



Key performance indicators

Key earnings figures (in €m)

	2020	Change	2019	2018
Total Output ¹	478.6	-29.4%	678.0	897.7
Revenue	183.3	-24.2%	242.0	514.0
Earnings before taxes	62.3	-11.7%	70.5	55.5
Net profit	40.8	-18.6%	50.1	39.5

Key asset and financial figures (in €m)

	31.12.2020	Change	31.12.2019	31.12.2018
Total assets	1,372.0	4.2%	1,316.4	1,234.7
Equity	482.9	4.4%	462.5	436.3
Equity ratio	35.2%	0.1 PP	35.1%	35.3%
Net debt ²	479.1	8.3%	442.4	421.8
Cash and cash equivalents	247.2	16.4%	212.4	200.4

Key share data and staff

	31.12.2020	Change	31.12.2019	31.12.2018
Earnings per share (in €) ³	4.39	-28.8%	6.16	4.38
Earnings per share incl. hybrid capital interest ⁴	5.33	-25.0%	7.10	5.31
Share price (in €)	35.80	-24.2%	47.20	33.40
Market capitalisation (in €m)	267.5	-24.2%	352.7	249.6
Dividend per share (in €) ⁵	2.20	0.0%	2.20	2.20
Payout ratio % ⁶	50.2%	14.5 PP	35.7%	50.3%
Staff ⁷	339	-12.9%	389	365

¹ Total Output corresponds to the revenue generated by fully consolidated companies and companies consolidated at equity as well as the sale proceeds from share deals, each in proportion to the stake held by UBM.

² Net debt equals current and non-current bonds and financial liabilities, excluding leasing liabilities, minus cash and cash equivalents.

³ Earnings per share after the deduction of hybrid capital interest (change in calculation beginning in 2020, comparative data adjusted accordingly).

⁴ Earnings per share before the deduction of hybrid capital interest.

⁵ The dividend is paid in the respective financial year but is based on the previous year's net profit. The dividend proposal for 2020 is subject to the approval of the Annual General Meeting.

⁶ Dividend in relation to earnings per share after deduction of hybrid capital interest

⁷ Decline due to the deconsolidation of the Hotel Holiday Inn Gdansk City Centre (2019: 55 employees)

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Dear Stakeholders,

This document represents our first ESG report. And UBM is also one of the first companies on the Vienna Stock Exchange to establish an ESG committee at the Supervisory Board level. What's more, our first attempt resulted in an ESG rating that catapulted us into the top 15% of our branch. Why are we moving ESG ("E" for Environment, "S" for Social and "G" for Governance) into the spotlight? Because it is an integral part of our *green. smart. and more.* strategy. Here, the pandemic significantly increased the pace of change. Sustainability (green), intelligent buildings (smart) and added value (more) were, of course, important issues for us in the past. But now, we are making them the focal point of our actions. This starts with the acquisition, leads to the question of whether a project can be realised with wood construction and ends with the building's CO₂ footprint over its entire life cycle. In other words: ESG defines UBM's entire value chain. It is, therefore, only logical that we are also committed to integrating the UN Global Compact and its principles into our corporate strategy, our corporate culture and our daily business activities in order to support the UN Sustainable Development Goals. UBM has joined the Global Compact and confirmed this membership in a letter to the Secretary General of the United Nations in March 2021. This report follows the recognised GRI standards issued by the Global Reporting Initiative. And as you will see in the many English expressions, UBM is becoming part of a global movement. Our employees have enthusiastically embraced this strategic *green. smart. and more.* orientation. For our suppliers and customers, it also appears to be the long-awaited catalyst. And, in the end, we are especially proud that our new Supervisory Board's ESG committee is a first for UBM with its entirely female composition. Dear shareholders, customers, financiers, business partners and employees, we invite you to accompany us into a *green. smart. and more.* future.

GRI 102-14



Patric Thate
CFO



Thomas G. Winkler
CEO



Martin Löcker
COO





Our claim for every development project is to create properties that are *green. smart. and more.*

1. UBM at a glance

- 1.1. Our business model
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UBM – green. smart. and more.

1.1. Our business model. Brought to a point.

green. smart. and more. That summarises the strategy of UBM Development AG in four words. And brought to a point. Because anyone who plans for the future must develop buildings that are sustainable, intelligent and aesthetically appealing, where people feel well. **GRI 102-1**

We develop properties for Europe’s major cities. In line with our core strategy, the focus is on green building and smart office in metropolises like Vienna, Berlin, Frankfurt, Munich and Prague. With over 145 years of experience, UBM provides a full range of development services - from planning to marketing - from a single hand.

Ecological and social aspects play an important role in every decision. Sustainability in the ecological sense is becoming an increasingly important issue for real estate developers. With our actions today, we design the working and living space of tomorrow. A dozen sustainability certifications in recent years confirm UBM’s early commitment to this subject. **GRI 102-2**

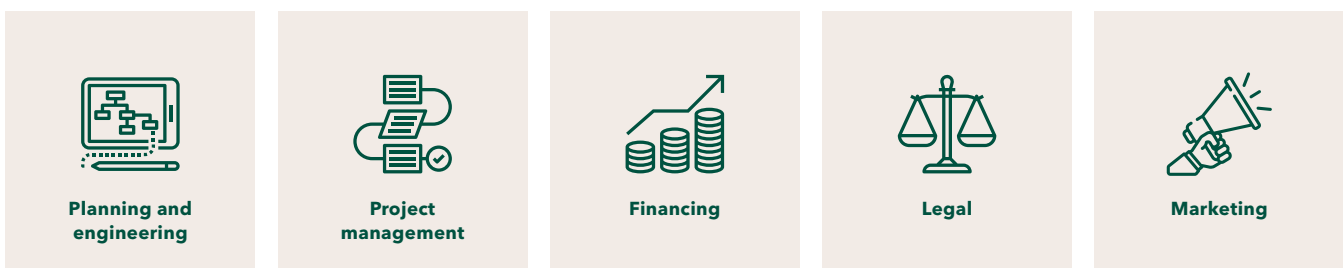
The corona pandemic significantly increased the pace of change in this area. In the future, ecological and social

sustainability will be the determining factors for our actions. UBM recently applied for membership in the UN Global Compact and committed to compliance with the UN Sustainable Development Goals.

UBM Development AG is listed in the prime market segment of the Vienna Stock Exchange and, as a result, meets the highest transparency standards. That not only means financial transparency but also covers the disclosure of all other aspects of the business model. **GRI 102-3, 102-4**

UBM’s corporate headquarters are located in Vienna (Laaer-Berg-Strasse 43, 1100 Vienna), but its activities cover more than a dozen cities and metropolitan regions in five countries - Germany, Austria, the Czech Republic, Poland and the Netherlands. In many of these markets, UBM has been active as a real estate developer for many decades and has proven to be a reliable partner - not only for its customers, but also for the public authorities and financing banks.

TEAM PERFORMANCE ALONG THE ENTIRE VALUE CHAIN



Properties for Europe's metropolises.
Sustainable, technologically and emotionally
intelligent and with added value.

UBM IN EUROPE



1.2. Our activities

UBM develops and sells real estate at top locations with added value potential. That is our DNA. With forward sales, we increase the momentum in our business. Selling a property before completion means minimising the risk and setting a value for the sale which can be included in our accounting on a proportional basis during the construction period. Real estate development is our core expertise. This strategy guarantees a balance between profitability and risk. UBM's investments are concentrated in markets and asset classes which, based on this balance, generate optimal added value for our investors over the medium- to long-term.

UBM acts as a "one-stop shop". We offer all necessary services from a single hand: market analysis, project development, planning and project management, financing, rental and sale. We can rely on a team of specialists with many years of professional experience who can accompany the processes from the initial project idea to transfer to the tenant or final investor. This know-how makes it possible to cover all stages of the real estate value chain in our own house.

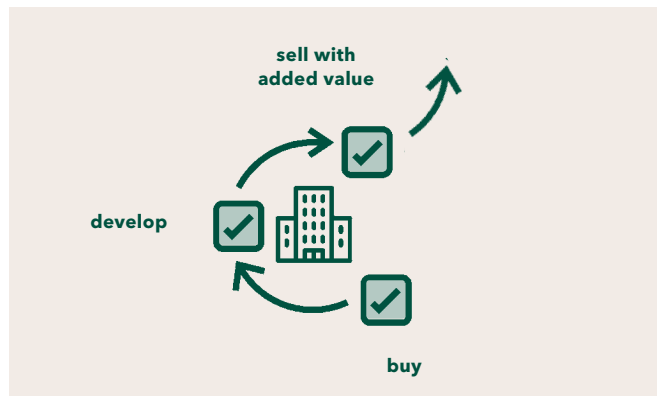
**UBM acts as a "one-stop shop".
We offer all necessary services
from a single hand.**

UBM's core business is real estate development with a focus on the residential and office asset classes. Over 1,000 apartments were sold during 2020. Based on the Total Output recorded in the individual countries during the past year, Germany was responsible for 40%, Austria for 37%, Poland for 17% and the other markets for 6%. The development pipeline in UBM's core markets is also well-filled for the future with €2.3 bn by 2024. Our development projects are clearly focused on the residential segment

at 54%. The office segment covers 32%. The German-speaking countries form the regional focus: We develop nearly half our projects (46%) in Germany and 36% in Austria, followed by the Czech Republic (11%) and other countries (7%). The focal point of our investments in the future lies, above all, in the top cities of Munich, Frankfurt, Berlin **GRI 102-2, 102-6** and Vienna.

For historical reasons, UBM holds properties with a total value of roughly €300m in its standing investment portfolio. These properties represent investments where the

UBM - CORE COMPETENCE



company cannot decide on a sale without the respective partner or properties whose sale was not feasible to date for other reasons. UBM's basic strategic focus, however, is that of a "Pure Play Developer". Nearly 75% of the company's book value is attributable to development.

In the hotel business, which was a focal point of activities before the corona pandemic, UBM took on the role of the lessee in selected cases. This hotel leasing business was bundled under UBM hotels Management GmbH in 2016, and UBM holds an interest of 50% in this company today.

STAGES IN THE VALUE CHAIN



Every decision we make in connection with the development of a property has an impact on the global climate for the coming decades. A conviction that is also reflected in our *green. smart. and more. strategy*.

1.3. Competence and consequence along the value chain

Competence along the entire value chain is also part of UBM's DNA, whereby sustainability is a central aspect. Because every decision we make in connection with the development of a property has an impact on the global climate for the coming decades. A conviction that is also reflected in our *green. smart. and more. strategy*.

The first stage of the value chain is formed by the search for and evaluation of a location. The next step is the development and planning stage. The initiation and financing run parallel to the approval process. After the municipal approvals are received, the project realisation or construction begins. Every decision taken in connection with the development of a property has an impact on the global climate for the coming decades. A conviction that is also reflected in our *green. smart. and more. strategy*.

Rental and sale are the final stage in the value chain. Due to UBM's strategic transformation into a "Pure Play Developer", the properties are generally sold. The company also holds individual standing assets in its

portfolio for historical reasons (25% of the total property carrying amount at year-end 2020). UBM also took on the role of a lessee for 13 hotels following their sale and has engaged large, international hotel chains for their operational management.

Quality and experience along the value chain

As a "Pure Play Developer", UBM works with a wide variety of service providers and suppliers. The main service providers are consultants, for example architects, building physicists, appraisers and structural engineering - in other words, representatives of the different fields required for planning. The transfer of a project to realisation involves new partners: either a general contractor, individual companies or a combination of both. Contractors and suppliers are organised for various management duties after completion. The overriding principle: In the selection of its business partners, UBM places the highest priority on experience from earlier business relationships, integrity and appropriate qualifications.

There were no significant changes in the supply chain during 2020. **GRI 102-9, 102-10**

UBM Development and its subsidiaries have an efficient local network, which guarantees competitive positioning in the individual markets.

1.4. International presence and stable shareholder structure

UBM Development and its subsidiaries have an efficient local network which guarantees competitive positioning in the individual markets. In addition to the headquarters of UBM Development AG in Vienna, the following operating subsidiaries are active in real estate development:

- UBM Development Deutschland GmbH und Alba Bau Projekt Management GmbH (Germany)
- UBM Development Österreich GmbH (Austria)
- UBM Development Polska sp.z o.o. (Poland)
- UBM Development Czechia s.r.o. (Czech Republic)
- UBM Development Netherlands B.V. (Netherlands)

There were no significant changes in the organisation during 2020.

The share capital of UBM Development AG totalled €22,416,540 as of 31 December 2020 and is divided into 7,472,180 shares. The syndicate comprising the IGO-Ortner Group and the Strauss Group held an unchanged 38.8% of the shares outstanding at year-end 2020. In addition, the IGO-Ortner Group held 6.4% of UBM outside the syndicate. A further 5.0% were held by Jochen Dickinger, a private investor. Free float comprised 49.8% of the shares and included the 3.9% of the shares held by the Management and Supervisory Boards. Most of the other free float was held by investors in Austria (49%) and Germany (31%).

GRI 102-3, 102-4, 102-5, 102-7, 102-10

1.5. Teamwork, also at the top

Cooperation is not only a guiding principle for UBM, but also a quality valued by top management. The three-member Management Board – Thomas G. Winkler (CEO), Martin Löcker (COO) and Patric Thate (CFO) – are supported by the Executive Committee as an extended management body.

The Executive Committee includes the three Management Board members and, at the present time, 16 selected country and specialist managers. The committee meets six to eight times each year to evaluate market trends and ensure continuous calibration. The members of the Executive Committee, in total, have invested approximately €5m in UBM shares and participate at 5% in an increase in the company's value through stock options.

Sustainability is an issue for management.

But not only.

The assignment of responsibilities proves that sustainability plays a central role at UBM: Sustainability is a matter for management. The Management Board is responsible for the organisation of and compliance with sustainability issues. Thomas G. Winkler, the Chief Executive Officer, is in charge of the sustainability-relevant areas of strategy, employees and compliance. Green building, CSR & work safety report to Martin Löcker, and Patric Thate makes sure the financing also turns "green". The Executive Committee regularly deals with sustainability issues, especially in view of the new strategic focus on green. smart. and more.

In February 2021, UBM became one of the first listed companies in Austria to establish an ESG committee in the Supervisory Board. The Supervisory Board, as the senior controlling body, is now able to meet its responsibilities for the environment, society and governance through a separate committee.

Shared values as the basis

Many projects in many different countries – that demands a common basis to make sure everyone pulls together. At UBM, this means a clear strategic focus and shared values. The foundation is created by a system of values that is based on three pillars: competence, consequence and transparency. Specifically, that means: UBM stands for high technical competence, consequent actions and full transparency.



At UBM, sustainability is an issue for management. This ensures that ecological and social aspects are included in every decision

Thomas G. Winkler (CEO)
Martin Löcker (COO)
Patric Thate (CFO), l. to r.

The following binding goals were formulated on the basis of this system of shared values:

one goal stands for an increase in the value of the company.

one team expresses the goal to grow ever closer together as a corporate group.

one company reflects the clear understanding to deal with the outside world as a single entity.

