APLEONA

Status Report on Sustainability 2021

Brief description

The Status Report on Sustainability provides an overview of the current status of the Group's activities and goals in the areas of economy, ecology and society.

The status report is intended both to increase transparency within the Group and to enable shareholders, customers, suppliers, service providers, subcontractors and other affected groups in society to find out about our activities and goals in the area of sustainability in a condensed and comprehensible form.

Preparation and responsibility

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Statement by Corporate Management

During the fourth year of our active involvement with the United Nations Global Compact (UNGC) we have focused intensively and in detail on the 10 principles of the UNGC and incorporated them in corporate-wide structures for discharging our social responsibilities (see annex to this document).
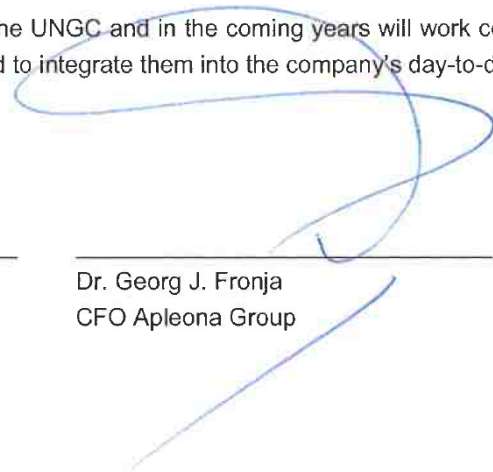
We are certain that our company can only enjoy success over the long term by taking into account legal require-ments and ethical concerns so as to bring economic, ecological and social-cultural considerations into balance. In exercising our social responsibility we are guided by the three pillars of sustainability (economy, ecology, social welfare).

We intend to support and actively practice the 10 principles of the UNGC within our sphere of influence. This progress report for 2021 describes our specific strategies and goals as well as the measures we have taken and their results.

Apleona remains fully committed to the UNGC and in the coming years will work continuously and intensively to promote the goals of the compact and to integrate them into the company's day-to-day operations.

Dr. Jochen Keysberg
CEO Apleona Group

Dr. Georg J. Fronja
CFO Apleona Group

1. Introduction

1.1 Current Status

Apleona is one of the largest real estate service providers in Europe, with around 20,000 employees and annual revenues of approximately €2 billion. Our services support our customers in managing the operation of real estate, facilities and production processes in a legally compliant, resource- and cost-efficient manner. But we also provide the most efficient possible management of the real estate we use ourselves, as well as the mobility we need to support our customers on site. Our goal is to constantly reduce the resources we use in order to generate economic, ecological and social benefits for us and our customers.

We are convinced that long-term corporate success can only be achieved where economic, ecological and socio-cultural concerns are harmonized in compliance with legal requirements and ethical aspects. In fulfilling our social responsibility, we are guided by the three pillars of sustainability. The following graphic provides an overview of the systematics of the value system, whose individual aspects are also represented by the seven core topics of social responsibility.

- the seven core topics of social responsibility in accordance with DIN EN ISO 26000,
- the ten universal principles of responsible corporate governance in accordance with the UN Global Compact and
- the frameworks of the German Sustainability Code (DNK) and the Global Reporting Initiative (GRI).

(see Figure 1). All sustainability aspects can be grouped into the four pillars of economy, ecology, social as well as governance affairs. This also illustrates the systematics of ESG reporting (E: Environment, S: Social, G: Governance).

Fig. 1: Systematics of social responsibility

Apleona publishes an annual Status Report on Sustainability (in the following: status report), which describes all relevant economic, ecological, social and corporate organizational aspects of our business activities. All business units of our company are included in the assessment (see Figure 2).

Fig. 2: Structure of the Business Units

With the publication of this status report, we aim to transparently present our objectives, activities and current status with regard to important economic, ecological, socio-cultural and corporate organizational aspects (in the following: sustainability aspects). The status report for the past fiscal year is publicly available as a download on our website and can be downloaded by our stakeholders, such as owners, banks, customers, business partners, suppliers, service providers, non-governmental organizations or the professional public, using the following link:

- German: http://www.apleona.com/ueber-apleona/verantwortung/
- English: http://www.apleona.com/en/about-apleona/responsibility/

The goal is to gradually improve reporting by collecting increasingly detailed and uniform data on key sustainability aspects throughout the Group. The report is updated annually by June 15 of the following year and published on our website by this date at the latest.

1.2 1.2 Organizational structure Sustainability / CSR / ESG

Sustainability or Corporate Social Responsibility (CSR) is an important cross-sectoral field that directly or indirectly affects all areas of a company in economic, ecological, socio-cultural and organizational terms. The increasing importance of non-financial reporting, especially in the areas of environment, social and governance (ESG), requires a broadening of the perspective to include these sustainable topics as well.

For this reason, the topics of "social responsibility" and "sustainable and value-oriented corporate governance" are an integral part of our corporate values. They are ensured and continuously developed through clear management responsibilities as well as specific Group policies and directives on individual focus topics (see Figure 3).

Fig 3: Structure of the governance documents on sustainability

Organizationally, the overarching topic of sustainability is led by the Executive Board, consisting of the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the two Chief Operating Officers (COO). In regular meetings, current developments and events in business operations and their impact on material sustainability aspects are discussed and evaluated. If necessary, measures are initiated or business processes modified in order to achieve the sustainability targets set. Key sustainability targets are defined and documented in specific Group policies and directives issued by the specialist departments (Support Functions) such as Human Resources, HSEQ, Operational Technical Support, Compliance, Procurement, Property Management, Risk Management, etc. The Group's sustainability management system is based on these policies and directives. Key performance indicators (KPIs) are used to control and monitor the defined sustainability targets, insofar as they can be determined with a manageable amount of effort.

The Executive Board is advised by an interdisciplinary working group ("Sustainability and CSR Network") made up of employees from within the Group. The working group meets four times a year. It discusses existing and identifies new key sustainability topics. If necessary, these are proposed to the Executive Board, including concrete measures and KPIs for management and monitoring. The internal network consists of employees from the business departments and specialized areas as well as energy and sustainability experts (see Figure 4). The heads of the respective business units or the local management are responsible for the operational implementation of the sustainability targets at the individual Apleona sites.
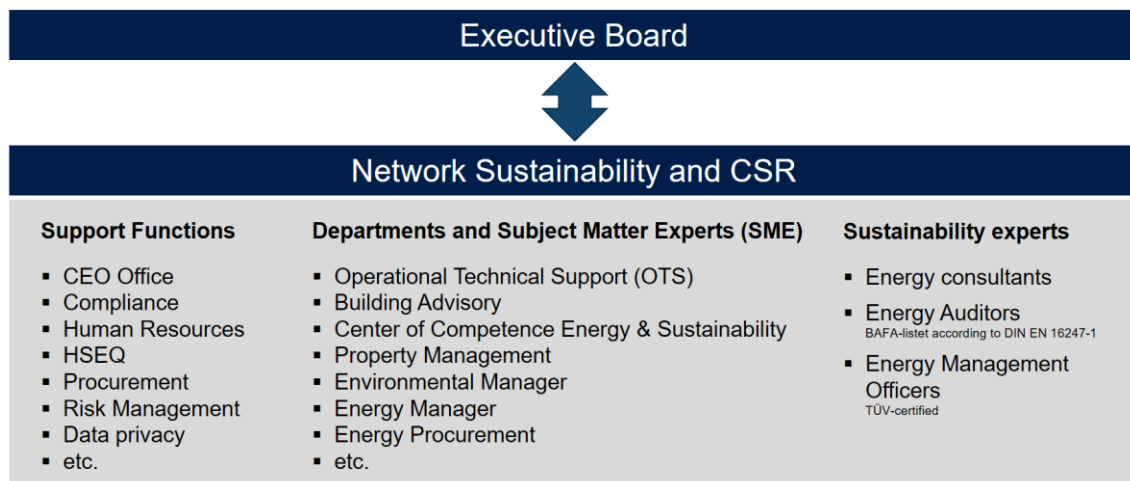
Fig. 4: Organizational handling of sustainability aspects

1.3 Reporting Standard

Various standards have been established for sustainability reporting, such as:

- DNK German Sustainability Code,
- GRI Global Reporting Initiative or
- SASB Sustainability Accounting Standards Board (from June 2021: Value Reporting Foundation).

Apleona includes individual aspects of the aforementioned reporting standards in its status report, but will not fully implement any of the aforementioned reporting standards. A decision on the selection of a future mandatory reporting standard will be made by the Executive Board of Apleona at a later date.

In its reporting, Apleona is guided by the system of the seven core topics on social responsibility according to DIN EN ISO 26000 (guidelines on the social responsibility of organizations) as well as the ten universal principles of responsible corporate governance according to the UN Global Compact.

Apleona focuses on the most important sustainability aspects identified in its materiality analysis (see chapter 1.4 below) and will gradually increase, expand or improve the number and level of detail of the necessary sustainability data as required.

1.4 Materiality Analysis

The materiality analysis is used to identify the key sustainability aspects that are strongly influenced by Apleona's business activities.

The basis for the materiality analysis is the holistic view of the most important business processes and resources required to provide our services. The following overview also makes visible the interconnectedness of our company with our suppliers, external service providers and subcontractors who deliver or provide goods or perform services on our behalf.
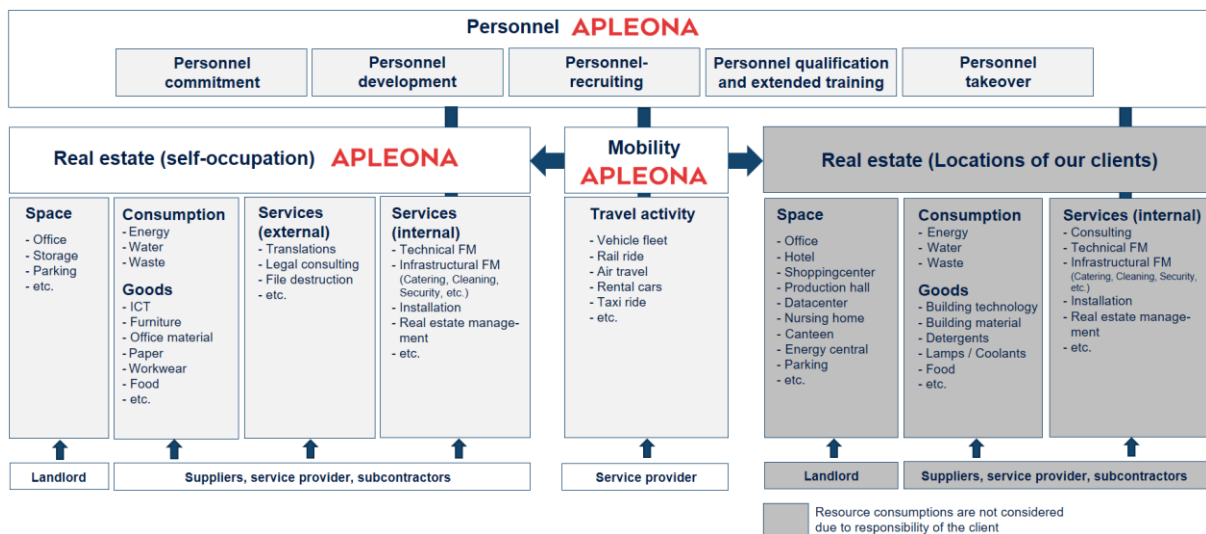
Fig. 5: Overview of key business processes and resources

The execution of our business processes and the use of the resources required for this have direct and indirect impacts on all sustainability aspects to varying degrees. The materiality analysis structures and prioritizes these impacts and assigns them to thematically superordinate sustainability aspects. This helps us to maintain an overview of this complex topic and to work in a targeted manner on the key issues for improving sustainability. In the materiality analysis, particular attention is paid to those business processes and resources

- that can be influenced by the company's own actions,
- which have the greatest effect on sustainability, and
- which involve the greatest risk potential for the future.

