	✓	✓	✓
Friedrich-Scholl-Platz 1, Karlsruhe	✓			✓			✓		
Halberstädter Strasse 17, Magdeburg							✓	✓	
Helene-Lange-Strasse 6/7, Potsdam				✓	✓		✓	✓	
Johannesstrasse 164–165, Erfurt				✓			✓		
Joliot-Curie-Platz 29–30, Halle				✓	✓	✓	✓	✓	✓
Schweinfurter Strasse 4, Würzburg				✓	✓		✓		
Spitzweidenweg 107, Jena		✓	✓	✓	✓	✓	✓	✓	✓
<b>Development assets</b>									
Arndtstrasse 1, Hanover				✓	✓		✓	✓	
Hamburger Strasse 1–15 Center, Hamburg				✓					
Kaiser-Wilhelm-Strasse 79–87, Hamburg									
Landshuter Allee 174				✓	✓		✓	✓	
Max-Eyth-Strasse 2, Dortmund									
Schaartor 1, Hamburg								✓	
<b>Acquisitions</b>									
Am Wehrhahn 22, Düsseldorf				✓			✓		
Bombarch 2–12, Norderstedt				✓			✓		
Georg-Glock-Strasse 18, Düsseldorf	✓			✓			✓		
Ivo-Beucker-Strasse 43, Düsseldorf				✓			✓		
Siemensstrasse, Neu-Isenburg				✓			✓		
Stresemannallee 30, Frankfurt/M.				✓			✓		
<b>Disposals</b>									
Am Gräslein 12, Nuremberg					✓			✓	
Benrather Schlossallee 29–33, Düsseldorf	✓			✓	✓	✓	✓	✓	
Zwinglistrassen 11/13, Dresden					✓			✓	
Schopenstehl 24, Hamburg					✓				

## Asset Management

Value-driven management and/or optimisation of real estate investments through letting management, refurbishment, repositioning and tenant management.

## BaFin

### (Federal Financial Supervisory Authority)

The BaFin brings together under one roof the supervision of banks and financial services providers, insurance undertakings and securities trading. It is an autonomous public-law institution and is subject to the legal and technical oversight of the Federal Ministry of Finance.

## BID

### (Business Improvement District)

BID are well-defined business districts to undertake improvement measures. They are funded by all real estate owners within the district through a municipal levy.

## BREEAM

### (Building Research Establishment Environmental Assessment Method)

BREEAM is an environmental assessment method and rating system for sustainable building design, construction, operation and the measurement of a building's environmental performance.

## CDP

### (Carbon Disclosure Project)

CDP is an independent not-for-profit organisation working to drive greenhouse gas emissions reduction and sustainable water use by business and cities. It aims to set up a global database for carbon emissions.

## Climate change

Changes in the world's climate caused by increased concentration of greenhouse gases (particularly carbon dioxide) in the atmosphere. The term is used interchangeably with global warming.

## CO<sub>2</sub>

Carbon dioxide, a gas produced primarily through the combustion of fossil fuels. It is believed to be the main cause of climate change.

## Code of Conduct

Formal statement of the values and business practices of a company together with a pledge by the company to observe them.

## Corporate governance

The system by which business corporations are directed and controlled. A set of relationships between a company's management, its board, its shareholders and other stakeholders.

## CRESS

### (Construction and Real Estate Sector Supplement)

Supplement to the GRI guidelines for the special disclosure requirements of companies from the real estate and construction sector.

## CSR

### (Corporate Social Responsibility)

A form of corporate self-regulation integrated into a business model. The term is used interchangeably with the terms 'sustainability', and 'Environmental, Social and Governance (ESG)'.

## DGNB

### (Deutsche Gesellschaft für nachhaltiges Bauen)

The German Sustainable Building Council establishes a system for the assessment and the certification of sustainable buildings.

## DIRK

### (Deutscher Investor Relations Verband e. V.)

The German Investor Relations Association sets standards for the communication between companies and the capital market.

## EnEV

### (Energieeinsparverordnung)

Energy-saving regulations.

## EPRA

### (European Public Real Estate Association)

An organisation which represents the interests of the major European Property Management companies and supports the development and market presence of European public property companies.

## Equal opportunities

Employer's adoption of employment practices which do not discriminate on the basis of race, colour, religion, sex or national origin. The opposite of discrimination.

## ESMA

### (European Securities and Markets Authority)

ESMA is an independent institution with the mission to enhance the protection of investors and reinforce stable and well functioning financial markets in the European Union by building a single rule book for EU financial markets and ensuring its consistent application and supervision across the EU.