GRI 102-16, 102-18

1.6. Economic indicators

Business performance and earnings:

The core activities of the UBM Group revolve around the project-based real estate business. The revenue reported on the income statement can be subject to strong fluctuations because these projects are developed over a period of several years. Real estate projects are recognised as of the signing date based on the progress of construction and realisation (percentage of completion, PoC). The sale of properties through share deals and the development and sale of projects within the framework of equity-accounted investments are not included in revenue. In order to provide a better overview and improve the transparency of information on business performance, UBM also reports Total Output. This managerial indicator includes - similar to revenue - the proceeds from property sales, rental income and income from hotel operations as well as the general contractor and project management services capitalised or provided to third parties and companies not included through full consolidation. It also contains the profit or loss from companies accounted for at equity and the results of sales through share deals. Total Output is based on the amount of the investment held by UBM. It does not include advance payments, which are primarily related to large-scale or residential construction projects.

UBM generated Total Output of €478.6m in 2020, compared with €678.0m in the previous year. Of this total, €361.8m represent revenue from property sales. A particular highlight for the reporting year was the fourth quarter forward sale of the F.A.Z. Tower in Frankfurt, which is scheduled for completion in 2022. Total Output in the office segment included the forward sale of the Astrid Offices project in Prague as well as the QBC 1&2 in Vienna which was forward sold in 2019. A substantial component of Total Output was also generated by the residential segment with the forward sales of two residential projects: the Gmunder Höfe in Munich and the Nordbahnhofviertel in Vienna. Total Output in 2020 was also supported, above all, by the progress of construction on previously sold properties which is being recognised

over time in accordance with the percentage of completion and realisation - for example, the immergrün residential project in Berlin with nearly 400 units and the Siebenbrunnengasse project with 165 units. Revenue as reported on the consolidated income statement fell by 24.2% year-on-year to €183.3m (2019: €242.0m). Results for 2019 included the sale of a large development site near Munich, while revenue in 2020 was generated primarily from the progress of construction on previously sold, fully consolidated real estate projects. The largest contribution to revenue was provided by residential projects in Germany and Austria as well as two hotel projects in Poland.

EBITDA fell by 13.2% year-on-year to €65.1m in 2020 (2019: €75.0m). Depreciation and amortisation declined slightly from €3.5m in 2019 to €3.1m in 2020. EBIT was €9.4m lower than the previous year at €62.0m (2019: €71.5m). Financial income rose from €20.7m in 2019 to €23.9m, supported by income of €9.7m from share deals (2019: €12.9m) and higher interest from an increase in project financing. Financial costs totalled €23.7m (2019: €21.7m). EBT declined by 11.7% year-on-year, or by €8.3m, to €62.3m in 2020 (2019: €70.5m). Tax expense equalled €21.5m (2019: €20.5m), which represents a tax rate of 34.5% (2019: 29.0%). The substantial increase in the tax rate resulted, above all, from a higher earnings contribution from Germany. Profit for the period (net profit after tax) totalled €40.8m in the "corona year" 2020, compared with €50.1m in the record year 2019. Net profit attributable to the shareholders of the parent company amounted to €32.8m (2019: €46.1m). Beginning with the 2020 financial year, the calculation of net profit attributable to the shareholders of the parent company includes a deduction for the share attributable to the hybrid capital holders; the comparative prior year data were adjusted. The share attributable to the hybrid capital holders equalled €7.0m in both 2019 and 2020. The resulting earnings per share fell from €6.16 in 2019 to €4.39 in 2020.

Asset and financial position

Total assets recorded by the UBM Group rose by €55.6m over the level on 31 December 2019 to €1,372.0m as

of 31 December 2020, chiefly due to an increase in cash and cash equivalents and in financial assets. The carrying amount of investment property declined by €60.6m to €407.1m as of 31 December 2020. This sharp drop resulted, above all, from the sale of a 40% interest in the large-scale Baubergerstrasse project in Munich; this property has been reported under investments in companies accounted for at equity since the signing in the second quarter of 2020. The reclassification led to a corresponding increase in the carrying amount of these investments and in project financing. The carrying amount of the investments in companies accounted for at equity increased by €33.3m to €167.8m, and the carrying amount of project financing rose by €27.2m to €208.4m. Current assets rose by €82.0m year-on-year to €547.0m as of 31 December 2020. This increase was supported primarily by a higher balance of cash and cash equivalents, which grew by €34.8m to €247.2m. Cash and cash equivalents increased by 16.4% during the reporting year based on the proceeds from the sale of interests and a higher volume of property financing. Inventories totalled €121.9m at the end of December 2020 (31 December 2019: €128.2m). This position includes miscellaneous inventories as well as specific residential properties under development which are designated for sale. Trade receivables increased from €103.3m at the end of 2019 to €127.9m as of 31 December 2020. Included here, in particular, are real estate inventories which are sold during development as well as the proportional share of forward sales of investment properties. Equity increased over the level at year-end 2019 to €482.9m as of 31 December 2020 due to the sound development of earnings (2019: €462.5m). The equity ratio equalled 35.2% at year-end 2020 and remained at the upper end of the 30-35% target range (2019: 35.1%). Bond liabilities totalled €456.5m at the end of December 2020, for a decline of €28.2m compared with the balance at year-end 2019 (2019: €484.7m). The 4.25% UBM bond with a term from 2015 to 2020 was redeemed in full during the fourth quarter of 2020. A promissory note loan and a bearer bond were issued in December 2020. An exchange offer resulted in the extension of €31.5m from the promissory note loan and the bearer bond from 2016, and an additional volume of €20m was subscribed. The

transaction volumes totalled €51.5m as of 31 December 2020. Trade payables rose from €57.2m at year-end 2019 to €77.0m as of 31 December 2020 and consisted mainly of outstanding payments for subcontractor services. Other financial liabilities (current and non-current) increased from €25.6m as of 31 December 2019 to €32.1m as of 31 December 2020. Deferred taxes and current taxes payable amounted to €18.9m and were substantially lower year-on-year (31 December 2019: €41.6m). Net debt was higher than the previous year at €479.1m as of 31 December 2020 (2019: €442.4m). This indicator represents current and non-current bonds and financial liabilities, excluding lease liabilities, less cash and cash equivalents. The increase resulted, in particular, from the higher balance of financial liabilities required for investments. Financial liabilities (current and non-current) rose by €70.8m to €290.6m.

GRI GRI 102-7





Environmentally conscious planning and construction as well as the efficient use of resources, from the selection of materials to ongoing operations, define the course for our sustainable actions.

2. Current sustainability projects

- 2.1. Certification of LeopoldQuartier
- 2.2. Timber construction
- 2.3. Green & Clean in Kattowice
- 2.4. Social commitments

Our latest sustainability projects

When you plan for today, you also need to think about tomorrow. That is by no means a compulsory exercise for us, but a simple matter of fact. Sustainability is, therefore, the basis for our decisions consistent with our guiding principle green. smart. and more. For UBM as a real estate developer, sustainability has high priority, above all in the ecological sense of the term. Environmentally conscious planning and construction as well as the efficient use of resources - from the selection of materials to ongoing operations - define the course for our sustainable actions - and, in that way, design a positive future. Our actions as a company are also determined by our social commitment and good governance.

The inclusion of these aspects will not only contribute to global climate protection over the coming decades, but also form the long-term basis for our economic success.

2.1. LeopoldQuartier: UBM's flagship project in Vienna

When you plan a big project, you must also think big. Down to the last detail. After the Quartier Belvedere Central, the LeopoldQuartier in Vienna's second district is UBM's next large-scale, complex project in Austria. The development of this entire urban quarter gives high priority to the use of resource-conserving materials and high energy efficiency - to name only two aspects - because the leverage is enormous on a project of this size. Sustainability factors receive special attention, for example through expansive green areas, climate resilience, facade greening, the use of ground storage mass, networking between the buildings and the collection of real-time data to optimise energy consumption.



Sustainable and future-oriented

A few examples show exactly what this means:

- The expanded green area in the inner courtyard of the LeopoldQuartiers makes an important contribution to land re-naturalisation and preserving seepage capability. And that creates optimal living conditions for fauna and flora.



Four building sections, one quarter.

The LeopoldQuartier will be truly unique with its optimal location close to the city centre, auto-free core and expansive green areas.

The use of resource-conserving materials and high energy efficiency are particularly important for the development of an entire quarter.

- Semi-intensive biodiverse planting is planned for the roofs on the new buildings.
- Photovoltaic elements will be installed on the roofs to create a balance between energy production and climate improvement.

Excellent local supplies nearby, social networking and an innovative mobility offering are the fundamental compo-

nents of future-oriented quarter development by UBM. We are also adding a "quarter management app" to bundle the many different offerings like shared spaces, shared mobility and shared activities.

UBM is aiming to achieve DGNB Gold certification for the entire LeopoldQuartier project.

2.2. Wood - the environmentally friendly building material of the future

When you want to make a sustainable improvement, you must be prepared to strike out in a new direction. Buildings are still responsible for a significant part of CO₂ emissions. And to change this, building materials are a good starting point. UBM has, therefore, shifted its focus to timber construction. For UBM, "green" primarily means building with wood. The question at the beginning of each development project is: can it be realised this way?



Assembly
This wood house was assembled in only five weeks.



Production.
The ceilings and walls were industrially pre-fabricated.

THE ADVANTAGES OF WOOD CONSTRUCTION:

- The ecological effects of timber construction are significant. Every cubic metre of wood used in the building binds one tonne of CO₂ over the long-term, which is released when the tree dies.
- The production of concrete and steel is energy- and CO₂-intensive. The use of wood as a building material leads to substantial CO₂ savings.
- Wood construction also brings several economic advantages. The lightweight construction method with pre-fabricated modules minimises transports, reduces construction time and cuts the costs associated with the construction site management. And: building components made of wood can be more streamlined, which means the ground area can create more living space. These positive effects make wood as a building material absolutely competitive from an economic standpoint.



Interior.
The building material wood creates a healthy indoor climate.

The barany.7 pilot project

Commitments to sustainable building materials are good, but you have to put them into practice. UBM has done just this at the barany.7 residential construction project in Vienna's 22nd district. And a concrete test is planned to compare the various construction methods under the same conditions. The idea behind all this: The barany.7 residential construction project consists of seven identical buildings - one is being built as a wood structure, the rest according to the conventional massive method. The University of Applied Sciences Campus Vienna is accompanying the project with a study which will document the long-term advantages of wood construction in a direct, practical comparison. There are many reasons to believe that the energy consumption and costs in the wood building will be lower. Wood also creates a pleasant indoor atmosphere, and the indoor climate is regulated in a natural way. Both factors can increase residents' well-being without additional costs. And the climate is also happy.





We combine the traditional building material wood with innovative technologies and, in this way, create future-oriented buildings in wood-hybrid construction.

In other words, *green. smart. and more.*



Sustainable.

The 1,500 cubic metres of wood used for this office building bind roughly 1,500 tonnes of CO₂.

Timber Pioneer

The positive experience from the barany.7 in Vienna soon formed the basis for a much larger project: In Frankfurt, UBM is developing the first wood office building in this financial centre. It is located next to the 18-storey F.A.Z. Tower in Frankfurt's Europaviertel, which is currently UBM's largest project in Germany. Due to the use of resource-conserving materials, this impressive wood high-rise with roughly 15,000 m² of rentable space will save substantial quantities of CO₂ compared with conventional construction methods. Wood makes up roughly one-third of the total building shell (for floors 1-7), which represents 1,500 m of timber - and will store 1,500 tonnes of CO₂. This office building combines the traditional building material wood with innovative technologies and, in this way, creates sustainability in wood-hybrid construction.

The high-tech world of tomorrow.

The result is a flexible and intelligent smart office that also helps to reduce operating costs over the building's entire life cycle with digitalisation and sensor technology.



Central location.

The Timber Pioneer in the heart of Frankfurt's Europaviertel offers 15,000 m² of rentable space on eight floors.

Another milestone in UBM's sustainability strategy.

2.3. Green & Clean in Katowice

green. smart. and more. is also UBM's motto for a hotel project in Katowice, a city in the heart of Poland's Silesian coal coal-mining area. A sustainability flagship is current under construction here, with a status that directly reflects the special dynamics in this city. Katowice, which has one of the highest CO₂ emission levels in Poland due to its traditional coal mining industry, is now metamorphosing into one of Poland's most innovative cities – and UBM is making an important contribution to this pioneering new start.

Vertical planting, air pollution & building materials

The most obvious characteristic of the hotel building is its green facade, with plants selected specifically for the location and irrigation from rainwater collectors. TioCem – a cement with photocatalytic properties – will reduce the ultraviolet light around the building which is caused by the air pollution.

Photovoltaic & energy utilisation

Photovoltaic equipment with a capacity to generate up to 31,227 kWh of energy will be installed on the building's roof. Attention was also given to energy generation on the inside: The heat from the exhaust fans in the kitchen is converted into energy, and the elevators are equipped with an energy recovery system. And the guests are also involved: for example, the energy produced by guests through cycling in the hotel gym is used in other areas. Energy utilisation will be scaled for maximum efficiency with a special management system – in line with the standard for UBM's hotel development projects.



THE GREEN & CLEAN CONCEPT



Vertical planting



Photovoltaic & energy utilisation



E-mobility



Environmentally friendly materials & furniture



Guest experience

**Green & Clean.**

Sustainable solutions run like a green thread throughout the entire hotel.

E-mobility

The availability of e-charging stations for autos and e-autos as car sharing have already become a fixed component of UBM's projects. In this way, UBM makes it possible for later users to also live the sustainability concept outside the building.

Environmentally friendly materials & furniture

Sustainable solutions run like a green thread throughout the entire hotel: The room furnishings include recycled materials like Econyl, felt and cork as well as FSC-certified wood - which means it is completely traceable from harvesting to installation. The front of the bar, for example, is designed with used glass bottles, and old wheels and lamps from Katowice's traditional coal mines are given a new life as upcycled furniture.

Guest experience

"Green & Clean" is the central motto for the entire building. And guests should also be able to experience this motto. Initiatives to reduce food waste and plastic packaging will integrate the environmental focus into the hotel experience.

With the Mercure Katowice Młyńska, UBM wants to, and will, demonstrate that sustainability, cost consciousness and well-being can be a successful combination. This has already been confirmed by the receipt of the globally recognised and sought-after LEED Platinum certification for "Leadership in Energy and Environmental Design" which will proudly decorate the hotel when it opens at the end of 2021 - another milestone in UBM's sustainability strategy.



Social Days.

For the therapy centre e.motion Lichtblickhof, UBM employees built a hayrack for the horses and child-oriented furniture.



Donation.

In place of gifts for business partners and employees, UBM donated €50,000 for the COVID-19 crisis fund of Doctors without Borders Austria (MSF). In the picture, MSF Austria Managing Director Laura Leyser and UBM CEO Thomas G. Winkler.