To prioritize the identified sustainability aspects, they were arranged in a matrix (see Figure 6). On the x-axis, we assessed the impact of the respective sustainability aspect on our business activities, and on the y-axis, the relevance we assumed for our stakeholder groups. A validation of the individual aspects we identified and their relevance for our stakeholder groups is to be carried out as part of a stakeholder survey in the fall of 2022 in order to add any aspects we overlooked or to reorder the priorities. A stakeholder survey has not yet taken place and was postponed again in 2021 due to the ongoing Corona pandemic.

Fig. 6: Materiality matrix Apleona Group (own assessment)

For a better overview, we have also presented the above-mentioned results of the materiality analysis graphically in an alternative form (see Figure 7). Here, the identified sustainability aspects are assigned to the three pillars of sustainability and prioritized.

Fig. 7: Materiality analysis Apleona Group (own assessment)

The 22 sustainability aspects we identified are presented in detail in the following chapters 2-4 (economic, ecological and sociocultural aspects).

Note: For better readability and further use, the two graphics in Figures 6 and 7 are shown separately again in the appendix, each on a single page.

1.5 Sustainable Development Goals (SDG) of the UN Global Compact

Since September 11, 2017, Apleona has been a member of the United Nations Global Compact (UNGC) initiative. As part of this membership, we support the 10 universal goals of the UNGC in the four main groups of anti-corruption, human rights, working conditions and environmental protection (see Figure 8).

In addition, we support the following two goals from the catalog of 17 Sustainable Development Goals (SDG), as we have a particularly high level of expertise in these areas:

- Goal No. 3: Good Health and Wellbeing.
- Goal No. 13: Climate action (Goal 13: Climate Action)
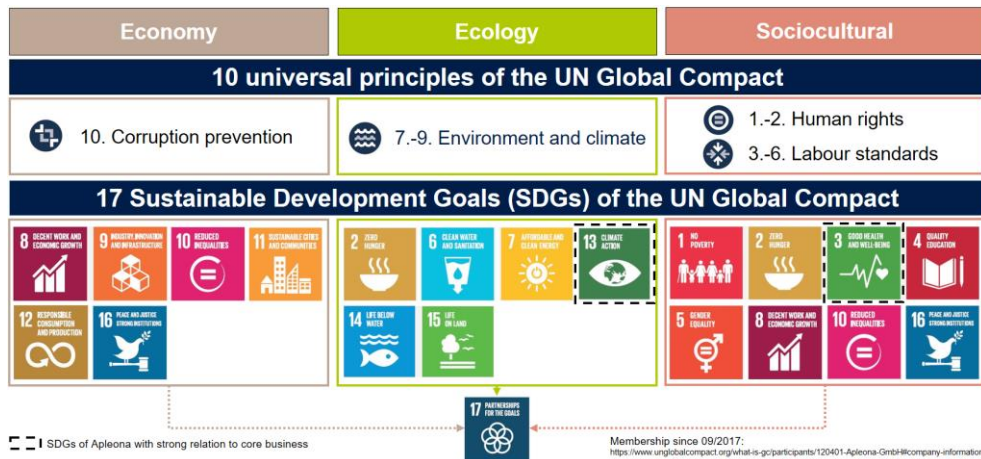
Fig. 8: 17 Sustainable Development Goals of the UN Global Compact

We have described our concrete measures for the two aforementioned goals in chapter 3 (Ecological aspects) and chapter 4 (Socio-cultural aspects). We publish a separate COP Communication on Progress at the same time and with the same content as our Status Report on Sustainability on June 15 of the following year on the United Nations website at the following link:

https://www.unglobalcompact.org/what-is-gc/participants/120401-Apleona-GmbH

1.6 Sustainability Rating by Ecovadis

The sustainability performance of Apleona GmbH is audited annually by the renowned rating company Ecovadis. Ecovadis is a leading, independent and globally active provider of sustainability ratings for companies, which uses 21 individual indicators to assess the integration, documentation and quality of sustainable aspects of companies in supply chains. The so-called Sustainability Rating comprises well over 100 questions, which are divided into the four main topics of

- Environment and energy,
- Labour and human rights,
- Ethics (compliance) and
- Sustainable procurement.

For the various individual topics, comprehensive verification documents must be included in the audit process on an annual basis.

We strive for a regular, independent sustainability assessment by Ecovadis and want to permanently achieve at least a gold certificate within our industry (see Figure 9). We support this goal by improving our sustainability performance in all sustainability aspects defined by us, which are also part of this status report. Apleona publishes its current certificate of the rating result on its website under the following link:

German: https://www.apleona.com/ueber-apleona/verantwortung/
English: https://www.apleona.com/en/about-apleona/responsibility/

Fig. 9: Sustainability Rating Ecovadis 2019-2022

With the external evaluation of our sustainability performance, we want to create trust among our stakeholders overall that we take sustainable aspects into account in the provision of our services and that we verifiably comply with environmental and social standards.

1.7 Sustainability platforms

Our clients are increasingly moving toward reviewing their service providers for compliance with minimum environmental and social standards as part of non-financial reporting. In this context, our clients use private platform providers to ask their questions on ESG topics. Depending on the business sector, different online platforms are used. A selection of platform providers are shown in the chart below.

Apleona's sustainability data is usually only visible to the client or to other clients in the same industry (e.g. platform NQC for many automotive manufacturers). Therefore, we publish here the achieved audit results of the year 2021 that Apleona achieved in the ESG audit on the respective platforms (see Figure 10).

Fig. 10: Online platforms for entering ESG data (selection)

Apleona's sustainability profile can be viewed on the "Integrity Next" platform at the following link:

- Link: https://app.integritynext.com/profiles/428d8e67-eb0b-4777-8433-a02fcea3d3b8

2. Economic Aspects

2.1 Professionals Retention / Operational Excellence / Further Training

Against the background of our ambitious growth strategy, the successful recruitment of employees is a key success factor for the future of our company. At the same time, however, the training and further development of our existing employee teams is also fundamental in order to be able to continue to utilize our many years of experience.

As a real estate service provider, we depend on well-trained, experienced and customer-oriented employees whose expertise and commitment also ensure the economic success of our company. Any loss of employees through self-termination must therefore be prevented as far as possible, as the departure of good employees and the search for equivalent replacements also has negative economic effects for Apleona. We therefore focus on ensuring that all employees have a physical and cultural environment in which they feel comfortable and can develop their individual strengths.

Employee terminations cannot be completely avoided, since, for example, family or private life circumstances make it necessary for our employees to change their place of residence, and in these cases Apleona is unfortunately not always able to offer a place of work close to home or of equal value. Nevertheless, it is our goal to keep employee fluctuation as low as possible. We aim to achieve an annual employee termination rate of permanently less than 15% (see Figure 11). We support this goal through the following personnel measures:

- Offer of a job close to home in the event of a change of residence - insofar as this is possible -
- Agreement on new working time models to support family care or nursing services
- Annual employee appraisals to present perspectives for professional and personal development within the company

2019	2020	2021	Ziel: 2022
19.5%	15.6%	10.7%	<15.0%

Fig. 11: Annual employee terminations as a percentage of the total number of employees 2019-2021

Customers rightly expect from us the provision of services at a level of quality that meets both legal and individual customer requirements. This is based on well-trained employees who provide the necessary services on site with professional and social competence. Quality assurance includes, among other things, internal audits, training courses as well as further education and qualification concepts for our employees. For this purpose, Apleona provides a wide range of internal and external training opportunities for the development of professional and personal skills, which is constantly updated in close cooperation with the operating units.

A network of central experts from the HSEQ (Health, Safety, Environment, Quality), Operational Technical Support and Energy & Sustainability departments support our operating units with various knowledge management systems and communication tools in order to comply with, take into account and implement current standards and legal requirements in the provision of our real estate services on site.

With 396 apprentices in 25 trades, Apleona is an attractive apprenticing company for commercial, industrial and technical professions. In order to secure our junior staff, we aim to continue our training activities with at least 390 trainees per year (see Figure 12). We support this goal through the following measures:

- Investment in technical tools and components to ensure practical training in Apleona's own on-site training facilities.
- Close cooperation with the local chambers of industry and handicrafts
- Presence at career orientation events at schools and at job fairs to attract new apprentices

2019	2020	2021	Goal: 2022
387	**391**	**396**	**>390**
▪ 71 commercial ▪ 125 industrial ▪ 191 technical	▪ 79 commercial ▪ 116 industrial ▪ 196 technical	▪ 75 commercial ▪ 132 industrial ▪ 189 technical	
25 apprenticed professions	25 apprenticed professions	25 apprenticed professions	

Fig. 12: Number of apprentices 2019-2021

2.2 Customer Satisfaction

With our comprehensive services, we support our customers in ensuring and permanently optimizing the profitability and value of their properties during the operating phase. The common goal is the satisfaction of the building users, whose rent payments, in accordance with the lease agreement and without disruptions, form the economic basis of real estate management. To this end, we work closely with property owners or their representatives (e.g. real estate managers, plant and project managers, etc.) as well as with other commissioned players such as asset, fund, property, facility and center managers. Often we also provide the real estate services of the aforementioned players ourselves by direct order of the building owner.

Our physical presence on site and close proximity to the property, direct access to relevant technical, commercial and user-specific building data and direct contact with the building users enable us to quickly identify economic, technical, infrastructural, organizational and behavioral weaknesses in current building operations and to promptly eliminate any inefficiencies, wasted resources, emissions (CO_2, noise, dust, etc.) and limited user comfort or to carry out necessary maintenance, installation or modernization measures in a targeted manner. In addition, we provide innovative real estate services to support our customers on their way to a CO_2-neutral building stock by 2045.