## FFO

### (funds from operations)

Operating result from real estate management. alstria's FFO represents the operating result, excluding valuation effects and other adjustments such as non-cash expenses/income and non-recurring effects.

## **FSC**

### **(Forest Stewardship Council)**

An independent, non-governmental, not-for-profit organisation which established a certification programme for the labelling of products from sustainable sources.

## **GHG Protocol**

The Greenhouse Gas Protocol is the most widely used international accounting tool for government and business leaders to understand, quantify and manage greenhouse gas emissions.

## **GRI**

### **(Global Reporting Initiative)**

A network-based organisation which releases widely used sustainability reporting guidelines. These guidelines are for voluntary use by organisations for reporting on the economic, environmental and social dimensions of their activities, products and services.

## **IPD**

### **(Investment Property Database)**

An organisation which analyses the performance of real estate.

## **Joint venture**

Legally independent entity formed between two or more parties to undertake economic activity together. It is jointly controlled by the parties under a contractual arrangement whereby decisions on financial and operating policies essential to the operation, performance and financial position of the venture require each party's consent.

## **kWh**

### **(kilowatt hour)**

A unit of energy.

## **oekom research AG**

oekom research AG is one of the world's leading rating agencies and provides the crucial head start in the segment of sustainable investments.

## **Operational approach**

The boundaries that determine the direct and indirect emissions associated with operations owned or controlled by the reporting company.

## **Property management**

Property Management is the management of real estate assets including the processes, systems and manpower required to manage the life cycle of a building.

## **REIT**

### **(Real Estate Investment Trust)**

Real Estate Investment Trusts are public listed companies, fully tax transparent, which solely invest in properties.

## **Risk**

A measure of the probability that damage to life, health, property and/or the environment will occur as a result of a given hazard. Risk is measured in terms of impact and likelihood.

## **Risk management**

The introduction of change or control measures with the intention of eliminating or bringing the level of risk associated with a hazard within acceptable limits.

## **R&D**

Research and development.

## **Stakeholder**

An individual, community or organisation that affects or is affected by some aspect of an organisation's products, operations, markets, industries and outcomes.

## **Sustainability**

Alignment of an organisation's products and services with stakeholder expectations, thereby adding economic, environmental and social value.

## **Transparency**

A principle that allows those affected by administrative decisions, business transactions or charitable work to know not only the basic facts and figures, but also the mechanisms and processes. It is the duty of civil servants, managers and trustees to act visibly, predictably and understandably.

## **ULI**

### **Greenprint Center for Building Performance**

The Urban Land Institute Greenprint Center is a worldwide alliance of leading real estate owners, investors, and strategic partners committed to improving the environmental performance of the global real estate industry.

## **UNESCO**

### **(United Nations Educational, Scientific and Cultural Organisation)**

Its purpose is to contribute to peace and security by promoting international collaboration through education, science and culture in order to further universal respect for justice, the rule of law and human rights along with fundamental freedoms proclaimed in the UN Charter.

## **Values**

The core beliefs we hold regarding what is right and fair in terms of our actions and our interactions with others.

## **ZIA**

### **(Zentraler Immobilienausschuss)**

The German Property Federation is a regulatory and economic lobby group for policy in the property sector.

## AUGMENTED REALITY



This report will offer you Augmented Reality experience. In this report look for the 'Augmented Reality'-logo.



This will indicate that the picture will interact with your phone.

In order to access it you need to: With an **iPhone/iPad**: Download and install the alstria app from apple's App Store.



Open the app, and tap on the Aurasma tab.

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Launch the Aurasma Lite app, and search for 'alstria'. Once the alstria channels are found, subscribe to both of them.

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As we would like to improve continuously, we are happy to receive your comments on this report. Please feel free to fill in the feedback form on our website: [www.alstria.com/en/sustainability/feedback/](http://www.alstria.com/en/sustainability/feedback/) or to contact us directly:

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## EDITORIAL COMMENT

All the information in this report has been compiled in good faith and with great care from various sources. To the best of our knowledge, the information and data contained in this report reflect the truth. Nevertheless, we cannot assume liability for the correctness or completeness of the information provided herein.

This applies in particular also to any forward-looking statements made in respect of the development of business matters and financial results of alstria office REIT-AG; such statements are based upon our current plans, assessments, prognoses and expectations, as well as upon economic, political and other developments and factors which to the most extent are beyond our scope of influence.

The actual results and developments may, therefore, differ significantly from our today's assumptions. We also do not assume any obligation to update any forward-looking statements if new information is obtained or unexpected events occur.

Insofar as the masculine form is used in the contents of this report, it is assumed that this refers to both genders on equal terms.

We would like to thank all colleagues and external partners for their friendly support in making this report possible.

This CSR report is also available in German.



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