2.4. Socially committed. Even during the corona year.

The coronavirus has changed a lot, but not everything. Our employees again demonstrated their social commitment in 2020 as part of the UBM Social Days. Employees can volunteer for charitable projects and receive time-off for these activities. On their "day off" they work - together with their colleagues - for a good cause. Unfortunately, the COVID-19 pandemic and the far-reaching contact restrictions prevented these "good will" expressions in many cases during the past year. But two projects in Austria still received strong support.

The projects

The therapy centre e.motion Lichtblickhof on the grounds of Vienna's Otto-Wagner-Hospital provides help in the form of equotherapy with horses for children and young people suffering from grief, trauma, handicaps or illness. UBM's pragmatic and skilled approach involved the construction of a hayrack for the horses and child-oriented furniture for the new waiting room. Both are now highly appreciated and in frequent use.

Under the designation "Caritas am Himmel", the Caritas Association operates a day retreat and garden centre, among others, on the Cobenzl, a mountain on the border of Vienna's Döbling district. The adjoining overgrown garden was cleared and brought into shape with the help of UBM employees.

50,000 euros for Doctors without Borders

UBM generally waives the traditional gifts for business partners and employees at Christmas. Instead, €50,000 was also donated in 2020. This year's check went to the COVID-19 crisis fund established by Doctors without Borders Austria (MSF). MSF created this crisis reserve because the funds required for the worldwide efforts to combat the coronavirus far exceed the organisation's regular resources.

GRI 102-12







Sustainable management is the basis for economic success - and economic success is the basis for sustainable management.

3. UBM & sustainability

- 3.1. Our sustainability strategy
- 3.2. The concrete goals
 - 3.2.1. Sustainable Development Goals
 - 3.2.2. Laws and regulations
- 3.3. Implementation
- 3.4. Conscious handling of risks and their effects
- 3.5. Our stakeholders
- 3.6. Key issues
- 3.7. Materiality matrix

Living sustainability

3.1. Our sustainability strategy

Being a little bit “green” just because it’s modern – that’s not only old hat, but really old hat. Green building concepts and sustainable management have been a fundamental part of our business model for more than ten years. In our daily operations, we focus on the efficient use of resources and also give high priority to social issues and the adherence to compliance rules.

Sustainable actions reflect our social responsibility as a company and form the basis for our long-term economic success. UBM launched a strategy development process for its sustainability activities in 2020 which covered the systematic analysis of company’s context and the evaluation of risks and opportunities together with our stakeholders. The results of these analyses were used to derive the goals and measures for the coming years. The new corporate strategy *green. smart. and more.* reflects this focus on sustainability goals.

Organisational integration

The organisation of and compliance with sustainability issues is anchored at the Management Board level. Thomas G. Winkler, the Chief Executive Officer, is in charge of the sustainability-relevant areas of strategy, employees and compliance. Green building, CSR & work safety report to Martin Löcker, and Patric Thate makes sure the financing also turns “green”. The Executive Committee regularly deals with sustainability issues, especially in view of the new strategic focus on *green. smart. and more.* In February 2021, UBM became one of the first listed companies in Austria to establish an ESG committee at the Supervisory Board level. The Supervisory Board, as the senior controlling body, now meets its responsibilities for the environment, society and governance through a separate committee.

3.2. The concrete goals

Greening is one of the most important social challenges of our time. Consequently, adaptations to meet climate goals represent a central management and governance issue for UBM. Consistent with the new strategic orientation *green. smart. and more.*, we intend to increase the implementation of specific measures for resource conservation in the future.

Other megatrends – which create challenges as well as opportunities in the design possibilities for projects – are urbanisation and demographic & social transformation. For example: COVID-19 has clearly increased the speed of change in people’s demands on their living and working worlds. The use of real estate must also adjust quickly to these changing framework conditions. UBM’s flagship project “LeopoldQuartier” is a perfect example of successful participative urban development.

Greening is one of the most important social challenges of our time. Consequently, the adaptation to climate goals represents a central management and governance issue for UBM.

Digitalisation and technological progress set the stage for new approaches and are becoming increasingly important in the design of living space. Technological solutions can make real estate development “intelligent” and make the use of the property easier for customers.

3.2.1. Sustainable Development Goals

UBM is committed to the United Nations Sustainable Development Goals (SDGs), which were adopted by all UN members in 2015 as the 2030 Agenda for Sustainable Development. Governments as well as companies are called upon to make a contribution to reaching these goals.

In connection with a materiality analysis (see section 3.6.) and a risk and impact assessment (see section 3.4.), UBM dealt with the SDGs and the related sub-goals in detail and

identified the goals where the company can make a direct contribution to the Agenda 2030.

Essentially, these goals involve:



Affordable and clean energy -
 Ensure access to affordable, reliable, sustainable and modern energy for all



Climate action -
 Take urgent action to combat climate change and its impacts



Decent work and economic growth -
 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Life on land - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



Industry, innovation and infrastructure -
 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Peace, justice and strong institutions - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Sustainable cities and communities -
 Make cities and human settlements inclusive, safe, resilient and sustainable

Our actions are also based on the ten principles of the UN Global Compact. UBM will join this “Network of the Future” in 2021. The assignment of the relevant SDGs and their sub-goals together with the ten principles of the UN Global Compact and their relation to the GRI Standard is explained in greater detail in the GRI Index (see section 7).

3.2.2. Laws and regulations

In addition to these initiatives, an increasing number of laws are being enacted to support and require sustainable management. The government programmes in UBM’s market countries cover issues like the expansion of renewable energy, efficient energy use, subsidy programmes for environmentally friendly behaviour and the strengthening of fundamental and human rights, above all in the supply chain.

Measures and Goals

Issue in 2020	Goal for 2020	Status quo & measures
GENERAL		
Recognition of international standards	UBM commits to compliance with the ten principles of the UN Global Compact	Application for membership in the UN Global Compact filed in Q1 2021 Links to the GRI Standards are included in the 2020 report.
	UBM makes a contribution to AGENDA 2030 (Sustainable Development Goals)	The SDGs relevant for UBM are explained in the 2020 report. UBM contributes to a number of SDGs. This is shown by the links to the GRI Standards in the report. The measures developed from the <i>green. smart. and more.</i> project contribute to the SDGs.
Transparency and external reporting	Continuation of voluntary reporting according to the Austrian Sustainability and Diversity Improvement Act	Reporting in accordance with the Austrian Sustainability and Diversity Improvement Act and GRI Standards
CSR management and strategy	Anchoring of the sustainability strategy throughout the Group	UBM launched a strategy development process for its sustainability activities in 2020 with the inclusion of stakeholders. <i>green. smart. and more.</i> decisively anchors sustainability management in the core business.

CSR internal reporting and processes	Consistent implementation of CSR issues in internal reporting and processes	Quantitative and qualitative goals, performance and process indicators for sustainability activities will be further developed in 2021. Process for internal reporting on the continuous improvement of sustainability will be developed in 2021.
Data management	Further development, optimisation and expansion of the internal reporting and monitoring-systems	Definition and anchoring of the indicators to be collected from the Group locations is almost complete. The indicators still outstanding are identified in the respective tables. In-depth anchoring of data collection, in particular the indicator "waste in hotel operations" must still be defined. This was made more difficult in 2020 by the COVID-19 lockdowns and short-time work.
ETHICS & COMPLIANCE		
Ecological and socio-economic compliance	Strengthening of ecological & socio-economic compliance along the value chain (incl. supply chain)	UBM code of conduct was released in October 2020. Procurement guideline, incl. compliance-, ecological and social screening criteria will be prepared in 2021. Standardised supplier evaluation of existing business partners Group-wide training on new code of conduct is scheduled for 2021.
Anti-corruption guideline for the prevention of corruption Data protection guideline	Implementation of the guidelines in core processes and ensure due diligence	E-learning has been installed throughout the Group. All on-site training on compliance-rules was suspended beginning in March 2020 due to the COVID-19 pandemic and will be resumed in 2021 as soon as health conditions permit.
Prevention of money laundering	Prevention of money laundering and terrorism financing	Ongoing and mandatory KYC evaluation of all new business partners.
Business partners	Compliance with employee-related and other sustainability-relevant issues Integration of environmental goals and commitment to the freedom of association in the code of conduct	UBM code of conduct was released in October 2020. Group-wide training on new code of conduct will be developed and offered in 2021.

EMPLOYEES

Employee satisfaction	Further development of knowledge management	Prepare job and skills profiles for all activity categories during the coming two years
	Continued support for open feedback culture	Methods are under development to further support an open feedback culture.
Employee training and continuing education	Increase the focus on employee development	Preparation of an internal training programme to improve UBM-specific know-how.
		Link competence profiles and employee appraisals to training and continuing education to identify possible needs for further development.
Occupational safety and health	Process for Group-wide reporting and document management will be further developed in 2021	Concept from integrated management will be prepared in 2021.
Diversity and the advancement of women	Increase the percentage of women in key positions	Retention of current approach: women are given preference in hiring when qualifications and experience are equal.
		Flexible working hours for the work-family balance
		Targeted recruiting of women on the labour market

HOTELS

Environment, occupational safety and health as well as incentives for environmentally friendly behaviour	Preparation of a catalogue of quantified goals for hotel operations (new and existing operations)	The energy management system is largely integrated. Quantitative goals for operations in 2021+ will be developed and finalised.
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ENVIRONMENT PROPERTY DEVELOPMENT

Wood construction	Increased use of wood in building construction	Pilot projects current in realisation and continuous identification of new project opportunities for wood construction.
Recyclability of building materials	Requirement for and implementation of higher environmental standards for suppliers involved in production processes and the supply of building material components	UBM's concrete goals are reviewed regularly with planning-related Life Cycle Costings (LCC) and Life Cycle Assessments (LCA).
	Longevity of buildings (options for second and third building use)	

<p>Biodiversity and ground sealing</p>	<p>Avoid conversion of natural or undeveloped areas as far as possible to prevent sealing</p>	<ul style="list-style-type: none"> ■ Focus on Brownfield developments ■ Focus on biodiversity in the design of exterior areas ■ Increase in biological diversity on the building – roof and facade ■ Focus on ecologically valuable design and non-invasive greening ■ Initiative 2021: ecologically valuable interim use of land ■ Initiative 2021: further integration in the process landscape
<p>Renovation and revitalisation</p>	<p>Support conversion and revitalisation whenever ecologically and economically reasonable</p>	<p>Expansion of project development with revitalisation character</p> <p>All refurbishment projects will be evaluated on the basis of sustainability criteria.</p>
<p>Energy indicators</p>	<p>Continuous improvement in energy indicators for projects with building permits through reduction of final energy requirements</p> <p>Standardisation for cross-border comparison of energy indicators and increase transparency</p>	<p>Ongoing efforts to reduce energy requirements in all development projects</p>
<p>Certifications</p>	<p>Continued certification of all commercial properties according to international standards (minimum standard Gold)</p> <p>Certification of residential projects for global investments beginning in 2021</p> <p>Start of quarter certification</p>	<p>Further certifications according to international standards</p> <p>Certification of first residential projects in preparation</p> <p>Certification of an urban quarter development project is scheduled</p>
<p>ENVIRONMENT LOCATIONS & ASSETS</p>		
<p>Energy consumption and emissions</p>	<p>Process for Group-wide reporting and document management will be further developed in 2021</p>	<p>Parameters defined by the GRI standards for energy consumption and emissions (Scope 1, 2 and 3) were collected and reported in 2020. These parameters and this methodology will also be applied in 2021 to permit comparison.</p> <p>Quantitative goals (where possible SMART) will be defined in 2021.</p> <p>Measures and their implementation will be developed on the basis of the energy efficiency and environmental management audits.</p>

Green Deal as the motor

The Green Deal announced by the European Commission is an important part of the EU's strategy to implement the United Nations Agenda 2030. Among others, it calls for a 55% reduction in greenhouse gas emissions (versus 1990) in the European Union by 2030. This goal creates a major challenge for all sectors of the economy.

Several policy areas in the Green Deals involve the construction and real estate sectors. They include, among others:

- Mobilising industry for clean and recycling-oriented management
- Energy- and resource-conserving construction and renovation.

The professional renovation of buildings not only reduces energy costs and greenhouse gas emissions, but it improves the quality of life, supports affordable housing and creates jobs. The UBM flagship projects, green building certifications and the activities resulting from *green. smart. and more.* meet the EU's requirements and open new opportunities for UBM.

Although UBM is not subject to the reporting requirements of the Austrian Sustainability and Diversity Improvement Act and the Taxonomy Regulation issued by the EU in 2020, we are reporting voluntarily and proactively according to GRI Standards. UBM is, therefore, very well prepared for the information requirements that will be created by the Taxonomy Regulation at the product and company levels.

3.3. Implementation: Governance and organisation

The Management Board is responsible for the organisation of and compliance with sustainability issues. In February 2021, UBM became one of the first listed companies in Austria to establish an ESG committee at the Supervisory Board level. The Management Board provides the Supervisory Board with information on these issues, which are then discussed extensively at its meetings. The Supervisory Board, as the senior controlling body, is now also able to meet its responsibilities for the environment, society and governance through a separate committee.

The Supervisory Board of UBM Development AG reports to the Annual General Meeting each year on the significant ESG factors and catalogue of measures.

The sustainability strategy and goals are reviewed at regular intervals to make sure they are up-to-date, and suitable measures are defined to reach these goals. The implementation of CSR activities is the responsibility of the Management Board and the Executive Committee together with the heads of the involved specialist departments. The full Management Board is included in important decisions and receives regular reports on the progress of the related projects.

GRI 102-18, 102-19, 102-20, 102-26

Our flagship projects and green building certifications meet EU requirements and open up new opportunities for UBM.

3.4. Conscious handling of risks and their effects

The realistic assessment and management of risks are an essential factor for business success and sustainable management. This belief led UBM to expand its risk management system to also include sustainability risks and their effects in 2020. A list of potential risks was prepared as part of a context analysis, which also included relevant megatrends like urbanisation, climate change and the growing integration of technology in our daily lives as well as demographic and social transformation. The analysis also addressed the risks that are typical for the branch and the input of relevant stakeholders.

The Management Board and key decision-makers from the Investor Relations, Legal & Compliance, Human Resources and Green Building Departments played an important role in this risk and impact assessment. The project team evaluated the identified risks based on the three-factor method within the context of a workshop. The next step involved the quan-

tification of the effects plus the frequency and probability of occurrence of the potential risks and the determination of the most relevant risks for the company. The ESG risks pinpointed by this process have been officially integrated in UBM's existing risk management system since the end of 2020.

Sustainable management is the basis for economic success – and economic success is the basis for sustainable management.