The satisfaction of our customers and building users is always at the center of our activities. Customer satisfaction is the essential basis for repeated orders as well as long-term, cooperative and stable business relationships and is one of the most important economic components in our people-related business. We therefore attach great importance to the first-class quality of our services and those of our suppliers, service providers and subcontractors, particularly in the areas of customer orientation, transparency and compliance, consulting and execution quality, and environmental, occupational and health protection.

To this end, we have had an integrated management system in place for many years. A key component of quality assurance is various internal and external audits to monitor compliance with our standards and implement suitable measures for continuous improvement.

Our units are certified according to the following essential standards (see Figure 13):

- DIN EN ISO 9001 Quality Management
- DIN EN ISO 14001 Environmental Management
- DIN EN ISO 50001 Energy Management
- DIN ISO 45001 Occupational health and safety

Fig. 13: Quality assurance through integrated certification system

For a lasting customer relationship, it is important to identify changing customer needs at an early stage in order to be able to provide the required services quickly, reliably, precisely and with the support of modern digital technologies. In addition to detailed knowledge of the customer's essential core and secondary processes and the technical and functional equipment of its real estate, facilities, and production sites, this also requires intensive communication with the customer. The following measures are therefore part of the service standard at Apleona:

- Customer proximity: Network of decentralized locations for short distances to the customer
- Consulting competence: Recommendations for action for sustainable real estate use / management as well as support on the way to a carbon-neutral building stock by the year 2045
- Innovations: Digital solutions to increase comfort and resource efficiency for users and owners through the use of artificial intelligence (AI).
- Responsibility: Full or partial takeover of the owner's legally required operator obligations.
- One-face-to-the-customer: Key account structure for supra-regional or worldwide support of customers
- Industry cluster: Bundling of our specific expertise for various industries
- Start-up: Specialized team of experts for temporary support with new mandates for a smooth start to regular operations
- Transparency: Digital everyday process from receipt of a ticket to mobile processing and documentation to invoicing via an app (Work Order Management)
- Energy purchasing: Invoice verification, price optimization, and volume discounts through bundled electricity and heat volumes when energy purchasing is taken over
- Feedback: Regular customer meetings during or after completion of a project.

The subsequent direct feedback from our customers after the provision of our services is important for us to be able to adapt our service quality to the individual, site-specific requirements and wishes of our customers in the best possible way.

Apleona attaches great importance to direct, personal and open discussions with the customer and the project participants involved. Only in this way can organizational or technical weaknesses, inefficiencies and potential for improvement be identified in detail and optimized in a targeted manner. Online-supported Net Promoter Score surveys are unsuitable in our view due to their lack of detail. To build up a trusting, long-term partnership with our customers, we therefore prefer personal feedback meetings. The subsequent direct feedback from our customers after the provision of our services is important for us to be able to adapt our service quality to the individual, site-specific requirements and wishes of our customers in the best possible way.

2.3   Profitable Growth / Economic Performance

Our goal is to further expand our position as a market-leading provider of real estate services in Europe. The basic prerequisite for the cost-effective provision of services in the complex environment of the real estate industry is the consistent digitization of the data generated in the course of our business activities and its processing via a fully cloud-based IT infrastructure. This applies both to data from our internal processes and to real estate-related data from our customers.

To increase profitability, we are constantly improving our internal workflows, processes and our use of resources. Systematic digitization and automation of our most frequent internal processes as well as the organization of our knowledge management and internal communication via digital platforms or collaboration tools provide a major lever for this.

To accelerate this necessary digitization process, we have established our own central department "Apleona GO" (stands for: Business Process Optimization; German: **G**eschäftsprozess-**O**ptimierung), which actively supports and accompanies the implementation of digital solutions from the idea, through the final roll-out, to the evaluation in the practical phase. The optimization measures are initiated by the operating units, which contribute their practical experience to the development of the solutions. The following digital solutions have been developed and implemented as mandatory work tools within the last 24 months (selection):

- Area-wide equipment of field staff with iPads
- Digital order processing (work order management) via cloud-based app (Apleona WOM)
- Digital, location-independent access to object data (Apleona object map)
- Digital release and approval processes
- Digital master data updating
- Digital resource planning (personnel, material) for reliable order processing
- Digital inventory and quality control (Apleona Quality App "AQuA")
- Digital ordering process via defined framework contract partners (Apleona NEWTRON)
- Digital supplier evaluation and selection according to defined criteria (Apleona NEWTRON)

For further optimization, we will successively implement additional measures for the digitalization of our internal and external processes in the coming months in order to continue to steadily improve our process landscape. The central department Apleona GO will take the lead in coordinating these measures.
We have presented our digital customer solutions using real estate and user-relevant data in detail in the separate chapter 2.8 "Digitalization / Innovations / Digital Customer Solutions".

2.4 Compliance / Data Protection

Apleona has a Compliance Management System (CMS) which ensures that the Group, its individual companies, executive bodies, members of executive bodies and employees behave in a compliant and ethically correct manner and is intended to prevent breaches of rules and violations of our ethical standards. Apleona's CMS is continuously developed and adapted to changing actual and regulatory circumstances and risks. The compliance framework consists of the Code of Conduct and associated Group guidelines and instructions.

Apleona's existing CMS was certified by the independent Institut für Corporate Governance in der deutschen Im-mobilienwirtschaft e.V. (Institute for Corporate Governance in the German Real Estate Industry) in July 2021 after an intensive auditing process was carried out against the benchmark of the internationally recognized standard IDW PS 980 (Principles of Proper Auditing of Compliance Management Systems of the Institute of Public Auditors in Germany) (see Figure 14). The certificate is valid until the end of June 2024. Apleona plans to re-certify after the end of the validity period.

Fig. 15: Certification of the Compliance Management System

The current certificate is available on the website by clients, customers, business partners and the interested pro-fessional public under the following link:

- German: https://www.apleona.com/ueber-apleona/compliance/
- English: https://www.apleona.com/en/about-apleona/compliance/

Employees are informed and trained through e-learnings at their PC workstations and in face-to-face training ses-sions about, among other things, the compliance regulations, correct behavior in the fight against corruption, com-petition and antitrust law, HR compliance, and money laundering prevention. The administration of e-learnings as well as the recording and documentation of classroom training sessions are handled by Apleona's HR departments. In 2021, more than 90% of all employees of the defined Apleona companies have completed a so-called "ABC training" (anti-bribery and anti-corruption training). In the fall of 2022, another mandatory training on our compliance rules and regulations will be conducted for all Apleona employees with a computer workstation (compliance re-fresher training).

Handling confidential information requires care and good judgment on the part of the persons who receive this information during the performance of their work activities. Personal data of all kinds must be carefully protected against unauthorized access and misuse by unauthorized external parties as well as persons within the company. When exchanging sensitive information, our customers also expect this data to be handled confidentially, carefully and in compliance with the law. Our Group Privacy Policy rules the handling of personal data on the basis of the legal requirements of the German Federal Data Protection Act (BDSG), the EU General Data Protection Regula-tion, and other regulations on data privacy.

Corresponding, regular training measures sensitize our employees to this topic and help to ensure proper behavior in practice. In the 3rd quarter of 2022, we plan to hold another mandatory online training course on the topic of "Fundamentals of Data Protection" via our internal training platform.

Apleona has a very high level of data protection. In 2021, only two reportable data protection violations were iden-tified (see Figure 15). The majority of data protection cases registered by Apleona relate to requests for information and deletion of private data by former or current employees. The increase in requests from 34 (2020) to 56 (2021) reflects the greater sensitivity of employees to the issue of data protection and data minimization, which is generally to be welcomed.

	2019	2020	2021
Request for information / Request for deletion	34	34	56
Complaints	4	3	6
Data protection violations Total	2	1	3
of which: data privacy violations reportable	2	1	2

Fig. 15: Data privacy cases 2019-2021

2.5 Business Continuity Management

The availability of personnel, goods and services as well as ordered government emergency measures in the event of a crisis can have a significant impact on the company's own business activities. The Corona pandemic since March 2020 has shown that these crisis situations can occur very quickly and abruptly. Apleona has implemented a business continuity management with numerous measures to enable the continuation of its own business oper-ations in special crisis situations as well as through changed requirements of our customers with as little disruption as possible. The following measures to protect our business processes in the event of a crisis are summarized here and grouped thematically for better understanding:

2.5.1 Emergency organization

- Central Task Force: Convening of the Central Task Force in case of crisis
- Apleona Task Force organization in each Apleona company consisting of management, occupational health and safety experts, legal, communications, HR, employee representatives and, if necessary, other parties involved
- If required: concretization of the business continuity plans in the units depending on the hazard situation
  - Substitution arrangements with Level A, B, C
  - Resource management in case of emergency (services, personnel, vehicle fleet, work equipment, protective equipment, etc.)

2.5.2 Emergency Communication and Reporting

- Regular communication of the Central Task Force with all Apleona regional task forces via MS Teams
- Implementation of a standard emergency reporting with defined key figures
- Ensuring communication with all employees
  - via the Apleona Intranet (Apleona Insights)
  - via a uniform document management for company guidelines, instructions and materials that is ac-cessible to all (Apleona RoXtra and Apleona Box)
  - via a central e-mail address for employee questions

- Up-to-date recommendations for action, action concepts and working tools (forms, checklists, etc.) for the companies to support the operative provision of services

- Ensuring communication within the Apleona companies and with our customers
  - Cloud-based MS Office applications (www.office.com)
  - Cloud-based data infrastructure (Apleona Box, VPN)
  - Use of mobile devices (iPhone, iPad, laptop)
  - Use of the video conferencing system Microsoft Teams (Apleona standard)

2.5.3 Ensuring critical business processes

- Ensuring the availability and functionality of the ICT infrastructure (see separate chapter 2.7 Information security)
- Personnel availability / personnel deployment planning / overview of personnel pool
- Mobility (vehicles, fuels, employer certificates, special permits, etc.)
- Purchasing (availability of services, goods, tools and consumables)
- Instructions for action (hygiene concepts, business trips, mobile working, etc.)
- Mail distribution
- Accounting / Reporting

The further development of local business continuity plans also takes into account practical experience gained from crisis situations that have occurred at other Apleona sites.