Environmental risks

Environmental risks and their impact are becoming increasingly important for the planning and realisation of development projects. One of the greatest challenges for real estate developers is to prevent or minimise the negative effects of their activities on the environment. Economic success and sustainable project development represent an area of tension but go hand in hand according to UBM: Sustainable man-

The following environmental risks are relevant for UBM:

Risk	Impact	Measures
Soil contamination	<ul style="list-style-type: none"> ■ Direct negative influence on flora and fauna, i.e. on the entire biodiversity ■ Additional costs for land clean-up ■ Legal disputes ■ Image loss 	<ul style="list-style-type: none"> ■ Strategic orientation with focus on sustainability and technology ■ Flagship projects - wood construction and urban quarter development ■ Measures to protect biodiversity (e.g. brownfield or greenfield development, roof and ground-level greening)
Increase in legal regulations and prices	<ul style="list-style-type: none"> ■ Rising CO₂ prices ■ Subsidy opportunities for sustainable projects ■ Role model effect 	<ul style="list-style-type: none"> ■ Strategic orientation with a focus on sustainability and technology ■ Flagship projects - wood construction and urban quarter development
Incorrect use of materials	<ul style="list-style-type: none"> ■ Negative impact on the company's carbon footprint ■ Subsidy opportunities for sustainable materials ■ Role model effect 	<ul style="list-style-type: none"> ■ Strategic orientation with a focus on sustainability and technology ■ Flagship projects - wood construction and urban quarter development
Users' acceptance of measures	<ul style="list-style-type: none"> ■ Waste of spatial and financial resources 	<ul style="list-style-type: none"> ■ Stakeholder dialogue ■ Strategic orientation with a focus on sustainability and technology

agement is the basis for economic success – and economic success is the basis for sustainable management.

Two sub-groups are dealing with this subject area as part of the *green. smart. and more.* initiative. Their goal is to reduce environmental risks and, at the same time, identify and utilise business opportunities for UBM in this field.

Specific activities are described in detail in the section “Environment”. **GRI 102-15, 102-11**

Social risks

We view our social responsibility as an employer, contracting firm, business partner and integral part of our social system as a central element of our economic actions. All our employees have a decisive influence on the concrete realisation of our projects. For that reason, UBM places high priority on attracting motivated, committed and qualified employees to our company, giving them opportunities for development and creating an attractive working environment.

Our proven quality as a business partner and contracting firm which acts with competence, reliability and transparency is also crucial for our business success.

Challenges from COVID-19

A taskforce consisting of the Management Board, members of the Executive Committee and internal experts was established in March 2020 in reaction to the outbreak of the COVID-19 pandemic. It is responsible for defining the necessary measures to create the safest possible working conditions under the given situation.

The procedures for home office rules, distancing and hygiene measures in the company and at construction sites were regularly adapted by the taskforce to reflect the situations in countries where UBM has business locations and development projects. Protecting the health and safety of all employees is the taskforce’s overriding goal, and the necessary steps and measures are evaluated and adjusted in regular meetings with participants from all countries.

The results of this fast reaction: The active communication of measures to employees and testing offers at UBM’s locations and construction sites have minimised the effects on UBM to date.

The risks associated with social issues and their impact as well as the related measures are discussed in the section “Society”.

GRI 102-15, 102-11

The following societal risks are relevant for UBM:

Risk	Impact	Measures
EMPLOYEES		
Lack of employee motivation and satisfaction	<ul style="list-style-type: none"> ■ Walking assets ■ Reduction in innovative capability ■ Increase in costs for new employee recruitment 	<ul style="list-style-type: none"> ■ Competitive and performance-oriented compensation packages ■ Regular adjustment of framework conditions for a working environment with individual development possibilities ■ Active support for an open communication culture
Inability to attract, develop and retain qualified employees	<ul style="list-style-type: none"> ■ Quality defects and lack of innovation drive ■ More complicated project execution ■ Increase in costs for new employee recruitment ■ War of talents 	<ul style="list-style-type: none"> ■ Develop in-house HR management ■ Develop knowledge management ■ Competence development and career planning ■ Employer branding
Low share of women in management positions	<ul style="list-style-type: none"> ■ Reduced change in perspective ■ Image loss 	<ul style="list-style-type: none"> ■ Actively manage diversity
Dangers to mental health	<ul style="list-style-type: none"> ■ Increase in sickness notifications ■ Project delays 	<ul style="list-style-type: none"> ■ Compliance with occupational safety and health protection, increase in working standards ■ Active support for an open communication culture
SOCIETY		
Change in legal regulations and standards (laws, norms, standards)	<ul style="list-style-type: none"> ■ Project delays 	<ul style="list-style-type: none"> ■ Green-Building certifications ■ Active support for stakeholder dialogues ■ Membership in initiatives like ÖGNI, ICG
Failure to meet needs of end users	<ul style="list-style-type: none"> ■ Standing assets become more difficult or impossible to sell 	<ul style="list-style-type: none"> ■ Active support for stakeholder dialogues ■ Membership in initiatives like ÖGNI, ICG
Resistance of stakeholders, e.g. municipal authorities and neighbouring residents	<ul style="list-style-type: none"> ■ Project delays 	<ul style="list-style-type: none"> ■ Active support for stakeholder dialogues ■ Membership in initiatives like ÖGNI, ICG

Governance risks

Responsible, transparent and future-oriented management forms the basis for a company’s economic success – and this economic success is the basis for sustainable management.

Specifically, that means: The way we address major social challenges and balanced treatment for the interests of all our stakeholder are an important and integral part of our actions.

More detailed information on these issues is provided in the section “Governance”. **GRI 102-11, 102-15**

The following governance risks are relevant for UBM:

Risk	Impact	Measures
Violation of data security and data theft - interfaces and dependencies	<ul style="list-style-type: none"> ■ Loss of sensitive data ■ Fines ■ Reputational damage ■ Consequences under criminal law 	<ul style="list-style-type: none"> ■ Data protection compliance manual developed ■ Regular review of data processing procedures ■ Internal training to create a greater awareness for the sensitive handling of data and information
Corruption in business activities	<ul style="list-style-type: none"> ■ Fines ■ Reputational damage ■ Consequences under criminal law ■ Danger to the interests of investors and employees, declining share price ■ Financial damages due to invalid agreements ■ Exclusion from tenders 	<ul style="list-style-type: none"> ■ Anti-corruption training for employees and management team ■ Whistleblowing system ■ Code of conduct for business partners
Violations of the UN Global Compact, human rights violations or environmental protection violations in the supply chain	<ul style="list-style-type: none"> ■ Image loss ■ Consequences under criminal law ■ Danger to the interests of investors and employees, declining share price ■ Exclusion from tenders 	<ul style="list-style-type: none"> ■ UN Global Compact membership – commitment to the ten principles ■ Expand content in ethics code ■ Introduce code of conduct – valid for all UBM business partners ■ Strengthen communication and awareness of values

3.5. This is how we include stakeholders

Regular contact with our internal and external stakeholders and their active inclusion in our business activities are an essential part of what we do – above all because we have an influence on many areas of life as a project developer.

The fulfilment of our social and ecological responsibility as well as UBM’s long-term economic success are based on successful cooperation with a wide variety of stakeholders and the respectful handling of their concerns.

The materiality analysis carried out in 2020 shows just how serious we are in including our stakeholders. A structured, methodical process allowed external stakeholders to contribute their views and express their concerns. Interviews and extensive discussions with 27 stakeholders from nearly

all areas formed the basis for an in-depth analysis and the preparation of structured documentation.

In addition to stakeholder groups like investors, shareholders, analysts, real estate investors, users and end customers, hotel operators, business partners and suppliers, employees, Executive Committee members, the Supervisory Board and branch representatives, neighbouring residents and the public authorities were included in 2020 to also incorporate their interests in future development projects.

Based on an intensive dialogue with the relevant stakeholder groups, the major issues were identified, structured and evaluated. The results are presented in the form of a materiality matrix. Consequently, UBM has met its 2019 goal to introduce a structured stakeholder survey. **GRI 102-40, 102-42, 102-43**



Stakeholder Dialogue  102-43, 102-44

Stakeholder group	Interests & expectations	Dialogue forms
Employees	<ul style="list-style-type: none"> ■ Attractive workplace ■ Workplace safety and health ■ Professional and personal development ■ Support for the work-life balance 	<ul style="list-style-type: none"> ■ Communication via Intranet, newsletter and video streams ■ Annual employee appraisals ■ Working groups on <i>green. smart and more.</i> ■ Various events and initiatives to promote communication
Users/end customers	<ul style="list-style-type: none"> ■ Information and transparency over properties ■ Uncomplicated communication channels 	<ul style="list-style-type: none"> ■ Regular contacts with the project manager ■ Blog, press releases and newsletter
Investors, shareholders, real estate investors and analysts	<ul style="list-style-type: none"> ■ Transparent reporting on corporate strategy, implementation and target attainment ■ Information on forecasts, risk and opportunity analyses 	<ul style="list-style-type: none"> ■ Personal discussions ■ Press reports ■ Newsletter ■ Dialogue on ESG issues ■ Regular contributions in social media
General contractors and suppliers	<ul style="list-style-type: none"> ■ Good cooperation basis ■ Shared values 	<ul style="list-style-type: none"> ■ Regular contacts during contract preparation and order execution ■ Code of conduct
Branch representatives	<ul style="list-style-type: none"> ■ Definition of and support for shared values ■ Support for solutions to adapt to climate change and other ecological and social challenges 	<ul style="list-style-type: none"> ■ Proactive exchange and further development with the branch for social responsibility/CSR ■ Membership and active participation in several organisations
Public authorities	<ul style="list-style-type: none"> ■ Compliance with requirements of public authorities ■ Joint identification of solutions on housing issues for real estate and quarter planning 	<ul style="list-style-type: none"> ■ Coordination of decisions on relevant issues in close cooperation with the public authorities
Neighbouring residents	<ul style="list-style-type: none"> ■ Increase in quality of life through UBM projects 	<ul style="list-style-type: none"> ■ Timely information, participation and co-determination rights in planning and development processes
Hotel operators	<ul style="list-style-type: none"> ■ Shared values ■ Support for consolidation of energy consumption data 	<ul style="list-style-type: none"> ■ Code of conduct and certifications for ecological and social responsibility ■ Personal contacts between employees of UBM Hotels and the hotel managers ■ Measurement and monitoring system through central energy management ■ Software

3.6. First things first

We evaluated the potential effects on the environment and society within the framework of a materiality analysis. Based on an extensive context analysis, studies on megatrends, a detailed peer group review and discussions with internal experts, the issues considered relevant for UBM’s business activities and for the environment and society were identified.

The material issues identified together with the relevant stakeholders in 2019 were checked for validity and supplemented and updated where necessary. In a next step, all issues were evaluated and prioritised on the basis of their importance for UBM and its stakeholders and their impact on the environment and society.

The results are presented in a materiality matrix and aggregated under the headings “environment”, “society” and “governance” for the sustainability report based on the ESG structure. Society covers the “employees” and “society” subject areas.

The following changes were made in comparison with the materiality analysis from 2019:

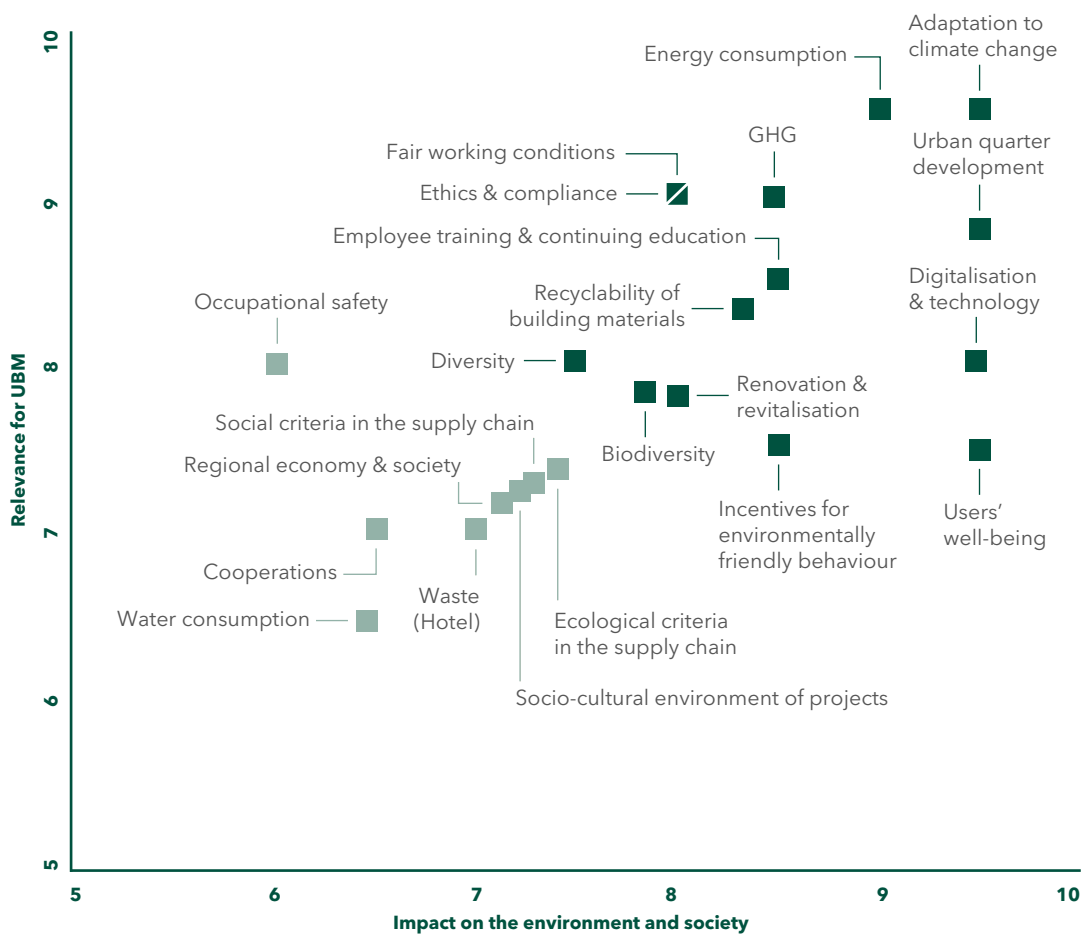
- Under “environment”, “renovation & revitalisation” was identified as a new material issue where UBM can make a relevant contribution.
- “Society” was expanded to include “urban quarter development”.
- “Digitalisation & technology” are becoming increasingly important for sustainable development and are therefore assigned to “governance & sustainable management”.
- “Corruption” and “data protection”, which were identified in 2019, are included under “ethics & compliance” in 2020. “Accessibility” was included in this year’s materiality analysis under “users’ well-being”.
- The previous issues “transport emissions” and “support for alternative means of transport” remain part of UBM’s activities but are not reported as separate issues.

GRI 102-44, 102-46, 102-47, 102-48, 102-49

Key Issues in 2020

Environment	Society	Governance
<ul style="list-style-type: none"> ■ Energy consumption and emissions ■ Recyclability and durability of building materials ■ Incentives for environmentally friendly behaviour by end users ■ Renovation and revitalisation ■ Biodiversity and ground sealing ■ Waste ■ Water consumption 	<ul style="list-style-type: none"> Employees ■ Attractive working conditions ■ Training and education ■ Diversity and equal opportunity ■ Occupational safety and health protection <hr/> <ul style="list-style-type: none"> Society ■ Urban quarter development ■ Users’ well-being (incl. accessibility) ■ Socio-cultural environment of UBM projects ■ Regional economy and community 	<ul style="list-style-type: none"> ■ Adaptations to climate change (GREEN) ■ Digitalisation and technology (SMART) ■ Ethics and compliance ■ Social and ecological criteria in the supply chain ■ Cooperations

3.7. Materiality Matrix







Environmentally conscious planning and construction as well as the efficient use of resources, from the selection of materials to ongoing operations, define our course for the implementation of sustainable management.

4. UBM & the environment

- 4.1. Real estate development
 - 4.1.1. Certifications
 - 4.1.2. Energy consumption and emissions
 - 4.1.3. Recyclability of building materials
 - 4.1.4. Biodiversity
 - 4.1.5. Renovation and revitalisation
- 4.2. Group locations
 - 4.2.1. Energy consumption and emissions
- 4.3. Hotel operations
- 4.4. Standing assets
 - 4.4.1. Energy and emissions

Our company – our environment

As a real estate developer, we design the living space of the future – and that means we also design the environment. It therefore goes without saying that ecological aspects play a key role in all our decisions. Our focus on green building and our commitment to wood construction, wherever this is possible, are an expression of this conviction.

of its activities in all project phases. The goal is to optimise this impact, taking the interests and concerns of all relevant stakeholder groups into consideration. We focus on:

- Protection for human health
- Protection for resources
- Protection for the ecosystem

4.1. Future-oriented real estate development

Real estate development is not only our core business, it gives us the most effective leverage as a company to meet our claim – the sustainable creation of future-oriented buildings. Consequently, UBM directly addresses the ecological impact

Our activities therefore concentrate on the following areas:

- Energy & CO₂ reduction
- Durability and recyclability of materials
- Biodiversity and soil sealing
- Refurbishment and revitalisation

Real estate development projects

Projects	Total Pipeline ¹	2020	2019
Total [GFA]	911,435	129,269	70,431
Office [GFA]	184,463	44,407	2,451
Hotel [GFA]	152,606	8,046	39,010
Residential/Other and MIX [GFA]	389,096 / 185,270	76,816 / 0	28,260 / 710
Total [number]	66	10	8
Office [number]	11	2	1
Hotel [number]	10	1	3
Residential/Other and MIX [number]	38/7	7/0	3/1

¹ The data cover all projects in the pipeline, including the projects completed in 2020.

4.1.1. Certifications

We like to be measured, and our efforts to achieve certification for our properties are the proof. Because this is a suitable instrument to make building performance comparable on the real estate market – and to draw conclusions and learn from the results. UBM has used these instruments for many years: For example, all new development projects in the hotel and office segments are planned and built with a view towards sustainability and undergo a sustainability assessment under the DGNB, LEED and/or BREEAM systems.

Our pipeline for the years up to 2024 includes 18 commercial projects that are scheduled for a sustainability assessment. UBM expanded its sustainability strategy in 2021 to also obtain internationally recognised certification for the residential construction projects that are designated for global sale. In addition, the profiles “dismantling” and “construction site” were added to the certification programme for the large-scale Leopoldquartier project in Vienna. UBM decided to extend its certifications to refurbishments and listed buildings in 2019, and this strategy was continued in 2020.

The following projects were successfully completed in 2020:

- QBC 1 office project, Vienna
- QBC 2 office project, Vienna
- Kahngasse II, Graz
- Enkestrasse, Berlin
- Super 8 Zollhafen, Mainz
- Zollhafen Waterkant, Mainz
- 5 - BA 4 residential complex, Munich
- Thulestrasse 62, Berlin
- Residential complex, Terfens-Roan
- Residential complex, Bad Häring

Three of the ten projects completed in 2020 were subjected to a sustainability assessment. In total, 48,975 m² of the 113,630 m² GFA completed in 2020 were certified. That represents a share of 43.1% and is allocated among the commercial properties as follows:

100% of the commercial properties completed in 2020 were successfully certified. A substantial component of these projects can be found in the residential asset class, where seven projects with 64,655 m² of GFA, or 57% of the total completions, were finalised. No certifications have been carried out in the residential segment to date.

Certification of development projects

	2020	2019
Projects - all asset classes	10	8
Hotel [number]	1	3
Office [number]	2	1
Residential [number]	7	3
Mix [number]	0	1
GFA total	129,269	70,431
GFA certified [%]	41	55
GFA certified [m ²]	52,453	39,010
GFA not certified [m ²]	76,816	31,420
Certifications ¹	3	4
DGNB [number]	3	3
LEED [number]	0	3
BREEAM [number]	0	0

¹ The data are based on the absolute number of projects, without an adjustment for double certification.



4.1.2. Energy consumption & emissions

With its “Green Deal”, the EU aims to become the first climate-neutral continent by 2050. This goal creates a challenge for the real estate branch because the climate footprint is significantly influenced by the energy consumption and related greenhouse gas emissions from buildings during their entire lifecycle.

For UBM, this means the implementation of specific measures to reduce the energy demand from its projects. Examples of these measures include the use of energy-efficient materials for building shells and the installation of energy-efficient equipment - as well as the special contribution made by wood as a building material to reducing CO₂ emissions. UBM is actively committed to “sustainability best practices” because they point the way to identifying and making the necessary adjustments to optimise building performance with regard to energy and CO₂ emissions.

The focal points include, among others, the following:

- The conscious selection of materials for building construction, e.g. wood instead of concrete.
- A continuous increase in the use and share of renewable energies to reduce emissions.
- Constant demand for and definition of high environmental standards for suppliers of production processes and building material components.
- Installation of a measurement and monitoring system, subsequent adjustment of technical building equipment.
- Operational focus on energy intensity and usage behaviour (energy savings through smart building).
- Longevity of the buildings, i.e. the integration of second and third options for use during the planning phase.

The goals set by UBM are reviewed regularly with life cycle costings (LCC) and life cycle assessments (LCA). These planning tools help to determine the energy requirements and CO₂ emissions of a building from the construction phase to maintenance and dismantling and, in this way, allow for any necessary optimisation.

The calculation of the energy consumption and CO₂ emissions shown below is based on the final energy demand of the respective projects:

Energy indicators - property development

	2020	2019
Total calculated energy consumption [kWh]	9,515,538	7,243,201
GFA of development projects [m ²]	129,269	70,431
Calculated energy intensity [kWh/m²]	74	103
Direct / indirect GHG emissions [t]	2,460	1,920
Intensity of GHG emissions [kg/m²]	19	27
Property area in total [m ²]	47,783	25,884

GRI 103-1, 103-2, 103-3

4.1.3. Recyclability of building materials

In property development, the planning phase defines the scope of the ecological footprint – and can be seen as the key to an efficient recycling economy. Our focus for structural elements covers, among others, the materials used, their durability and their recycling capability.

Life cycle assessments (see section 4.1.2.) are used, above all, for building sections with massive components as well as building sections with different lifecycles and renovation cycles. The results of these life cycle assessments help UBM to optimise the selection of materials and component assembly and, in this way, make an important contribution to resource conservation, the reduction of environmentally harmful waste and the return to the materials cycle.

One example of this practice is the LeopoldQuartier, where the demolition of the existing building is taking place as sustainably as possible in line with our strategy for *green. smart. and more.* Special attention is given to recycling and the reuse of building materials, and virtually no landfill deposits are the result. Most of the materials are separated mechanically at the site, and high priority is placed on the shortest possible transport routes to the recycling location. And this effort really pays off: Nearly 95% of all materials resulting from the demolition can be reused. The remaining 5% are hazardous waste (e.g. fluorescent tubes and the like) which must be sent to a landfill in accordance with legal regulations.

GRI 103-1, 103-2, 103-3

4.1.4. Biodiversity

Urban development inevitably leads to interference with the local fauna and flora. The direct consequences of construction activity include, for example, the reduction of animal habitats, an increase in the air temperature in heavily populated areas and a decline in the regeneration of ground water due to lack of direct rainwater seepage.

UBM's goal is to avoid the conversion of natural or undeveloped areas as far as possible and, by doing so, limit ground sealing. Preference is given to development projects located in urban areas which have a previous use and, as a rule, an existing infrastructure.

In addition to conscious interaction with the resource "land", the preservation of biological diversity is another important concern. It will be reflected in future projects through roofs with extensive and intensive biodiverse green areas and facade greening – which will help to reduce the heat island effect in our urban areas as well as the heating and cooling load.

UBM's focal points for biodiversity are as follows:

- Focus on brownfield developments
- Focus on biodiversity in the design of exterior areas
- Increase in biological diversity through roof and facade greening
- Focus on ecologically valuable design and non-invasive greening

Special initiatives in 2021:

- Ecologically valuable interim use: Undeveloped areas in the standing asset portfolio will be identified for ecologically practical interim use and managed accordingly.
- Further integration of biodiversity in UBM's 360-degree process landscape. A "land" checklist will be used to query and control the relevant parameters for all asset classes.

Our reporting on development projects will be based solely on the sealed area, with a differentiation between greenfield and brownfield. Greenfield developments represent roughly 9% of the 47,783 m² in the ten projects completed during 2020. We also exchanged an area of 34,210 m² on four brownfield projects.

Property development - green- and brownfield projects

Projects	Total pipeline incl. 2020	2020	2019
Greenfield developments [number]	15	2	2
Brownfield developments [number]	51	8	6
Greenfield developments [total property area [m ²]]	133,464	4,256	7,166
Brownfield developments [total property area [m ²]]	252,565	43,527	18,718
Greenfield developments [%]	35	9	28
Brownfield developments [%]	65	91	72

GRI 103-1, 103-2, 103-3, 304-3
4.1.5. Refurbishment and revitalisation

Refurbishment projects are a fixed and steadily increasing component of UBM's real estate development portfolio. In comparison with demolition and subsequent new construction, the conversion and vitalisation of existing buildings results in lower energy consumption and lower CO₂ emissions – an important ecological aspect that will also be taken into account in the future. Other resource-conserving benefits include the use of existing infrastructure, a reduction in new

soil sealing, less intervention in the existing ecosystems and the preservation of existing building substance.

Of the 64 UBM development projects in progress at the end 2020, ten involved refurbishment and revitalisation during the construction and development phase. The Enkestrasse project in Berlin was completed during 2020. The 858,317 m² GFA under construction and development include 111,265 m² for the following projects:

Property development - renovation and revitalisation projects

Projects - total pipeline incl. 2020	Type of property	Status	GFA/number	%
Development projects [m ²] - total			911,435	100
Renovation and revitalisation projects [m ²] - total			117,326	13
Enkestrasse, Berlin	Residential	completed	7,763	
Siebenbrunnengasse, Vienna	Residential	under constr.	17,389	
Siebenbrunnengasse, Vienna	Commercial	under constr.	6,322	
Sugar Palace, Prague	Hotel	under constr.	16,395	
voco, The Hague	Hotel	under constr.	15,081	
Kelsenstrasse 5, Vienna	Office	under constr.	18,547	
Kelsenstrasse 7, Vienna	Hotel	under constr.	12,222	
Unterbiberger Straße, Munich	Residential	under dev.	7,705	
Swietnizka, Wroclaw	Mix	under dev.	8,,302	
Smolensk, Krakow	Mix	under dev.	7,600	
New construction projects [m ²] - total	-		794,109	87
Renovation and revitalisation projects [number]	-		10	15
New construction projects [number]	-		56	85

UBM has increased its focus on projects involving revitalisation and has also set a goal to evaluate all refurbishment projects based on sustainability criteria. Two projects under construction are currently undergoing building certification, namely the Sugar Palace in Prague (LEED) and the voco in The Hague (BREEAM). **GRI 103-1, 103-2, 103-3**

4.2. We measure our locations based on their footprint

UBM has rented office space at 19 locations. The corporate headquarters are located in Vienna. In accordance with Directive 2012/27/EU on energy efficiency and Directive (EU) 2018/2002, UBM carries out regular energy audits. An external energy audit was carried out at the German locations in 2019, and the Austrian locations followed in 2020. Our goal in this area is to steadily reduce our ecological footprint.

Relevant activities to reach this goal involve energy consumption and emissions which, as a result, are given special attention in this report (see section 4.2.1.). The efficient use of water and correct waste management are also important issues for UBM and are internally managed and reported. Since these issues are only classified as material for the hotels and not for UBM's own office locations, specific information is not provided here.

4.2.1 Energy consumption and emissions

UBM has implemented a wide range of measures in various areas to reduce its CO₂ footprint:

- Renovation projects at UBM locations include the conversion to energy-efficient LED lighting.
- The Group-wide travel guideline "think before you travel" makes clear that business trips should only be taken when absolutely necessary. Rail travel must be given preference for shorter distances, and video conference portals should be used more frequently for meetings. The use of these digital formats increased substantially as a result of the COVID-19 pandemic.

- New motor vehicle purchases should involve hybrid and/or electric vehicles wherever ecologically and economically reasonable. The decision should also be based on the availability of suitable charging stations near the employee's home.
- Records have been kept on the petrol and diesel consumption of all Group motor vehicles since 2020. These surveys provide the basis for defining concrete targets to reduce emissions.
- Activities to create a greater awareness for energy savings among employees will be resumed as soon as the balance between home office and in-office changes.
- Paperless billing was rolled out throughout the entire company in 2020. This not only reduced paper consumption, but also supplements the existing controlling systems.
- One smart measure that was introduced by UBM in 2020 and will be expanded over the coming years is the transparent and more exact collection of data on energy consumption and emissions. This data will be used to develop suitable initiatives for climate protection in the future. Transparent data collection is already available for most of the UBM locations and will be extended to the remainder in 2021.

GRI 103-1, 103-2, 103-3

4.3. Hotel operations

The subsidiary UBM hotels, in which UBM holds an investment of 50%, is responsible for 13 hotel operating companies in Germany, the Netherlands, Austria and Poland with roughly 3,000 rooms in total.

Management or franchise agreements have been concluded with well-known international hotel chains for day-to-day operations, whereby these chains also supply the hotel management.

Nearly two-thirds of the hotel buildings have received green building certification (DGNB, LEED or BREEAM). Since UBM

has no direct influence on the management of the hotels, preference is given to partners who are well aware of their ecological and social responsibility and are certified according to the applicable standards.

Of these 13 hotels, seven operate with IHG® Green Engage. This innovative online system for ecological sustainability allows the hotels to measure their ecological footprint and use this data as the basis for change. The hotels can select from among 200 “green solutions” to reduce electricity and water consumption, produce less waste and, in total, improve their environmental awareness. The hotels are also certified under Earth Check, Green Globe and Green Key, while their management is required to comply with UBM’s code of conduct.

UBM has supported the consolidation of energy data for many years to encourage the use of smart technology. Important leverage is provided by the installation of central energy management software for the measurement and monitoring systems in all newly built hotels.

The spread of the COVID-19 pandemic led to substantial operating restrictions and, in part, hotel shutdowns from March 2020 to the end of the year. Annual occupancy fell from 78.5% (2019) to 23.4% (2020) As a result, it was impossible to practically reach many of the goals for environmental performance or incentives for environmentally friendly behaviour by end users. An increased emphasis will be placed on the targets for energy, water and waste after the pandemic is under control.