In the current Corona pandemic, the Apleona emergency organization was activated and the aforementioned measures to protect the health of our employees and customers were implemented at short notice. These include:

- Communication of hygiene concepts and corporate instructions at the Apleona sites as well as at all customer sites derived from the risk assessments.
- Access and availability of personal protective equipment (PPE), disinfectants, antigen tests, etc.
- Training and instruction of our employees (e.g. mobile working)
- Use of our Apleona Safe-At-Work IT application for contact tracing in case of possible infections
- Apleona-wide case number reporting
- Mobile working and consistent use of our cloud-based IT solutions for communication
- Regulations for business trips and customer visits
- Support through "International SOS" for employees abroad

2.6 Risk Management

Apleona has an "Internal Control System" (ICS), which is designed to identify economic and operational risks at an early stage and to initiate targeted measures if necessary. In particular, the following processes are reviewed:

- Purchasing process (Purchase to Pay)
- Sales process (Order to Cash)
- Cross-company process (Company Process)
- Human resources process (Hire to Retire)
- Financial/Accounting process (Financial Reporting)

Overall, the ICS supports our company to comply with legal requirements, manage risks, avoid fraud and errors, and promote modern corporate governance. Apleona's ICS is constantly being further developed.

Currently, a total of 70 individual risks are monitored, evaluated and accompanied by concrete measures. Of these, 22 risks are classified as particularly relevant and provided with special management measures. Our implemented management systems and their tools minimize risks both at the corporate headquarters and in the operational Apleona business units.

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This includes e.g.

- RoXtra: Standardized document management system for company specifications and operational documentation (uniform data structure and defined processes for contract handling).
- Start-up / mobilization: Specialized implementation teams and processes when taking over new contracts
- Management systems: Continuous improvements or reduction of risks via the integrated internal control system (ICS) as well as existing management systems or ISO certifications
- Internal and external audits: Risks are identified in the integrated management system through audits and reduced with appropriate measures
- Opportunity/risk assessment: Mandatory audit of our business processes with support from our central process and document management systems.

2.7 Information Security

Communication via digital media is indispensable for an efficient and fast flow of information. For this reason, protecting the infrastructure for information and communications technology (ICT) is particularly important in order to prevent spying, data theft, sabotage or digital attacks (cyber-attacks), for example. In line with the high importance of information security, a Chief Information Security Officer (CISO) is in charge of the organization.

Apleona pursues three main measures at its sites to ensure information security at a high level in order to make unauthorized access by third parties to internal company information or to our ICT systems considerably more difficult or impossible. In individual cases, individual Apleona locations are certified according to DIN EN ISO/IEC 27001 (information security). The essential measures include:

2.7.1 Training of our employees

- Regular training to raise awareness of security standards at the workplace, in e-mail traffic, and in Internet use.
- Behavior in the event of telephone contacts with unknown persons and unknown e-mail senders
- Immediate reporting of security risks via a central mailbox (e.g., when spam or phishing e-mails are received)

2.7.2 Construction measures at our sites

- Installation of readers for code cards for personalized access rights to floors or rooms.
- If necessary, additional installation of cameras for central access monitoring at main, side and supplier entrances for people and vehicles

2.7.3 IT technical security solutions

- Access to network data only via secure login platforms with multi-factor authentication (proxy, firewall, VPN, hardware token)
- Automated detection of unauthorized access or blocking of user accounts in the event of multiple incorrect entries
- Automatic detection of malware in incoming e-mails
- Secure, automated removal of suspicious e-mails (spam, malware) to a central quarantine mailbox
- Simple notification procedure for the user when suspicious e-mails are received

- Ad-hoc alerts via central e-mail distribution list to all users as well as via MS Teams folder in case of cyber-attacks or phishing e-mails
- Automatic mirroring and backup of data on servers at regionally spread locations
- Regular outage tests to identify weaknesses

Apleona has a very high level of information security protection. Despite increased threats, only two cases were detected in 2021 (see Figure 16).

	2019	2020	2021
Category 1 Takeover or misuse of systems by attackers (e.g. misuse of an e-mail account for sending SPAM)	0	0	1
Category 2 Breakdown of systems, loss of data, or significant restrictions on availability due to attacks (e.g. ransomware or large SPAM waves)	0	0	1
Category 3 Loss and/or publication of confidential information by attackers (e.g. theft or encryption of data)	0	0	0

Fig. 16: Information security cases 2019-2021

In the case of a technical failure of our communications systems, appropriate measures are initiated by business continuity management to ensure business operations, e.g., by using alternative communications channels (see chapter 2.5).

2.8 Digitization / Innovations / Digital Customer Solutions

Our customers have a great need for technical and organizational solutions to operate their buildings and facilities in a cost- and resource-efficient way. In this context, the industry-specific core and secondary processes must be optimally supported and the defined user comfort for the company's own employees or the building users (e.g. tenants) must be ensured or improved.

Digitization in the building is indispensable for managing real estate efficiently and in a data-based manner. It creates many opportunities both in creating attractive working environments and in increasing quality and efficiency, especially in the areas of building use (comfort), energy and resource consumption (sustainability), and by ensuring service quality and performance control (transparency).

As a matter of principle, we develop our digital solutions for buildings and users together with our customers in order to create real added value for practical applications. Our philosophy of cooperative development also includes working with global IT partners and innovative PropTech companies to quickly offer functional, integrated and practical solutions. For example, through our long-standing cooperation with IBM, we aim to accelerate the development speed of digital customer solutions. We have described the main features of our digitization strategy on our website:

German: http://www.apleona.com/apleona-digital-solutions/apleona-digitalisierungsstrategie/
English: http://www.apleona.com/en/apleona-digital-solutions/apleona-digitalization-strategy/

Some of our digital solutions for buildings and building users are described below.

2.8.1 Solutions for energy efficiency
- Real-time energy monitoring with online dashboard (Enerlutec)
- Digitalized and automated control of building services through artificial intelligence (Recogizer)
- Automated verification and workflow-based approval of energy bills (PayAgent)

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2.8.2 Solutions for building users

- Apleona Ecosystem / Workplace Management module: User app to support everyday office life
    - Location information and news (opening hours, first aid, important contact info, etc.)
    - Bookings: Convenient booking and reservation of offices, meeting rooms, quiet zones and other building-related objects (e.g. parking spaces, projectors, etc.)
    - Ticketing: Digital defect reporting and complaint management
    - Company restaurant: Display of information about meals, prices, etc.
    - Customer Surveys and Feedback: Direct and fast customer surveys on current topics of building operation
    - Idea corner (Wishplace): Immediate knowledge of current wishes of building users
- Safe-At-Work: Digital solution to contain the risk of Covid19 infections in office environments based on anonymous check-ins of employees
- Smart Parking: Digital solution for allocating and reserving parking spaces in order to achieve optimum utilization and user satisfaction.

2.8.3 Solutions for building owners

- Apleona Ecosystem / FM Portal module: Building managers and owners can submit fault reports in the Apleona customer portal and view all important information relating to service provision (including the status of work orders, an overview of offers, as well as KPIs, reports and analyses).
- Apleona WOM app: Mobile processing and documentation of real estate services and work orders.
- Digital reception: Visitor management tool that digitizes all reception processes and enables visitors to access the building using secure authentication procedures.
- Data-based optimization of building services
    - Remote Building Operations: Digital control center for remote control of building services
    - Remote Elevator Monitoring: Analysis of key elevator data to avoid unnecessary maintenance calls and failures through predictive maintenance.
    - Space Management and Utilization: Analysis of actual space and workplace utilization
    - Cleaning Insights: Analysis of the frequency of use of rooms and consumables for needs-based cleaning.
- Cleaning robots for efficient cleaning of large areas (e.g. entrance areas)
- Apleona Quality App (AQuA): Digital inventory, documentation, quality assurance and reporting
- Apleona FoodPrint: Determination and reporting of the carbon footprint of food in company restaurants

2.8.4 User friendliness

An important goal in the development of digital solutions is to create a better "user experience", for example, through simple visualization of complex situations or through easy-to-use applications on the building user's mobile device. In combination with real-time data from the property and the detected user behavior, data-based products and services can be further developed in a targeted manner. It goes without saying that data protection regulations are complied with, e.g. by anonymizing the data. The advantages for the customer consist primarily in data-supported decision-making aids for real estate management, portfolio control, maintenance and tenant support, as well as the target group-specific depth of detail of the processed reporting data.

Apleona's digital customer solutions were also noticed by the professional public:

- Apleona Ecosystem
  https://www.apleona.com/ueber-apleona/aktuelles/detail/digitale-mehrwerte-fuer-das-facility-management/
  https://www.apleona.com/media-relations/pressemitteilungen/detail/handelsblatt-diamond-star-fuer-apleona-digital-ecosystem/

- Enerlutec
  https://www.apleona.com/media-relations/pressemitteilungen/detail/apleona-uebernimmt-integriertes-fm-fuer-muenchner-buerogebaeude-myo/

- Recogizer
  https://www.apleona.com/ueber-apleona/aktuelles/detail/beteiligung-an-greentech-recogizer-marktfuehrer-apleona-investiert-in-ki-technologie-zur-energie-un/

- FoodPrint
  https://www.apleona.com/ueber-apleona/aktuelles/detail/foodprint-mit-caterer-des-jahres-preis-ausgezeichnet/

2.9 Sustainable Supply Chain

Apleona not only fulfills its social responsibility within its own company, but also requires its suppliers, subcontractors and service providers to observe economic, ecological and social sustainability aspects. We make important documents available to all service providers, suppliers and subcontractors on our website in order to clearly communicate our minimum economic, ecological and social requirements for cooperation in advance, such as general terms and conditions of purchase, safety regulations for external companies, declaration of commitment for minimum working conditions and a code of conduct for subcontractors and suppliers. The aforementioned documents usually become part of the contract.

- German: https://www.apleona.com/ueber-apleona/dienstleister-lieferanten-und-nachunternehmer/
- English: https://www.apleona.com/en/about-apleona/information-for-service-providers-suppliers-and-subcontractors/

Our digital purchasing portal documents and manages all the key performance-specific proofs, approvals and certificates of our suppliers and subcontractors, and requests and evaluates them from new suppliers as part of prequalification procedures. In our supplier self-assessment, key sustainability aspects such as occupational safety, health protection, quality, environmental protection and energy are queried and checked by the responsible departments HSEQ and Central Purchasing. The review process is described in detail in our Supplier Management Manual and is available in our internal document management system RoXtra.

In this way, we pursue the goal of ensuring that our rules and mandatory standards are followed and complied with throughout the entire supplier and value chain. In order to further develop and integrate sustainability aspects into our purchasing process, we have been conducting special employee training courses since January 2020 to raise awareness of the holistic issue of sustainability in the value and supplier chain. Training on the topic of supplier qualification is planned for 2022.

In the area of economic aspects, the topics of compliance (prevention of corruption) and value chain management play a particularly important role. The aim is to establish and develop a stable and long-term relationship with our service providers, suppliers and subcontractors in order to be able to offer our customers high quality, reliability and competitive prices in the long term. Since the end of 2018, we have been conducting regular supplier assessments for all key suppliers.

To combat corruption, suppliers, service providers and subcontractors, but also and in particular potential sales intermediaries and (cooperation) partners, are subjected to an integrity check on a risk-oriented basis using our IT tool Third Party Check (from July 2022: RiskRate from Navex Global). In addition, we check creditors against so-called terror and sanctions lists.

We have concluded framework agreements with several suppliers for the most important commodity groups. By bundling purchasing volumes, we can thus achieve economies of scale in purchasing. By introducing commodity group codes, we have increased the transparency of our purchasing volumes for the most important commodity groups. In a second step, we can use this as a basis for developing sustainability concepts with key suppliers.

In the area of ecological aspects, we ensure compliance with environmental standards when providing services, which are monitored by our project managers on site. In the coming years, we also intend to gradually further specify our requirements for sustainable products and services and communicate them to our service providers, suppliers and subcontractors. This includes, for example, the integration of specifications for sustainable building operation in accordance with GEFMA 160 and the consideration of environmentally friendly products and production methods.

In the area of social aspects, we require our suppliers, service providers and subcontractors to respect the fundamental rights of employees. Via our reporting system Apleona Compliance Communications, violations of social standards can be reported anonymously if desired. The analysis of our most important commodity groups in purchasing in 2021 did not reveal any indications for a separate critical review of the supply chains in the context of human rights due diligence. Goods and services are purchased using a defined commodity group management system that takes into account various sustainability aspects.

3.   Ecological Aspects

3.1 Resource Conservation and Climate Protection

In the 2015 Paris Agreement, the global community committed to limiting global warming to below two degrees Celsius and, if possible, to below 1.5 degrees Celsius compared with pre-industrial levels, and to achieving greenhouse gas neutrality worldwide by 2050. Climate protection is therefore also one of the political priorities of the European Union, which has committed to reducing its greenhouse gas emissions by at least 55 percent by 2030 compared with 1990 levels and to achieving carbon neutrality in 2050.

- German: Verordnung EU 2021/1119 vom 30. Juni 2021 zur Schaffung des Rahmens für die Verwirklichung der Klimaneutralität und zur Änderung der Verordnungen EG Nr. 401/2009 und EU 2018/1999 „Europäisches Klimagesetz"
- English: Regulation EU 2021/1119 of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations EC No 401/2009 and EU 2018/1999 "European Climate Law"

All countries are required by the Paris resolutions to present a long-term climate strategy by 2020. Germany, for example, has incorporated these EU climate protection targets into its national federal climate protection law and defined more stringent targets than the EU. Greenhouse gas emissions in Germany are even to be reduced by at least 65 percent by 2030 compared with 1990, and carbon neutrality is to be achieved already in 2045.

Apleona is implementing practicable climate protection measures step by step within the framework of its social responsibility and its own ability to influence them. In doing so, we consider all key business processes and their impact on climate-relevant emissions.

The three largest fields of action for Apleona as an international real estate service provider lie in the three topics of

- Company Property Use (electricity and heat),
- Vehicle Fleet and
- Business Travel.

These are described in more detail below. The greenhouse gas emissions caused by our business activities are balanced according to the following scheme (see Figure 17):
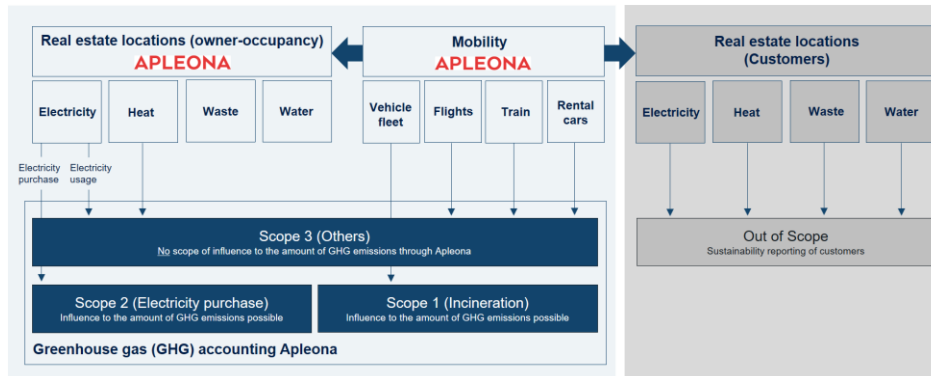

Fig. 17: Calculation scheme greenhouse gas emissions

Important Notice:

We only consider emissions generated in self-occupied properties at Apleona locations. These are properties from which our customers in the region are served independently of orders. In 2021, just under 18% of employees had their permanent workplace at a total of 136 Apleona locations. These locations are termed "**in-scope**" in the following.

Emissions in order-related customer properties are not included, as these are included in the customer's carbon footprint. This applies, for example, to permanent or temporary workplaces of our employees in shopping centers, clinics, nursing homes, office buildings, production buildings or in buildings for the customer's technical facilities, which have to be vacated by us at the end of our contract. These locations are termed "**out of scope**" in the following. Overall, 83% of our employees worldwide worked at workplaces in customer properties in 2021.

We will continue to focus on the following three resource and climate protection topics in the coming years.

3.1.1 Company Property Use

We are aware that real estate - whether self-used or used by the customer - has an environmental impact over its entire life cycle. Significant environmental impacts result from the carbon dioxide emissions caused by fossil fuels used to generate heat and electricity during the operating phase (climate change). In Germany, for example, existing buildings accounted for 34.4% of total final energy consumption in terawatt hours (TWh) in 2020. Of this building-related final energy consumption, 34.0% was generated by commercial properties and 66.0% by residential properties. However, the construction and renovation of real estate also consumes resources in the form of building materials, land, fuel and energy, and generates material for disposal, which also has an impact on the environment.

In carrying out our business activities, we can reduce carbon emissions in our area of responsibility by using our self-used real estate in the most space- and energy-efficient way possible. The respective real estate managers at the respective sites are responsible for controlling, monitoring and optimizing the use of real estate.

The tasks of the local real estate managers also include, in particular, the optimization and regular recording of resource consumption for electricity and heat as a sound basis for the annual determination of the greenhouse gas emissions caused and, for the European locations, also the proof of the energy quality of the building in accordance with the EU Energy Efficiency Directive of October 25, 2012 (2012/27/EU).

In 2021, Apleona used a total of 136 contract-independent locations (**in-scope**) worldwide with 103,823 m² of rental space, where a total of 3,484 employees had their workplace. This corresponds to an average space consumption of 29.80 m² per employee. Energy consumption per m² of rental space at the Apleona sites was on average

- 40.01 kWh/m²/year for electricity
- 93.15 kWh/m²/year for heating
- 133.16 kWh/m²/year for total energy (Sum)

For a systematic energy optimization of our self-used real estate, the office locations in Germany, Austria, Switzerland, Ireland and Spain at Apleona, where a total of almost 81% of Apleona employees are employed at own locations (in-scope), are continuously improved via an energy management system according to DIN EN ISO 50001. For this purpose, specialized Energy Management Officers (EMO) have been defined at the respective sites, who are responsible for initiating, implementing and monitoring the success of the system.

The following individual measures, among others, have been implemented at our sites (examples):

- Optimization of network printers
    - Setting up central printer rooms (largely dispensing with workstation printers)
    - Optimization of the energy-saving function on network printers (sleep mode from 10 minutes)
    - Standard setting "double-sided printing" and "black and white"
- Replacement of conventional light sources with LED lamps
- Installation of interfaces to the building control system and additional temperature sensors for data-based and (partially) automated control of the heating, cooling and ventilation systems
- Energy-saving competitions and information campaigns on energy saving (electricity and heat))

At our largest site in Germany, the corporate headquarters in Neu-Isenburg with around 520 employees, we have carried out various optimization measures in the last two years 2020/2021:

- Space reduction of the self-occupied rental space by 4,225 m² (2020) and a further 1,345 m² (2021) through densification and termination of unneeded rental space.
- This will enable us to permanently reduce our electricity and heat consumption as well as the associated carbon emissions
- Installation of the innovative energy-saving technology "Recogizer" at the corporate headquarters
    - Artificial intelligence controls the building technology for heating, cooling and ventilation fully automated using sensor and weather forecast data
    - Energy savings of over 30% p.a. have been achieved since March 2020

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As of 01.01.2022, we will purchase 100% green electricity for 17 Apleona sites (in-scope) and 100% green natural gas for six Apleona sites. For the year 2022, we expect this to reduce our carbon emissions by a total of approximately 475 t carbon. This corresponds to a share of 53.6% of our annual savings target 2020-2024 of a total of approx. 887 t carbon per year. We plan to gradually switch to green electricity for other Apleona sites as soon as the existing electricity supply contracts expire.

3.1.2 Vehicle Fleet

The Apleona Group provides services for its customers for buildings, plants and secondary processes in production and is active nationally and internationally. This requires proximity to the customer or even a presence on site in order, for example, to be able to eliminate malfunctions immediately, carry out construction, maintenance and repair measures as well as real estate management services or to conduct coordination discussions with owners and service providers directly in the object concerned. Proximity to the customer and mobility are therefore key success factors in identifying the customer's needs at the respective locations quickly, accurately and reliably and processing orders quickly. Due to necessary material transports and contractually defined response times (so-called SLA Service Level Agreements), we are absolutely dependent on the use of passenger and delivery vehicles.

Despite our decentralized location structures and close proximity to our customers, we are striving to gradually reduce mobility-related carbon emissions from our vehicle fleet. To this end, we have amended our internationally applicable company car guidelines and lowered the permissible engine power and upper limits for carbon emissions of vehicle models throughout the Group. The defined, permissible reference vehicles are regularly reviewed to ensure a high level of cost efficiency and environmental compatibility. Since January 01, 2018, the maximum permissible carbon dioxide emissions for newly ordered passenger cars have been a maximum of 120 g/km standard consumption for standard brands and a maximum of 140 g/km standard consumption for premium brands in accordance with the NECF test cycle (New European Driving Cycle). The aim is to reduce the above limits by at least 2.5% per year (approx. 3.0-3.5 g CO2/km) by permanently modernizing the vehicle fleet. No separate limit value is defined for freight vehicles, but the environmental impact should be as low as possible. Each employee is required to limit his or her mobility behavior to a necessary minimum and to reduce fuel consumption through defensive driving. The fleet policy will be updated to the new WLTP Worldwide Harmonized Light-Duty Vehicles test procedure in fiscal 2022.

As of Dec. 31, 2021, Apleona had a total of 4,351 vehicles with the following powertrains:

- 3,909 diesel
- 415 gasoline
- 3 gas
- 20 fully electric
- 4 Hybrid

Every year, we anonymously record the total fuel consumption and the resulting carbon emissions of our vehicle fleet in Germany via our fuel card service provider. Based on the mileage entered by the driver for each refueling, the average consumption per individual vehicle and for the entire vehicle fleet can be calculated as an average value of the real consumption. The vehicle owner receives automated information by e-mail if the average consumption of the company vehicle has been greatly exceeded on two subsequent refuelings. This is intended to sensitize the vehicle user to a climate-friendly and economical driving style.