GRI 103-1, 103-2, 103-3, 306-2

4.4. Fewer standing assets

The strategic focus of UBM’s business activities includes the development and sale of properties. Accordingly, the number of standing assets has declined steadily since 2015.

4.4.1. Energy & emissions

The energy indicators and emissions cover all standing assets with a UBM investment of more than 50%. An important factor in this respect is whether the property is rented. UBM has only an indirect influence on energy consumption and emissions in these cases, for example through the use of energy-saving lighting (LED) or efficient cooling and heating solutions that lead to a fundamental improvement in energy efficiency.

Ongoing measures to improve energy efficiency in 2020 included plans for external energy audits in Poland and the Czech Republic. These audits were postponed to 2021 due to the COVID-19 pandemic and the related lockdowns.

Information on the energy indicators and emissions in the standing assets can be found in section 7.3 “Overview of indicators”.

GRI 103-1, 103-2, 103-3





Open communications are a central element of our corporate values and an important building block for our attractiveness as an employer.

5. UBM & society

- 5.1. Employees
 - 5.1.1. Attractive employer
 - 5.1.2. Occupational safety and health protection
 - 5.1.3. Training and continuing education
 - 5.1.4. Diversity and equal opportunity
- 5.2. Responsibility for society
 - 5.2.1. Socio-cultural environment of development projects
 - 5.2.2. Users' well-being
 - 5.2.3. Regional economy and community
 - 5.2.4. Urban quarter development

Our social responsibility towards employees and society

Sustainability is, in no way, limited to environmental aspects. Correctly understood, sustainable management also covers a company's social responsibility, in other words the impact of its actions on society. For UBM as a real estate developer, that means actively contributing to society's sustainable positive development. This also includes fair and responsible interaction with our employees in our direct sphere of influence.

5.1. A good working environment for the best brains

5.1.1. Attractive employer

Open communications are a central element of our corporate values and an important building block for our attractiveness as an employer. We encourage communication through modern office designs with numerous possibilities for interaction. The headquarters in Vienna include a lounge with table football and darts as well as a green inner courtyard and roof terrace with a barbecue area. Our Group-wide UBM Day, which is held every two years, provides a platform for the exchange of information and anchors our open corporate culture across business areas and national borders. The range of programmes to promote team building includes regular hiking days (Austria) and skiing events (Germany).

We believe it is important to help our employees establish a healthy work-life balance and to reconcile their work and family life. Individual working time models are part of our efforts in this area. Overtime can be reimbursed with compensatory time-off or financially to meet individual needs. Rules are in place, and formalised in the company agreement, to permit nursing leave for close family members.

Open communications are a central element of our corporate values and an important building block for our attractiveness as an employer.

With attractive salary packages and regular bonuses that are tied to individual performance and annual results, UBM employees participate in the company's success.

Additional benefits include, among others, the reimbursement of costs for public transportation and a daily lunch allowance. Special actions to help employees remain healthy include in-house fitness programmes or a subsidy for annual membership in a fitness studio. An important part of this policy specifies that these benefits are also available to part-time employees. In this respect, UBM does not differentiate between full-time and part-time employees.

GRI 103-1, 103-2, 103-3, 401-2, 403-6

5.1.2. Health & safety

Our success as UBM is based to a significant degree on the commitment and performance of our employees. As an employer, we therefore also carry a shared responsibility for their physical and mental health. The integrated management system implemented by UBM is designed to protect occupational safety and health. It applies to all employees and is certified under ISO 45001, which means it meets the highest standards.

Occupational safety management includes specialists like occupational physicians, specialists for occupational safety and employee representatives, in line with national requirements. Safety-related supervision is assigned to a specialist who evaluates, among others, potential dangers and carries out safety inspections. Written instructions anchor occupational safety throughout the company and ensure compliance with high safety standards.

The success of these measures is reflected in the number of work accidents, which has been extremely low for many years. There was only one reportable work accident in 2020 and, fortunately, no accidents with fatal or serious injuries. Moreover, no work-related illnesses were recorded.

In addition to strict safety measures, UBM placed high priority on employees' health. The related measures include, among others, the creation of ergonomic workplaces and the opportunity to individually use the in-house fitness rooms. An occupational physician is also available to assist employees at UBM's Vienna location.

Outdoor athletes can join the "UBM-Express" and take part in various running events. That not only helps to improve health and fitness, but also strengthens team spirit.

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8

5.1.3. Training and continuing education

Specially designed training and continuing education programmes are a fixed part of human resources development at UBM. The basis is formed by the annual appraisal meeting, which includes a review of the employee's performance and the evaluation of specific training measures together with the responsible supervisor. UBM actively offers numerous development opportunities as part of its human resources strategy, but also encourages the independent development of its employees.

We actively offer numerous development opportunities as part of our human resources strategy, but also encourage employees' independent development.

The number of training days per employee fell from 5.2 in 2019 to 3.2 days in 2020 due to the reduced offering and course cancellations which resulted from the COVID-19 pandemic. In total, 65% of the employees took advantage of a training or continuing education programme. UBM intends to offset the decline in 2020 with a new training initiative in 2021, whereby the contents of these programmes are built on three levels:

- 1.) UBM basic know-how (above all for new employees)
- 2.) Specialised know-how (e.g. on the capital market, project development, etc.)
- 3.) Competence days (specialist department meetings to exchange information and best practice examples)

GRI 103-1, 103-2, 103-3, 404-2

5.1.4. Diversity & equal opportunity

A working environment free of discrimination and a culture of mutual respect and appreciation throughout the entire workforce – these are the requirements for equal opportunity and diversity in a company. And, of course, the company must set a good example. UBM treats all employees equally – without differentiation by gender, social background, sexual orientation, nationality, religion or age. Decisive action is taken against any form of discrimination. There is no difference in the compensation paid to men and women who have the same responsibilities and qualifications.

Diversity has high priority for UBM. The employment of staff with different ages and experience (buddy principle) is encouraged, and the company is increasing its efforts to raise the percentage of female employees in the organisation. In comparison with other companies in the real estate sector, the UBM Group had a positive standing with 24 women in key positions as of 31 December 2020 (Supervisory Board, managing directors, authorised signatories and key staff at UBM Development AG and its subsidiaries). This decline of six compared with 2019 is explained by the end of several commercial director positions in projects which have since been concluded.

Activities to sustainably improve equal opportunity include the focus of recruiting in the search for suitable candidates. The Management Board has issued specific instructions that women should be given preference when qualifications and experience are equivalent.

The Management Board has issued specific instructions that women should be given preference when qualifications and experience are equivalent.

The Supervisory Board does not follow a specific diversity concept with regard to the composition of the Management and Supervisory Boards because the establishment of diversity targets for control bodies is not seen as expedient or useful. Education and professional experience play a significant role because a person under consideration for a Supervisory Board position must be capable of optimally performing his or her duties. These preconditions are not defined abstractly in advance but evaluated on a case-by-case basis. Accordingly, the expertise and specific requirements for the respective appointment are the only decisive factors in preparing proposals for the Annual General Meeting. **GRI 103-1, 103-2, 103-3**

5.2. Responsibility for society

Our real estate development projects generally also have an impact on the surrounding area, local communities and neighbouring residents. This applies, in particular, to urban quarter developments, but is also true for residential construction projects, office buildings and hotels.

We are well aware that we change and influence the living environment of people with every real estate development project. That creates a responsibility which we actively accept. Our goal is, wherever possible, to establish a constructive dialogue with neighbouring residents and relevant interest groups in the areas surrounding the projects and to improve these areas through the potential positive effects of our activities. This added value and neighbourhood vitalisation also benefit the project over the long-term.

We are well aware that we change and influence the living environment of people with every real estate development project.

5.2.1. Socio-cultural environment of development projects

Our many years of experience as a real estate developer have taught us that designing means change and interaction. Consequently, an important principle for the development of our projects is to also consider and integrate the socio-cultural environment. That means designing projects to minimise the potential negative effects on the urban area caused, for example, by shadows, artificial light, noise, emissions or increased traffic or to more than offset these effects by positive changes and improvements.

These are, in no way, meant to be empty words, as is seen by the use of sustainability certificates like DGNB and ÖGNI as important measurement and control instruments. These evaluations are based on the general three-pillar principle of sustainability: the economy, the environment and society. Many UBM projects have already been recognised with appropriate certifications (see section 4.1.1).

Early participation

We involve relevant stakeholder group in our planning and development processes at an early stage through information, participation and co-determination rights. This gives neighbouring residents an opportunity to communicate their needs and interests and influence the results.

We involve relevant stakeholder group in our planning and development processes at an early stage through information, participation and co-determination rights.

In this way, initial reservations by a citizens' initiative concerning a possible increase in the traffic load near the Gmunder Höfe in Munich were successfully dispelled. Another concrete example for participative urban development is the Leopold-Quartier in Vienna (see section 5.2.4. for additional details). The goal for both projects – as well as all other UBM developments – is to also create an optimal usage mix for the city.

The Gmunder Höfe clearly meet this goal through attractive residential units with parking spaces, day-care centres, green and open areas available for public use, the nearby recreation area along the Isar River and good public transportation connections via underground and rapid transit railway.

Mobility for tomorrow

The steady increase in traffic is one of the greatest challenges for municipal planning and development. Modern mobility concepts are, as a result, becoming more important in real estate planning and urban quarter development.

UBM has accepted this challenge and, for example, developed a future-oriented mobility concept for the Timber Pioneer project in Frankfurt am Main. The goal is to reduce the use of private combustion vehicles for conventional destination and origin transportation. The following offering is designed to facilitate the changeover to more environmentally friendly means of transport for the Timber Pioneer building users:

- E-charging stations for autos and charging possibilities for e-bike accus
- Car sharing with hybrid and/or e-vehicles
- E-bike hire stations
- Additional bicycle storage areas
- Sophisticated bicycle infrastructure, including showers and changing rooms for users as well as a self-repair point and/or external services

Some of these services, for example car sharing and the e-bike hire stations, can also be used by the employees in the neighbouring F.A.Z. Tower - which creates excellent and efficient synergies for both buildings. **GRI 103-1, 103-2, 103-3,**

413-2

5.2.2. Users' well-being

Our projects create living and working space whose quality influences the health and well-being of future residents and users. Evaluating the ecological aspects of the materials used and the effects of demographic change therefore have high priority for UBM's construction projects.

UBM is committed to meeting all applicable legal and normative requirements on these buildings. But our claim goes far beyond that: We always want to exceed legal requirements whenever this is important to future users. One example: We want our buildings to be independently accessible and usable for all people, with or without special needs and regardless of age, without any particular obstacles. Our numerous DGNB certifications show that this is possible. A lack of accessibility, for example, would prohibit the receipt of this certificate.

UBM has defined the following material aspects for building usability as the benchmark for the planning and realisation of its real estate projects:

- Accessibility
- Absence of pollutants and construction ecology
- Indoor climate and acoustics
- Security
- Visual comfort (look & feel)

UBM's current hotel development projects exceed the minimum system standards as well as legal requirements.

GRI 103-1, 103-2, 103-3, 416-1, 416-2

5.2.3. Regional economy and community

The Covid-19 pandemic and the related restrictions have increased our awareness for the importance of the local economy. As a major customer for construction firms, planners and consultants from the region, UBM contributes to local added value in keeping with the motto "think global, order local". The commissioning of regional business partners - i.e. who are located close to the project - plays a valuable role in project realisation. That creates jobs and regional added value directly at UBM's project locations.

Regional orders are a win-win situation. On the one side, regional businesses are strengthened and, on the other side, UBM benefits from shorter delivery routes that save costs and time and facilitate the delivery of larger components. At the barany.7 project in Vienna, for example, an Austrian company was commissioned to build the structure according to a sustainable, energy-saving wood construction method. Our hotel operations, with their suppliers and partner companies, also contribute to the local economies with their regional orders, and UBM creates jobs and added value, directly and indirectly. **GRI 103-1, 103-2, 103-3**

5.2.4. Participative urban quarter development

UBM wants to create attractive quarters that contribute to sustainable urban development and create benefits for the general public. These quarters must be resistant against coming climate changes to also allow for a high quality of life in the future.

With the LeopoldQuartier, UBM is setting an important milestone for the realisation of its "green. smart and more" strategy for sustainable urban quarter development. Construction is scheduled to start during the second quarter of 2022.

Example: LeopoldQuartier

The development of an urban quarter means much more than just planning and constructing a building. Many different stakeholder groups are involved in these activities,

including project developers, planners, public authorities and district administrators as well as neighbouring residents, and the complexity is accordingly high. But all these projects one thing in common: they are driven by a tangible "team spirit".

The LeopoldQuartier is an example of successful participative urban development. In close cooperation with representatives of the public authorities, decisions are coordinated on relevant issues involving the functional mix of the quarter as well as aspects like working place comfort, accessibility and the best possible reduction of emissions and immissions.

The instruments to reach these goals are diverse. Green areas, climate resilience, facade greening, the use of ground storage mass, networking between the buildings, real-time data on operating parameters to optimise energy consumption and much, much more are planned for the LeopoldQuartier and will create exemplary added value. In particular, the green core - an expanded green area in the inner courtyard - is of great importance for the area and will contribute to the quality of life for all users and neighbouring residents.

Special attention is given to land re-naturalisation, the preservation of seepage capability, the creation of optimal living conditions for fauna and flora as well as roofs with semi-intensive biodiverse planting. Photovoltaic elements will also be installed on the roofs to create a balance between energy production and climate improvement.

Local supplies, social networking and mobility offerings represent basic components of this urban quarter development. In addition to shared spaces, shared mobility and shared activities, the use of a quarter management app is also under evaluation to make the offerings and services available to users and neighbours. All these measures will help to create smart and green living space that sustainably increases and improves the value of the area surrounding the Leopold-Quartier. **GRI 103-1, 103-2, 103-3**





We are well aware that we change and influence the living space of people with every development project.

6. UBM governance & sustainable management

- 6.1. Measures to combat climate change
- 6.2. Digitalisation and technologies
- 6.3. Ethics and compliance
 - 6.3.1. Anti-corruption and fair business practices
 - 6.3.2. Data protection
 - 6.3.3. Prevention of money laundering and terrorism financing
 - 6.3.4. Ecological and social criteria in the supply chain
- 6.4. Cooperations

How we live governance & sustainable management

We identified the relevance and integration of “ESG content” as a material success factor for our entrepreneurial activities some time ago and anchored these elements in our new *green. smart. and more.* corporate strategy as part of our strategic reorientation.

In order to also translate this conviction into concrete actions, all employees must act as one – in other words, know and believe in the company’s ESG goals. Only in this way can ESG become part of our daily lives and have a positive long-term effect. Numerous processes have been implemented to reach these goals and are continuously evaluated and improved.