Apleona consumed a total of nearly 6.4 million liters of fossil fuels for its fleet in 2021 (see Figure 18).

2020	2021	Ziel: 2022
6,379,872	**6,397,251**	**<6,300,000**
▪ Diesel: 6,138,437 ▪ Gasoline: 241,435	▪ Diesel: 5,993,325 ▪ Gasoline: 403,926	

Fig. 18: Fossil fuel consumption in liters

Note: By allowing private use of company vehicles, not all consumption in liters is included in the carbon footprint of Apleona. For these company vehicles, only 50% of the consumption is accounted for in the company's carbon footprint.

The goal is to further reduce the consumption of fossil fuels step by step in the coming years. We support this goal through the following measures:

- Permanent modernization of our vehicle fleet by offering economical leased vehicles.
- At the site of our corporate headquarters in Germany (Neu-Isenburg), we plan to install four charging points for electric vehicles as a pilot project in 2022. This will enable us to gain important experience in daily practical use.
- In addition, we will develop a concept on how a conversion of our vehicle fleet (cars, vans, trucks) to fully electric and hybrid drives can be implemented gradually and sensibly at our sites in the coming years.

Electric vehicles are currently being tested in practice at various locations at Apleona as well as at customer sites. This concerns both passenger cars and delivery vehicles. The delivery vehicles are used in particular on the factory premises of large industrial companies. Due to the limited charging infrastructure, applications with a radius of approx. 50 km around the respective sites are currently only reasonable and reliable.

3.1.3 Business Travel

Business meetings for a direct exchange of information are an important part of vital business relationships and usually take place at customer locations, Apleona locations or other venues. Business trips are also triggered in the context of events at associations, technical colleges and universities, trade fairs or internal or external training measures.

To reduce the resulting carbon emissions, however, we ensure that business trips are kept to a necessary minimum and that alternative ways of exchanging information, e.g. via telephone, video or Internet-based conferences, are actively used to avoid cost-, time- and resource-intensive travel. Carbon emissions can be sensibly reduced both by avoiding mobility and by choosing environmentally friendly means of transport, such as rail.

Our Group policy on business travel, for example, prohibits flights if a travel time of less than 5 hours is possible by alternative means of transport, and refers to the use of rail. In Germany alone, 745,000 person-kilometers were covered by rail in 2021 as part of business travel, which is climate-neutral in terms of long-distance, regional and local transport. Compared with a trip by car, this saved around 53,760 liters of diesel and around 130 tons of carbon.

In 2019, Apleona converted its group-wide IT infrastructure to a cloud-based system. This means that centrally stored data can not only be accessed from mobile devices from anywhere, but also that telephone calls and video conferences can be held conveniently from devices regardless of location. These modern technologies help to minimize business trips and save valuable resources.

Accurate determination of carbon emissions for all major modes of transport requires centralized booking of all business trips via defined travel service providers, as well as transparent preparation of data for travel routes and the resulting carbon emissions caused by them. This applies in particular to air, rail and rental cars.

In order to fully record our business trips and the modes of transport used, we will implement the following measures in the course of 2022:

- Extensive booking of all business trips via central booking portals of our service providers.
- Reconciliation of the travel data to be reported at the end of the year (e.g. route lengths, consumption, emission factors, carbon quantities, etc.) by our travel service providers or - where not available - by the responsible international Apleona units
- Recording of all business trips outside the central booking systems

Only if a uniform data situation is established, the carbon emissions can be fully determined in the future and reliable comparisons can be made over a longer period of time.

3.1.4 Greenhouse gas footprint

The Federal Constitutional Court in Germany (Bundesverfassungsgericht) had ruled on March 24, 2021, that reduction targets for greenhouse gas emissions must be defined beyond 2031. An amendment to the Federal Climate Protection Act of December 12, 2019 is already in the legislative process. The reference draft (as of May 2021) provides for the following carbon reduction targets for Germany compared to the base year 1990:

- by 2030: reduction of at least 65 percent
- by 2040: reduction of at least 88 percent
- by 2045: net greenhouse gas neutrality
- after the year 2050: achievement of negative emissions

Apleona has calculated a possible climate path, taking into account the aforementioned tightened climate protection targets (see Figure 19). This estimate serves as an initial orientation for the path to near-climate-neutral business operations by the year 2045.
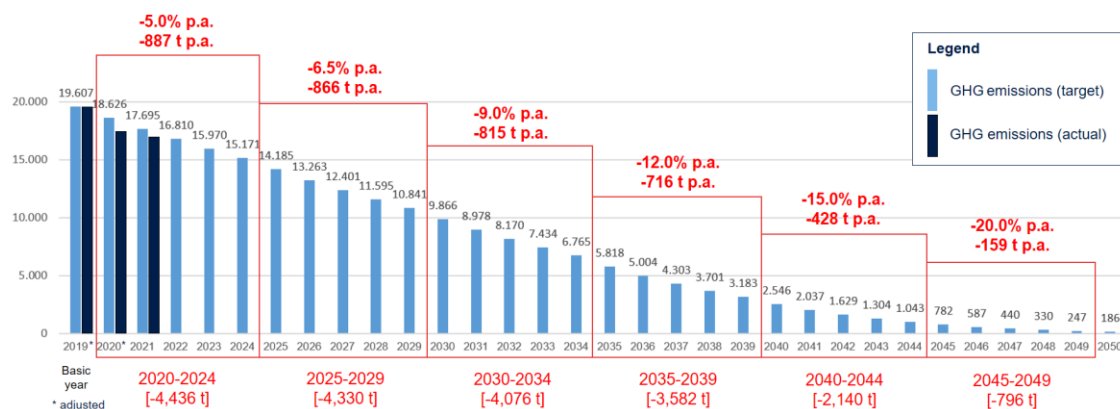

Fig. 19: Draft of a possible climate path 2020-2045

The calculated carbon savings in 2020-2024 average 887 tons per year. This would correspond to the following singular measures:

- Replacing 300 vehicles with combustion engines with electric vehicles (approx. 8.6% of the German vehicle fleet) or
- Converting the power supply of 87% of our sites (in-scope) to green electricity or
- Converting the heat supply of 46% of our sites (in-scope) to green natural gas or
- Abandonment of 3,962 flights (1/3 of each of the national, Europe-wide and international flight routes).

The reduction quantities of carbon dioxide mathematically calculated above in Figure 19 will be further specified in 2022 and the individual measures for achieving the targets will be defined in more detail. It is expected that this will be a mix of the aforementioned singular measures. The measures will then be presented transparently in the sustainability reporting for fiscal 2022.

When selecting the measures, we focus on the avoidance and reduction of greenhouse gas emissions (see Figure 20).
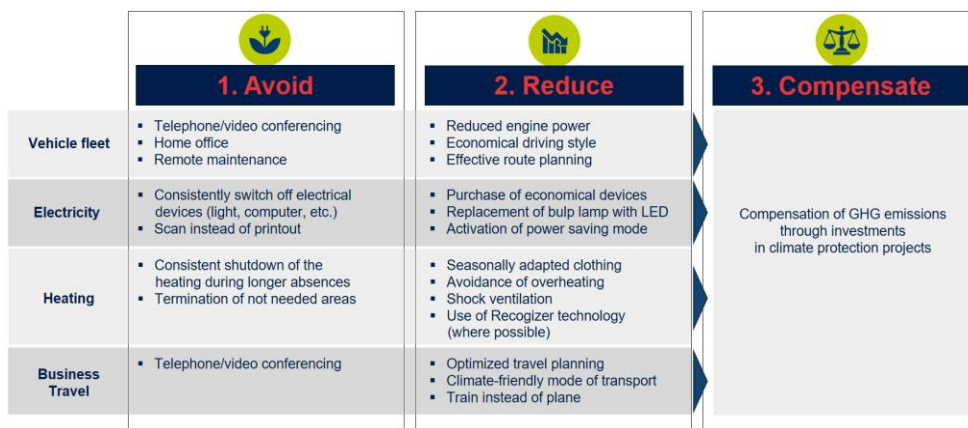

Fig. 20: Focus on avoidance and reduction of greenhouse gas emissions

Apleona has recorded its carbon emissions for fiscal year 2021 (see Figure 21). The aim is to identify and quantify the main emission groups and to prioritize and define suitable measures for reduction. The main business processes within the Apleona Group were taken into account when determining the carbon emissions:

- Scope 1: Vehicle Fleet (business trips)
- Scope 2: Electricity (rented, self-used locations in-scope)
- Scope 3: Heating (rented, self-used locations in-scope)
- Scope 3: Business Travel (flights, rail travel, rental cars)

Due to a lack of data, the following types of emissions are not yet included in the carbon footprint:

- Cab journeys
- Commuting by employees between home and workplace
- Emissions from hotel use
- Emissions from internal and external events

Important note: The data for fiscal year 2021 are more accurate than the calculated and partly estimated data in the past due to the steadily increasing data quality and completeness. In order to establish comparability of carbon emissions to the previous two years, the emissions for 2019 and 2020 have been retroactively adjusted.
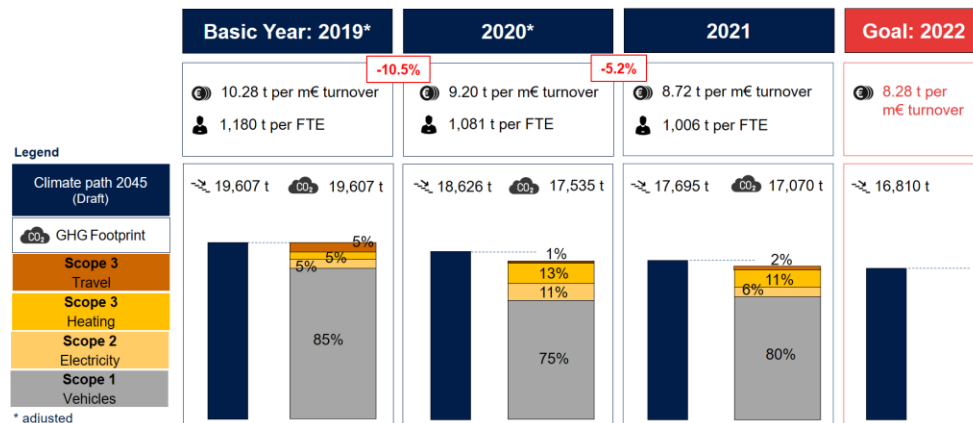
Fig. 21: Carbon footprint 2019-2021

3.2 Promotion of environmentally-friendly technologies and Sustainable Facilities Operations

Apleona is a real estate service provider active in the fields of facility management, real estate management, interior works and building technology. The aim of our comprehensive real estate services is to ensure the quality and operation of real estate and facilities in a reliable, safe, efficient and environmentally friendly manner, taking into account the customer's specifications. In our operational workflows, we pay attention to improving resource efficiency, process quality and data transparency in order to achieve the required quality and a high level of user satisfaction. In doing so, we use our many years of experience as well as innovative technologies and digital solutions, which we discuss together with our customers and implement according to individual planning.

We have presented the wide range of consulting and services of our sustainable real estate services as an overview on our website:

- German: http://www.apleona.com/ueber-apleona/nachhaltige-dienstleistungen/
- English: http://www.apleona.com/en/about-apleona/sustainable-services/

We support our customers with innovative digital solutions to increase the energy and resource efficiency of their properties and facilities and reduce carbon emissions. For this purpose, we have bundled our competencies in the specialist department Center of Competence Energy & Sustainability (CoC). Our customers thus benefit directly from our many years of practical experience from our successfully implemented energy efficiency projects in numerous industries and from our illustrative reference projects, which, upon request and in consultation with our clients, also provide a direct insight into modern energy management through on-site inspections.

We recommend our customers to use our innovative, digital and artificial intelligence based energy monitoring system Recogizer to optimize the energy efficiency of their real estate.

Link: https://recogizer.com/

In addition, we advise our customers on holistic, sustainable building operation in accordance with GEFMA Guideline 160 (Sustainability in Facility Management). On request, we certify real estate and facilities in accordance with this guideline. Here, too, we use digital tools (SustainFM).

3.3 Environmental Protection / Environmental Management

It is part of our corporate responsibility to burden the environment as little as possible and to protect it as much as possible. For this reason, we have integrated environmental protection into our service processes. Compliance with legal requirements and continuous improvement of our environmental performance within the company and during the provision of our services to customers are the focus of our activities. Many companies in our business units have certified environmental management systems to DIN EN ISO 14001. In accordance with legal requirements and individual customer requirements, companies and employees have the necessary qualifications, permits, certificates and skills to carry out environmentally relevant activities.

The systematic approach leads to a sustained improvement in both environmental performance and the environmental management system itself, among other things through an appropriate organizational structure, controlled documentation and the implementation of measures based on the agreed environmental programs. As a result, the negative impact on the environment and environmentally relevant risks are minimized. With the help of targeted training courses for our employees, awareness of the need to conserve resources and sensitivity to environmental protection issues is additionally strengthened. Regular internal and external audits monitor compliance and our environmental performance in the provision of our services.

3.4 Waste Management / Recycling

In cooperation with the responsible HSEQ officer, each Apleona site must draw up a concept for handling waste, which in particular contains information on separate waste collection. Waste producers must document disposal processes and receipts, in particular for hazardous waste, in a legally compliant manner. As we mainly use office buildings, we rarely generate hazardous waste. Waste is collected separately in our office buildings and properly disposed of so that the highest possible recycling rate can be achieved (paper, packaging, organic waste, residual waste). Our goal is to promote awareness of resource-conserving actions at our sites (e.g., reducing paper consumption, clean separation of waste, etc.). To this end, the HSEQ officers and representatives at the sites are trained.

For 2022, we plan to have complete and detailed recording of hazardous and non-hazardous waste at our 136 sites (in-scope). This will give us greater transparency on the volumes of waste generated and their disposal routes.

As part of our service delivery to customers, we are also implementing projects to conserve resources, avoid waste and optimize materials.

3.5 Water / Wastewater

Apleona mainly uses office space for the provision of its services. Water consumption is therefore limited to the usual points of consumption (e.g. restrooms, coffee kitchens, green maintenance, canteen if applicable). Due to the lack of individual meters in the rental properties, Apleona's individual water consumption cannot usually be recorded exactly and is generally allocated by the landlord using a flat-rate distribution key based on rental space.

In 2021, Apleona used a total of 136 contract-independent locations (in-scope) worldwide with 103,823 m² of rental space, where a total of 3,484 employees had their workplace. Water consumption at Apleona sites in 2021 was as follows:

- 24,311.56 m³/p.a.
- 234.16 liter/m²/p.a.
- 6.98 m³ per employee/p.a.

We are striving to continuously optimize our resource consumption in the area of water as well in the coming years.

4. Social / Socio-cultural Aspects

4.1 Occupational Safety and Health

In providing our real estate services, it is a matter of course for us to identify any dangers to people and the environment in advance of our activities and to assess significant risks and avoid them by taking appropriate measures. Occupational safety and health protection is therefore an important management task.

Our managers act as role models in this respect, motivate their employees to behave in a safety-conscious manner, create safety-oriented working conditions and ensure that safety rules are consistently implemented. We promote awareness of safe behavior among our employees by holding regular training courses and campaigns and providing professional support for our employees. Safety inspections and discussions, so-called "safety walks" by managers, have been an important element of behavior-related occupational safety for years. In 2021 we successfully implemented the Group-wide campaign on "Preventing accidents caused by tripping, slipping and falling". At the beginning of 2022, we will launch a new campaign on the topic of cut injuries "Working safely with sharp tools and sharp minds - avoiding cut and puncture injuries".

Controlling occupational health and safety through audits, walk-throughs, key figure analyses and reporting is an essential factor in the further development of our organization and processes. Many Apleona companies are certified according to DIN ISO 45001 "Management systems for safety and health at work".

The health of our employees and the prevention of work-related injuries and accidents is our top priority. We create working conditions that maintain and protect health. We provide and use opportunities for passive and active preventive health care and health maintenance. We promote awareness of health-conscious behavior among our employees by holding training courses, workshops and health days. Health checks, preventive occupational medicine, individual company medical advice and hygiene are essential components of our health management.

We monitor the success of our occupational health and safety goals through detailed HSE (Health Safety Environment) action plans and the regular measurement of key figures such as LTIF (Lost Time Injury Frequency; see Figure 22), ASR (Accident Severity Rate) and LTCR (Lost Time Case Ratio).

2019	2020	2021	Ziel: 2022
5.42 LTIF	**5.15** LTIF	**4.74** LTIF	**4.40** LTIF

Fig. 22: Accident frequency LTIF 2019-2021 (based on 1 million working hours)

As a service company, we are obliged to meet our customers' occupational safety standards and provide them with expert advice. This principle also applies to all subcontractor services.

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4.2 Attractive Workplace / Well-being

We offer our employees an environment and culture in which they can use and individually develop their personality, competencies, skills and innovative ideas and feel comfortable. Apleona focuses primarily on the individual strengths of its employees and supports them in further developing these. The opportunities and tasks within the Apleona Group are overwhelmingly diverse, so that employees find a long-term perspective. Modern workplaces with good IT equipment and innovative digital application software enable us to effectively provide our services to customers as well as the necessary support services in the back-office areas.

Apleona promotes its employees both on a professional and private level. This includes, for example, the following measures:

- Wide range of internal and external training opportunities
- Information events on occupational safety, health and fitness (e.g. health days), corporate strategy, etc.
- Attractive social benefits (direct insurance with two framework contract partners via deferred compensation and occupational disability insurance, each with improved conditions in the group contract)
- Apleona Corporate Benefits (purchasing portal for discounted consumer goods and services)
- Special conditions in fitness studio groups (also for spouses or partners)
- Attractive leasing conditions for a company bicycle via the provider JobRad or Eurorad
    - Number of new orders in Germany 2020: 237 units
    - Number of new orders in Germany 2021: 466 units

The manager plays a key role in shaping an attractive workplace. Apleona therefore attaches great importance to the following aspects:

- Many years of experience in dealing with employees, customers and business partners
- Profound practical knowledge for a fast and solution-oriented decision-making ability
- Consistent and straightforward living out of our corporate values as well as
- A caring attitude toward employees and the ability to motivate them.

Special training and continuing education programs for managers support them in their own further development of their management tasks.

Our digital cooperation platform also enables our employees to create their own newsgroups and to network internally for knowledge exchange or activities in their private lives. Via our innovative information and news platform "Apleona Insights", employees can also receive current information via an app on their mobile devices and are immediately informed about current events. It is also possible to write your own articles or comment on published articles. In February 2020, Apleona Insights was awarded the Immobilienmanager Award 2020 in the category "Communication", which is highly regarded in the real estate industry in Germany. Since 2021, Apleona employees can read the articles in a total of 26 languages.

4.3 Diversity / Equal Opportunity

With our corporate mission statement "We focus on individuality", we make it clear that we see diversity as a success factor for our company. Due to our broad range of services and tasks in real estate services, the competencies, ideas, perspectives and characters of our employees are a good basis for using the individual strengths to fulfill the respective tasks for the company's success in the best possible way. Apleona employs people from 75 countries worldwide. In individual companies, employees from up to 29 countries of origin are employed.

As a apprenticing company, Apleona makes an important contribution to social integration. In our own training facility in Neu-Isenburg, for example, a large proportion of our trainees in the professions of plant mechanic and electronics technician for industrial engineering came from countries of origin outside Germany in 2021.

In 2021, we portrayed employees in numerous articles on our intranet "Apleona Insights" in order to make the diversity in our company visible, e.g.

- People with disabilities,
- Female employees and managers,
- Interviews with national and international project managers
- Reports on activities of our apprentices
- Collection of international recipes from our employees
- etc.

All employees at Apleona have equal opportunities in hiring and developing their careers within the company. Apleona has clearly and comprehensively positioned itself against any form of discrimination in its Group Policy on Corporate Social Responsibility in chapter 3.3 "Social interaction within the company and equal opportunities".

German: https://www.apleona.com/fileadmin/apleona.com/Verantwortung/2021-03-11_Unternehmensgrund-saetze_CSR_Corporate-Social-Responsibility_Apleona_DE.pdf

English: https://www.apleona.com/fileadmin/apleona.com/Verantwortung/2021-03-11_Unternehmensgrund-saetze_CSR_Corporate-Social-Responsibility_Apleona_EN.pdf

Apleona has been a signatory of the Diversity Charter since 2008 and is committed to an appreciative and preju-dice-free working environment. We also support the Real Estate Industry Code of Conduct on Diversity:

German: https://www.charta-der-vielfalt.de/ueber-uns/die-unterzeichner-innen/liste/zeige/apleona-gmbh/
German: https://www.zia-deutschland.de/wp-content/uploads/2021/04/zia_diversitykodex1.pdf

Our company in the UK has been a signatory to the Disability Confident Employer initiative since 2019. The initiative of the UK Department for Work and Pensions supports employers in integrating people with disabilities into the world of work.