We have defined the following focal points:

- Commitment and training for employees as part of the *green. smart. and more.* initiative
- Flagship projects as ground-breaking examples for further development work
- Expansion of UBM’s green building certifications
- Integration and strict control of ESG elements in corporate processes
- Creation of a greater awareness among relevant stakeholder groups for sustainability issues

6.1. GREEN: measures to flight climate change

The initiative *green. smart and more.* plays a special role in the above-mentioned management approach. It is underscored by a Group-wide brainstorming initiative, which included all UBM employees and covered several months. The initiative is focused on the following seven core issues which were defined in a dialogue between the Management Board and the Executive Committee:

- Design & construction
- Energy
- Building operations
- Look & feel
- User services
- Technology & data
- Mobility

Ideas and concepts were developed for these core areas as answers to the challenges created by climate change. The prevention of emissions, the use of resource-conserving building materials, improvements in energy efficiency and the increased integration of technological solutions are only several of the keywords. Design & construction, energy and building operations, in particular, offer “green” starting points and are reflected in the following flagship projects:

- Residential construction in wood (Vienna)
- Green & clean hotel (Katowice)
- “Timber Pioneer” wood high-rise (Frankfurt)
- Quarter certification for the “Leopoldquartier” (Vienna)

The goals for green building certification were also redefined.

As in the past, all new commercial buildings will be certified. And what’s more:

- the certification of two listed revitalisation projects was accelerated in 2020
- not only commercial projects, but also all new residential projects designated for global sales will be certified starting in 2021
- further quarter certifications will be targeted, with the LeopoldQuartier as a flagship project

GRI 103-1, 103-2, 103-3, 203-1, 203-2

6.2. SMART: digitalisation & technologies

UBM aggregates today's new optimisation and control technologies together with digitalisation under the keyword smart. The focal points of these activities are:

The green. smart. and more. initiative

The core issues of user services, technology & data and mobility are designed to make UBM's property developments "intelligent" through the use of technological solutions to improve and individualise the user experience. The planning process for buildings ensures that they are equipped to meet future "smartness" trends - for example, the Internet of things (IoT) or sensorics - and are capable of making the necessary adaptations.

Future-oriented mobility concepts for quarter development projects through the integration of e-mobility, shared services and intelligent parking concepts make sure the needs of users and the surrounding area are met as efficiently and resource friendly as possible.

Digitalisation of the UBM working world

The year 2020 increased our awareness for the central role played by digitalisation in keeping the economy, educational system and society running smoothly during the lockdown. UBM has made massive investments in the Group's digitalisation in recent years and plans to continue these efforts in the future.

UBM launched the "Next Level" project in 2017 to digitally map operating and work processes as well as reporting and controlling at the corporate level. The "New BM" project was started in 2020 and is intended to move digitalisation at UBM a great qualitative leap forward, especially in the commercial areas but also in IT und infrastructure.  **103-1, 103-2, 103-3, 203-1, 203-2**

6.3. Ethics & compliance

Responsible actions start at the individual level. But as a company, it is our duty and responsibility to create the necessary framework. UBM does this, among others, through transparent internal directives and a code of conduct, a separate ethics code, commitment to various corporate governance guidelines and an effective internal compliance management system.

Our responsible and transparent management is based on the following cornerstones:

Austrian Code of Corporate Governance

UBM, as an international, listed company, has pledged its commitment to comply with the Austrian Corporate Governance Code, a voluntary guideline for good management and control. The company has also issued rules of conduct for transparent and model actions in the form of internal guidelines.

Compliance Management System

The compliance management system implemented by UBM is intended to minimise the risk of a potential violation of official regulations and make sure all applicable legal regulations are followed. A compliance management system manual details the responsibilities and powers of the compliance organisation as well as the processes which implement the related rules and guidelines. The Management Board and Supervisory Board see it as their responsibility to guarantee the consequent implementation of all compliance principles.

The trust of employees, business partners, customers and other stakeholders is strengthened by UBM's focus on transparency, anti-corruption, fair business practices, the prevention of money laundering and data protection.

A whistleblowing system was installed in October 2018 to allow employees and external persons to report irregularities or violations of the compliance guidelines. Reports can be submitted directly to a staff member in the compliance organ-

isation or sent by email to compliance@ubm-development.com or anonymously via the link <https://secureveal.ubm-development.com>. The reporting of potential violations is in the interest of the Management Board as well as the management of the Group companies. **GRI 103-1, 103-2, 103-3, 102-17**

Ethics Code

A separate, binding ethics code forms the basis for all business activities and decisions. It is the foundation for moral, ethical and legally compliance behaviour by all UBM employees.

The values and principles contained in the code are based on national and international laws and requirements and on agreements like the Universal Declaration of Human Rights, the United Nations Guidelines and the international labour standards set by the International Labour Organisation. This code will be expressly agreed in writing with all employees in their national language beginning in 2021. **GRI 102-16**

Information on the ethics code can also be found on our website.

Code of conduct for business partners

We not only place high priority on responsible actions by all UBM employees, but also set high standards for our business partners. A separate code of conduct for our business partners is firmly anchored in our corporate processes and regularly adapted to reflect developments in the business and regulatory environment and in fundamental ethic values. The latest update was made in October 2020 and included requirements for all business partners to strengthen the integration of ecological and social responsibility along the entire value chain. This code is based on the same principles and regulations as the ethic code and includes sustainability issues like human rights and working conditions, occupational safety and health, anti-corruption and fair competition as well as environmental protection and much, much more. The code of conduct applies to all business partners who sell their products or services to UBM.

Information on the code of conduct for business partners can also be found on our website.

GRI 103-1, 103-2, 102-16

6.3.1. Anti-corruption & fair business practices

Fair business practices and zero tolerance for any form of corruption - these principles are a fixed part of our self-image. We rely on the following measures to support and anchor these principles in our company:

Employee training

The goal of training is to create a greater awareness among employees for potential sources of risk and, in this way, prevent corruption and anti-competitive behaviour. Employees receive training from the compliance department when they join UBM. Regular e-learning programmes cover compliance with guidelines on different subjects like the anti-corruption guideline, the guideline on antitrust and competition law, which is intended to ensure transparent and fair market behaviour by employees, and the conflict of interest guideline as well as the issuer compliance guideline to prevent market misuse.

All classroom training programmes on compliance regulations were suspended beginning in March 2020 due to the COVID-19 pandemic but will be resumed in 2021 as soon as health conditions permit. **GRI 205-2**

Transparent processes

UBM has implemented a variety of rules and processes, above and beyond legal requirements. Roles and responsibilities were clearly assigned in these processes, and the control mechanisms were revised and improved. These procedures and rules give employees the corresponding tools to perform their jobs and to design efficient processes and controls.

We are convinced that these types of work instructions, guidelines and models create transparency, facilitate communication and documentation, and help to make processes more efficient. They also make effective controls possible.

UBM has taken the necessary precautions to ensure compliance with legal and internal guidelines, on the one hand, and to quickly identify and correct any weak points in business and organisational processes, on the other hand.

The internal control system and internal audit

Our internal control system (ICS) is an integral part of our business processes. The most important goals of this control system are to:

- monitor compliance with business policies and defined goals
- safeguard the company's assets
- guarantee the reliability of accounting and reporting
- maintain the effectiveness and efficiency of business processes
- identify risks at an early point in time
- reliably assess potential risks
- monitor compliance with legal requirements
- ensure the efficient use of resources and cost savings.

In addition to the controls implemented in our core processes, UBM has installed commercial and technical controlling functions. Both report directly to the Management Board. Commercial controlling monitors the ongoing development of business to identify deviations from targets and, if there are any deviations, makes sure management receives the necessary information. Technical controlling monitors project development with a focus on schedules, construction costs, construction progress and all processes important for technical realisation. **GRI 103-1, 103-2, 103-3, 205-1, 205-2**

Works Council

UBM has a Works Council with five members who are elected every four years. Four of these members are delegated to the Supervisory Board, where they make up one-third of the votes on decisions. At UBM and its subsidiaries, roughly 53% of the employees are covered by works councils.

UBM supports the freedom of association as defined by the respective national frameworks as well as representation on the Supervisory Board. The Works Council takes part in collective negotiations in line with legal regulations and with UBM's approval. The newly founded ESG Committee will also include one member of the Works Council.

During the 2020 financial year, there were no threats to or violations of the above-mentioned freedoms for UBM's operating locations or suppliers. **GRI 407-1**

6.3.2. Data protection

UBM is committed to the confidential and responsible handling of personal data in agreement with the applicable data protection laws – above all the EU Data Protection Regulation ("EU Datenschutzgrundverordnung", DSGVO) and related national legislation. Secure handling is guaranteed by a data protection manual that includes rules for internal data processing, work processes and their monitoring. Regular employee training and surveys create a greater awareness for this sensitive issue and make sure data protection does not drift out of focus. **GRI 103-1, 103-2, 102-16, 102-17**

6.3.3. Prevention of money laundering and terrorism financing

Another building block to support ethical and responsible actions was the adoption of a guideline for the prevention of money laundering and terrorist financing. This guideline was expanded in 2019 to include working instructions on the prevention of money laundering. It requires the exact identification and continuous monitoring of business objectives as well as the business partner or ownership structure for legal entities prior to the start of business relations. "Know your customer" is the guiding principle here. Every UBM contract partner is required to complete a disclosure form as a means of guaranteeing complete transparency. **GRI 103-1, 103-2, 102-16, 102-17**

6.3.4. Ecological and social criteria in the supply chain

UBM issued a code of conduct in 2020 (see section 6.3.) which applies to all business partners. It is intended to guarantee that suppliers are aware of their responsibility along the supply chain and contribute to sustainable development in the real estate branch.

As a means of increasing ecological and social responsibility along the supply chain, UBM is currently working on a procurement guideline that will define minimum sustainability aspects and exclusion criteria. A supplier assessment for current business partners is scheduled beginning in 2021 to set the stage for a standardised evaluation.

UBM addresses all dimensions of sustainability in its development projects. In other words, ecological, economical and socio-cultural aspects are an integral part of our work. This approach is reflected in our focus on the evaluation and certification of our commercial projects – and in the future, increasingly also our residential construction projects – based on recognised sustainability seals like DNGB, ÖGNI, LEED or BREEAM.

We also commission external specialists to examine building materials with an inherent risk and request confirmation of compliance with ecological standards and the approval of these products for use. Efforts to minimise the environmental impact during the entire lifecycle of a building begin during the planning stage and cover the efficient consumption of heating energy, electricity, water and wastewater. The economical dimension covers the initial construction costs as well as the follow-up costs over the entire use and life of the building.

Accessibility as well as the health and comfort of later users represent the focal points of the socio-cultural aspects that are included in project development. These aspects include, for example, room temperature, building acoustics, noise emissions and visual design.

GRI 103-1, 103-2

6.4. Cooperations

An intensive dialogue with stakeholders is guaranteed and reinforced by UBM's participation in various organisations and branch associations. The company has been a member of the Institute for Corporate Governance (ICG) since 2019 and contributes to the ICG's social impact investment initiative. In addition, UBM is a member of Hotel Management Associates (HAMA) and the Austrian Sustainable Building Council ("Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft", ÖGNI).

UBM expanded its active participation in the interest group "IG-Lebenszyklus Bau" to include a membership in 2020. The organisation's working group on the shortage of land is headed, among others, by Gerald Beck, managing director of UBM Austria. We are committed to finding ways to stop the wasteful use of the limited resource land with existing and new framework conditions.

We also play an active role in the Association of Austrian Project Developers ("Vereinigung der Österreichischen Projektentwickler", VÖPE). Together with other VÖPE members, UBM shows that project developers can be strong and reliable partners for the general public and the public sector in the creation of living environments.

GRI 103-1, 103-2, 103-3, 102-13





7. Additional information

- 7.1. About this report
- 7.2. GRI index
- 7.3. Overview of key indicators
- 7.4. Imprint

Also worth knowing

7.1 About this report

This is UBM's first ESG report and fourth sustainability report. It includes information on UBM Development AG for the 2020 financial year. **GRI 102-1**

With this report, we want to provide our stakeholders with comprehensive and precise information on the activities undertaken by UBM in 2020 to improve our sustainability behaviour and management. We are also reporting on the measures planned by UBM in the coming years to meet our social responsibility.

This report covers the corporate locations, standing assets, hotels and development projects of UBM Development AG in Austria, Germany, Poland, Czech Republic, Croatia and the Netherlands. The UBM location in Romania was terminated in 2020 and is therefore not included in this report.

Energy indicators and emissions cover all companies in which UBM holds an investment of more than 50% as well as projects for which a building permit had been received by 31 December 2020 **GRI 102-10, 102-45, 102-48**

Report parameters

The contents of this report are based on the major thematic areas relevant for UBM. The areas changed in comparison with 2019 following a new materiality analysis (see section 3.6). **GRI 102-49**

The first UBM sustainability report was published in 2017 in accordance with the guidelines defined by the Global Reporting Initiative (GRI). **GRI 102-52**

In 2018 and 2019, sustainability issues were handled in a more compact, non-financial statement which was part of financial reporting and the annual report.

This ESG report was prepared in accordance with the GRI Standard: "Core Option". **GRI 102-54**

It was released by the Management Board without an external review. **GRI 102-32, 102-56**

The reporting parameters have changed since 2020 based on the adjustment of the GRI Standards, the new materiality analysis and the new peer group comparison. Any adjustments to the 2019 indicators to reflect the new reporting parameters are specifically noted.

The next report is planned for 2022 and will include information on the 2021 financial year. **GRI 102-51**

The financial year of UBM Development AG runs from 1 January to 31 December. **GRI 102-50**

You can also find current information on sustainability on our website.