Englisch: https://uk-hsg.apleona.com/apleona-hsg-facility-management-uk/news-old/notifications/meldungen-de-tail/?tx_news_pi1%5Bnews%5D=36&cHash=e48a18afe45450f4b91ff9b8f8b1caf8

Due to the existing diversity and equal opportunities in the company, Apleona currently sees no need for action for special measures or monitoring via KPIs.

4.4 Proportion of Women in Management Positions / overall

On May 01, 2015, the Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector came into force in Germany. Since 2016, a gender quota of 30% has applied to supervisory boards of companies that are listed on the stock exchange and subject to equal co-determination. Companies that are either listed or subject to co-determination are required to set targets for increasing the proportion of women on supervisory boards, management boards and top management levels.

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The Supervisory Board of Apleona GmbH has set itself the goal of increasing the proportion of women in management positions and no longer falling below the 2017 level of 18.5%. The company has set itself an implementation deadline of December 2022. We monitor the development of the proportion of women in our company through our regular personnel statistics (see Figure 23).

The proportion of women in management positions (management levels 1-3) at Apleona was 22.4% at the end of 2021 (2020: 18.6%). The proportion of women overall was 37.7% at the end of 2021 (2020: 36.5%).

	2019	2020	2021	Goal: 2022
Management	19.7%	18.6%	22.4%	>22.4%
Total	36.9%	36.5%	37.7%	>37.7%

Fig. 23: Women´s quota 2019-2021

4.5 Community Outreach

Apleona makes a significant contribution to society as an attractive employer through its presence at many locations in Germany and Europe with around 20,000 employees. Through our decentralized structure, we are a reliable partner to the regional economy and provide employment in over 25 countries through our business activities.

German: https://www.apleona.com/ueber-apleona/standorte/
English: https://www.apleona.com/en/about-apleona/locations/

In addition, we are involved in various professional associations, organizations, committees and at universities in order to support professionalization, standardization and further development of knowledge as well as the necessary exchange of experience within the entire real estate industry. This commitment enables us to participate in real estate industry discussions in an expert manner and to contribute our well-founded professional opinion and practical experience. Participation in specialized working groups or giving lectures are an important contribution to the further development of the industry as well as to the transfer of knowledge to young professionals. We have transparently documented our memberships and collaboration in associations and institutions on our website:

German: http://www.apleona.com/ueber-apleona/verantwortung/
English: http://www.apleona.com/en/about-apleona/responsibility/

Our employees show great enthusiasm for making a social contribution to their local communities, to good causes or to the wider community. This includes, for example, charitable and volunteer work, donations and sponsorship, participation in charitable sporting and cultural events, or environmental campaigns. Social commitment through donations, sponsorship, contributions of goods or personnel is geared to the respective local needs and the individual opportunities and objectives of our local companies, and is initiated and implemented by them on their own responsibility. Our committed colleagues have the opportunity to report on their social activities on our internal communication platform "Apleona Insights". In 2021, for example, the following actions were carried out:

- Fundraising campaigns at our sites (e.g. Christmas gifts for disadvantaged children)
- Environmental campaigns (e.g. sponsoring trees for replanting in Germany)
- Donations in kind (e.g. jerseys for women's soccer team near Hamburg)
- Charity run (e.g. 10 km run in Leeds to support an organization promoting mental health)
- Volunteer activities by our employees (e.g. support for flood victims in the Ahr Valley, volunteer fire fighters, etc.)
- Bone marrow donation for sick patient in need

In 2022, we are planning an employee survey on the social commitment of our employees via our intranet platform "Apleona Insights". This will enable us to present even more transparently the topics in which our employees are active.

4.6 Working Conditions

Apleona guarantees employment conditions for its employees that comply with the legal requirements in the respective countries without exception. This refers, among other things, to the equipment of the workplace, the daily working and break times, vacations as well as the level of salary. The exploitation of people is incompatible with our ethical values. We pass on our commitment to fair employment conditions to suppliers, subcontractors and service providers in the supply or value chain by signing a "Code of Conduct for Subcontractors and Suppliers". Special measures or monitoring via special KPIs are not currently planned.

4.7 Freedom of Association/ Right to Collective Bargaining

At Apleona there is a trusting cooperation between the management and the group works council. Apleona guarantees the formation of works councils in its companies and the right to collective bargaining between employer and works council. We also pass on this commitment to suppliers, subcontractors and service providers in the supply or value chain by signing a "Code of Conduct for Subcontractors and Suppliers". Special measures or monitoring via special KPIs are not currently planned.

4.8 Human Rights / Combating Child Labour

Apleona ensures respect for human rights within its sphere of influence, such as the prohibition of all forms of forced labor. By joining the UN Global Compact, we have committed ourselves to respecting and supporting the protection of international human rights and to ensuring that we are not complicit in human rights violations, e.g. through inhumane production conditions in the supply chain. We therefore also pass on our commitment to suppliers, service providers and subcontractors in the supply or value chain by signing a "Code of Conduct for Subcontractors and Suppliers". If there is reasonable suspicion of a violation of the Code of Conduct by a subcontractor or supplier or if a subcontractor or supplier does not sufficiently comply with its obligation to clarify and cooperate in case of suspicion, Apleona may terminate the business relationship with the subcontractor or supplier concerned with immediate effect on the basis of existing contractual or legal rights.

Apleona supports the fight against child labor in its sphere of influence. By joining the UN Global Compact, we have committed ourselves to work for the abolition of child labor. We also pass on our commitment to suppliers, service providers and subcontractors in the supply or value chain by signing a "Code of Conduct for Subcontractors and Suppliers".

The analysis of our most important commodity groups in purchasing in 2021 did not reveal any indications for a separate critical review of the supply chains as part of human rights due diligence. Special measures or monitoring via special KPIs are not currently planned.

5. Amendment History

Date	Version	Changed contents
18.01.2019	1	Initial creation
31.08.2020	2	Complete revision for fiscal year 2019
15.06.2021	3	Complete revision for fiscal year 2020
15.06.2022	4	Complete revision for fiscal year 2021

Status Report on Sustainability 2021

6.1 Appendix: Systematics of Corporate Social Responsibility

Status Report on Sustainability 2021

6.2 Appendix: Materiality Matrix Apleona Group
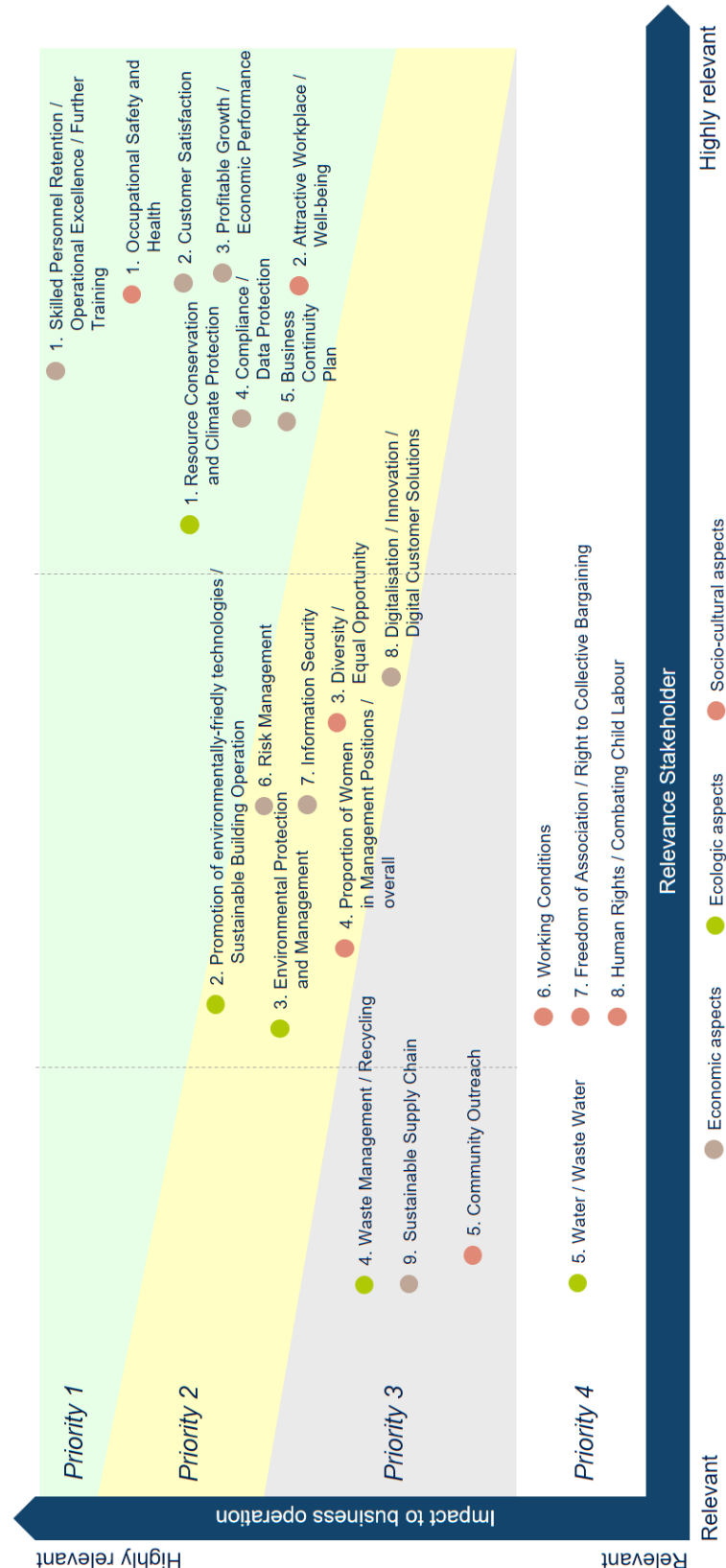
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Status Report on Sustainability 2021

6.3 Appendix: Materiality Analysis Apleona Group

Corporate Social Responsibility (CSR)

Sustainable and value-oriented corporate governance

Social Sustainability

1. Occupational Safety and Health
2. Attractive Workplace / Well-being
3. Diversity / Equal Opportunity
4. Proportion of Women in Management Positions / overall
5. Community Outreach
6. Working Conditions
7. Freedom of Association / Right to Collective Bargaining
8. Human Rights / Combating Child Labour

Ecological Sustainability

1. Resource Conservation and Climate Protection
2. Promotion of environmentally-friedly technologies and Sustainable Facilities Operations
3. Environmental Protection and Management
4. Waste Management / Recycling
5. Water / Waste Water

Economic Sustainability

1. Skilled Personnel Retention / Operational Excellence / Further training
2. Customer Satisfaction
3. Profitable Growth / Economic Performance
4. Compliance / Data Protection
5. Business Continuity Plan
6. Risk Management
7. Information Security
8. Digitalisation / Innovation / Digital Customer Solutions
9. Sustainable Supply Chain

Priority 1   Priority 2   Priority 3   Priority 4