If you have any questions or suggestions on this report, please feel free to contact UBM under esg@ubm-development.com. **GRI 102-53**

7.2 GRI Index  **102-55**

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GRI standard number	Disclosure	Page	Omission, explanation	SDGs
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203-1	Infrastructure investments and services supported	64	<i>green. smart. and more.</i> (also see 5.2)	SDG 9.1, 9.4, 11.2 UNGC 9
203-2	Significant indirect economic impacts	64	<i>green. smart. and more.</i> (also see 5.2)	
Digitalisation and technologisation (SMART)				
103-1 to 103-3	Explanation of the material topics and their boundaries, the management approach and its components, evaluation of the management approach	65	Strategically anchored – also managed via ecologically specific information	
203-1	Infrastructure investments and services supported	65	<i>green. smart. and more.</i> (also see 5.2)	SDG 9.1, 9.4, 11.2 UNGC 9
203-2	Significant indirect economic impacts	65	<i>green. smart. and more.</i> (also see 5.2)	
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103-1 to 103-3	Explanation of the material topics and their boundaries, the management approach and its components, evaluation of the management approach	51		UNGC 8
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103-1 to 103-3	Explanation of the material topics and their boundaries, the management approach and its components, evaluation of the management approach	57		
404-1	Average hours of training per year per employee	90		SDG 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3
404-2	Programs for upgrading employee skills and transition assistance programs	57		SDG 8.2, 8.5
404-3	Percentage of employees receiving regular performance and career development reviews	90		SDG 5.1, 8.5, 10.3
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403-1	Occupational health and safety management system	56, 57		SDG 8.8
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403-4	Worker participation, consultation, and communication on occupational health and safety	56, 57		SDG 8.8, 16.7
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403-8	Workers covered by an occupational health and safety management system	56, 57		SDG 8.8
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103-1 to 103-3	Explanation of the material topics and their boundaries, the management approach and its components, evaluation of the management approach	59		SDG 9.1, 9.4, 11.2
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Key indicators

7.3 Indicators

Economic Indicators - Governance

		2020						
		Total						
GRI 102-7 Size of the organisation	Net revenue (EUR)	183,339,000						
	Total assets (EUR)	1,371,480,000						
	Total capital (EUR)	1,266,534,000						

		2020						
		Total	AT	DE	DE ALBA	PL	CZ	HR

ETHICS & COMPLIANCE

GRI 205 Anti-corruption	Confirmed corruption incidents	0	0	0	0	0	0	0
	Proven money laundering incidents	0	0	0	0	0	0	0
GRI 206 Fair business practices	Legal actions for anti-competitive behaviour	0	0	0	0	0	0	0
GRI 406-1 Non-discrimination	Discrimination incidents	0	0	0	0	0	0	0

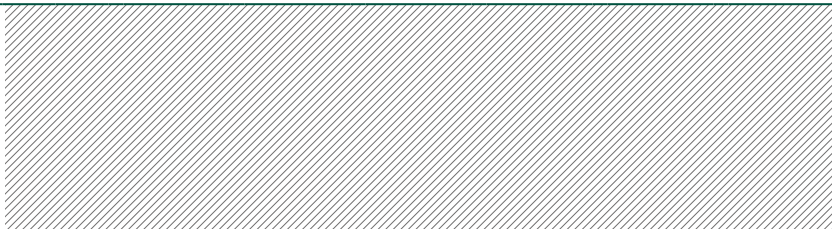
SOCIO-ECOLOGICAL AND ENVIRONMENTAL COMPLIANCE IN THE SUPPLY CHAIN

GRI 308-1 New suppliers that were screened using environmental criteria	Number of suppliers	Standardisation process for data collection currently in progress; the code of conduct only took effect in October 2020.						
GRI 414-1 New suppliers that were screened using social criteria	Number of suppliers	Standardisation process for data collection currently in progress; the code of conduct only took effect in October 2020.						

ADDITIONAL INFORMATION

2019	
Total	
	241,999,000
	1,316,389,000
	1,124,782,000

2019							
Total	AT	DE	DE ALBA	PL	CZ	HR	
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0



Environmental Indicators - Group locations

		2020						
		Unit	Total	AT	DE****	DE ALBA	PL	CZ
ENERGY CONSUMPTION*								
GRI 302-1 Energy consumption within the organisation	Total energy consumption	kWh	756,842	272,156	104,050	43,812	204,510	132,314
	Energy from renewable sources	kWh	150,508	64,834	28,877	30,210	26,586	-
	Energy from non-renewable sources	kWh	547,447	207,322	16,286	13,602	177,924	132,314
	Electricity	kWh	302,148	64,596	45,163	43,812	112,010	36,567
	Natural gas	kWh						
	District heating	kWh	454,694	207,560	58,887	not available***	92,500	95,747
	Energy consumption company cars diesel	l	111,801	60,624	15,119	7,281	15,245	13,532
	Energy consumption company cars petrol	l	81,129	-	32,542	33,597	14,990	-
GRI 302-3 Energy intensity	Energy intensity*****	kWh/ m ²	92	90	45	87	142	133
	Total commercial space	m ²	7,746	3,023	2,289	see table page 83	1,437	996

ADDITIONAL INFORMATION

		2020						
		Unit	Total	AT	DE****	DE ALBA	PL	CZ
EMISSIONS**								
GRI 305-1 Direct emissions (Scope 1)	Natural gas	t CO ₂	-					
	Energy consumption diesel	t CO ₂	11		4		6	
	Energy consumption petrol	t CO ₂	5		0		5	
GRI 305-2 Indirect emissions (Scope 2)	Electricity	t CO ₂	82	12	18	17	25	9
	District heating	t CO ₂	81	33	9	not available	19	19
GRI 305-3 Other indirect emissions (Scope 3)	Energy consumption diesel (leasing)	t CO ₂	318	188	35	19	41	35
	Energy consumption petrol (leasing)	t CO ₂	188	-	75	77	36	-
	Air travel	t CO ₂	12	1	11	-	-	-

* Key for calculation of renewable energy:

- AT according to internal data
- DE according to energy mix data provided by the respective energy carrier
- PL according to information provided by the energy supplier
- CZ according to internal data (100% non-renewable energy)

** Classification of emissions based on the Greenhouse Gas Protocol

** Sources for emission calculations:

- AT, PL, CZ Austrian Federal Environmental Agency
- DE German Federal Environmental Agency

*** Extrapolation is not possible for DE ALBA district heating because the reference values are insufficient.

Total space ALBA:

Oberhaching: 1.055 m²

Mainz: 374 m²

Hamburg up to 18.3. Holl. Brook: 202 m²

Hamburg as of 1.3. Campus Tower: 506 m²

Düsseldorf: 224 m²

Berlin up to 11.11. Keithstraße: 202 m²

Berlin as of 1.10.: 416 m²

**** District heating in Germany is an estimate based on the consumption of the last three years (2017-2019).

Therefore, it is not possible to allocate the district heating for DE between renewable and non-renewable sources.

***** Energy intensity excludes the ALBA locations because the data for 2020 is not representative.

Not available = Standardisation process for data collection in progress

Note: Miscellaneous other locations were not included because they are responsible for only minimal consumption or because the consumption is calculated as a flat rate.

Environmental Indicators - Standing Assets

			Total
			2020
			Unit
ENERGY CONSUMPTION*			
GRI 302-1 Energy consumption within the organisation	Space (not rented space)	m ²	5,214
	Total energy consumption	kWh	328,597
	Energy from renewable sources	kWh	13,898
	Energy from non-renewable sources	kWh	314,700
	Electricity	kWh	168,563
	Natural gas	kWh	-
	District heating	kWh	160,034
GRI 302-2 Energy consumption outside of the organisation	Space (rented space)	m ²	134,812
	Total energy consumption	kWh	25,171,216
	Energy from renewable sources	kWh	3,573,616
	Energy from non-renewable sources	kWh	21,597,600
	Electricity	kWh	15,355,413
	Natural gas	kWh	187,728
	Cooling energy	kWh	478,770
	District heating	kWh	9,149,305
Energy total (inside + outside)			25,499,813
GRI 302-3 Energy intensity	Energy intensity	kWh/m ²	182
	Usable space	m ²	140,026
EMISSIONS**			
GRI 305-1 Direct emissions (Scope 1)	Natural gas	t CO ₂	-
	Electricity	t CO ₂	40
GRI 305-1 Indirect emissions (Scope 2)	District heating	t CO ₂	32
	Rented space	m ²	134,812
GRI 305-1 Other indirect emissions (Scope 3)	Electricity	t CO ₂	3,430
	District heating	t CO ₂	1,857
	Natural gas	t CO ₂	514

* Key for calculation of renewable energy:

AT according to internal data

PL according to information provided by the energy supplier

CZ according to internal data (100% non-renewable energy)

HR in line with the energy mix data for Croatia (Statista)

** Classification of emissions based on the Greenhouse Gas Protocol

** Source of emission calculations: Austrian Federal Environmental Agency

Environmental Indicators - Hotels

		Unit	Total 2020	Total 2019
Certifications, initiatives			DGNB, LEED, Safe Hotels, Green Key, Green Globe, IHG Green Engage	
ENERGY CONSUMPTION*				
GRI 302-2	Number of overnight stays		221,782	619,762
Energy consumption outside the organisation	Total energy consumption	kWh	10,602,630	13,404,775
	Energy from renewable sources	kWh	1,691,423	1,235,591
	Energy from non-renewable sources	kWh	8,911,207	12,169,184
	Electricity	kWh	5,708,833	7,579,690
	Natural gas	kWh		
	District heating	kWh	4,893,797	5,825,085
GRI 302-3		kWh/ overnight stays		
Energy intensity	Energy intensity		48	22
EMISSIONS**				
GRI 305-1				
Other indirect emissions (Scope 3)	Electricity, natural gas and district heating	t CO ₂	2,543	3,243
WATER CONSUMPTION				
GRI 303-5				
Water consumption	Total water consumption	l	38,457,550	97,790,730
	Water intensity	l/overnight stays	173	158
WASTE				
GRI 306-2				
Waste	Hazardous waste (total)	m ³	k. A.	k. A.
	Non-hazardous waste (total)	m ³	1,131	5,419
	Waste intensity	(m ³ /overnight stays)*100	1.05	1.05

* Key for calculation of renewable energy:
 DE according to energy mix data provided by the respective energy carrier
 PL according to information provided by the energy supplier
 NL according to internal data (100% non-renewable energy)

** Classification of emissions based on the Greenhouse Gas Protocol

** Source of emission calculations:
 PL, NL Austrian Federal Environmental Agency
 DE German Federal Environmental Agency

Not available = Standardisation process for data collection in progress

Environmental Indicators - Project Development

	Unit	2020 Total	2019 Total	Pipeline projects with building permits
ENERGY CONSUMPTION				
GRI 302-1 Energy consumption within the organisation				
GRI 302-2 Energy consumption outside the organisation - energy consumption as per certificate	kWh	9,515,538	7,243,201	42,208,762
GRI 302-3 Energy intensity	kWh/m ²	74	103	102
Number of projects	Number	10	8	31
Gross floor area of projects	m ²	129,269	70,431	415,020
EMISSIONS*				
GRI 305-1 Direct emissions (Scope 1)	t/a			3,072
GRI 305-2 Indirect emissions (Scope 2)	t/a	2,460	1,920	9,995
GRI 305-3 Other indirect emissions	t/a			
Intensity of GHG emissions	kg/m ² GFA	19	27	31

* Classification of emissions based on the Greenhouse Gas Protocol
 * Source of emission calculations: Austrian Federal Environmental Agency

ADDITIONAL INFORMATION

	Unit	2020	2019	Total pipeline - incl. 2020
BIODIVERSITY & GROUND SEALING				
Total projects	Anzahl	10	8	66
Greenfield developments	Anzahl	2	2	15
Brownfield developments	Anzahl	8	6	51
Land area - total	m ² der GF	47,783	25,884	386,029
Greenfield developments	m ² der GF	4,256	7,166	133,464
Brownfield developments	m ² der GF	43,527	18,718	252,565
Greenfield developments	%	9	28	35
Brownfield developments	%	91	72	65

Project	Type of property	GFA total	Status
RENOVATION & REVITALISATION			
Enckestraße, Berlin	Residential	7,763	completed
Kelsenstraße 5, Vienna	Office	18,547	under construction
Kelsenstraße 7, Vienna	Hotel	12,222	under construction
Siebenbrunnengasse, Vienna	Residential	17,389	under construction
Siebenbrunnengasse, Vienna	Commercial	6,322	under construction
Sugar Palace, Prague	Hotel	16,395	under construction
voco, The Hague	Hotel	15,081	under construction
Swietnizka, Wroclaw	Commercial	8,302	under development
Smolensk, Krakow	Residential	7,600	under development
Unterbiberger Straße 15, Munich	Residential	7,705	under development
Total		117,326	
Renovation & revitalisation as a % of the total pipeline		13%	

Key Indicators Society - Employees

		2020					
		Total	AT	DE	PL	CZ	Other
INFORMATION ON EMPLOYEES							
GRI 102-8	Employees - total	339	136	121	39	34	9
Information on employees	thereof female	145	52	52	22	14	5
	thereof male	194	84	69	17	20	4
	Permanent contract	335	135	120	39	32	9
	thereof female	144					
	thereof male	191					
	Temporary contract	4	1	1	0	2	0
	thereof female	1					
	thereof male	3					
	Full-time	294	118	102	36	32	6
	thereof female	189					
	thereof male	116					
	Part-time	34	14	14	3	2	2
	thereof female	29					
	thereof male	5					
GRI 102-41	Per cent of salaried employees covered by tariff contracts	100%					
Tariff contracts							
ATTRACTIVE EMPLOYER							
GRI 401-1	New hiring - total	52					
New employee hires and salaried employee turnover	thereof female	18					
	thereof male	34					
	thereof <30	9					
	thereof 30-50	33					
	thereof >50	10					
	Salaried employee turnover - total	38	14	16	2	6	0
	thereof female	10					
	thereof male	28					
	thereof <30	8					
	thereof 30-50	22					
	thereof >50	7					
	Turnover rate (Turnover/(Total employees + New hires)*100)	9.72%					
GRI 401-3	Parental leave	10	4	5	0	0	1

ADDITIONAL INFORMATION

		2019				
	Total	AT	DE	PL	CZ	Other
	334	137	115	39	34	9
	144					
	190					
	281					
	95					
	186					
	43					
	39					
	4					
	100%					
	10					

ADDITIONAL INFORMATION


		2020					
		Total	AT	DE	PL	CZ	Other
TRAINING AND EDUCATION							
GRI 404-1							
Average hours of training and education per employee	Number of days per employee	3.2	1.5	1.9	7.9	2.1	3.4
GRI 404-1	Supervisors - total	Standisation process for data collection in progress					
Average hours of training and education per employee	Employees	Standisation process for data collection in progress					
	Rate of employees with participation in training and education (%)	65%					
GRI 404-3							
Percentage of employees receiving regular performance reviews	Rate of reviewed employees (%)	All employees receive reviews; the process to document these reviews is in progress.					
DIVERSITY & EQUAL OPPORTUNITY							
GRI 405-1	Management positions - total	94					
Diversity of governance bodies and employees	thereof female	70					
	thereof male	24					
	Supervisory Board - male	8					
	Supervisory Board - female	4					
	Managing Directors - male	39					
	Managing Directors - female	5					
	Authorised signatories - male	16					
	Authorised signatories - female	8					
	Key employees - male	7					
	Key employees - female	7					
OCCUPATIONAL HEALTH & SAFETY							
GRI 403-9	Work-related injuries	1	1	0	0	0	0
Work-related injuries	Absence in days	0	k.A.	0	0	0	0
	Commuting incidents	1	0	0	1	0	0
	Work-related fatalities	0	0	0	0	0	0
	Reported close calls	0	0	0	0	0	0
	Number of hours worked	399,320	81,855	205,060	50,594	61,811	n.a.
GRI 403-10	Fatalities as a result of work-related ill health	0	0	0	0	0	0
Work-related ill health	Work-related ill health	0	0	0	0	0	0

Management's Responsibility

The management of UBM Development AG is responsible for preparation of the report content in agreement with the reporting criteria and for the management of and compliance with ESG issues. The disclosures in the report cover the GRI Standards, Option "Core" issued by the Global Sustainability Standards Board (GSSB) and voluntary compliance with the requirements of the Austrian Sustainability and Diversity Improvement Act.

Management's responsibilities include selecting and applying appropriate methods for non-financial reporting so as to meet the quality requirements for accuracy, balance, clarity, comparability, reliability and topicality.

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Vienna, April 2021

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