





# Key performance indicators

## Key earnings figures (in €m)

	2023	Change	2022	2021
Total Output <sup>1</sup>	284.2	-27.3%	390.7	471.0
Revenue	85.3	-36.3%	133.9	278.3
Earnings before taxes	-39.4	n/a	31.5	60.1
Profit	-46.0	n/a	27.1	43.7

## Key asset and financial figures (in €m)

	31.12.2023	Change	31.12.2022	31.12.2021
Total assets	1,253.8	-13.6%	1,451.8	1,467.8
Equity	379.7	-24.3%	501.4	524.0
Equity ratio	30.3%	-4.2 PP	34.5%	35.7%
Net debt <sup>2</sup>	610.2	22.0%	500.2	381.0
Cash and cash equivalents	151.5	-53.1%	322.9	423.3

## Key share data and staff

	31.12.2023	Change	31.12.2022	31.12.2021
Earnings per share (in €) <sup>3</sup>	-7.03	n/a	2.25	4.50
Earnings per share incl. hybrid capital interest <sup>4</sup>	-6.16	n/a	3.46	5.65
Share price (in €)	21.10	-7.5%	22.80	43.30
Market capitalisation (in €m)	157.7	-7.5%	170.4	323.5
Dividend per share (in €) <sup>5</sup>	-	-	1.10	2.25
Payout ratio % <sup>6</sup>	-	-	48.9%	50.0%
Staff	268	-8.2%	292	355

<sup>1</sup> 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.

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

<sup>3</sup> Earnings per share after the deduction of hybrid capital interest.

<sup>4</sup> Earnings per share before the deduction of hybrid capital interest.

<sup>5</sup> The dividend is paid in the following financial year but is based on the previous year's net profit.

<sup>6</sup> Dividend in relation to earnings per share after deduction of hybrid capital interest.

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**Dear Shareholders,  
Dear Stakeholders,**

The past year was defined by a “perfect storm” in the real estate industry, which brought a wave of bankruptcies and a phase of write-downs. UBM was also unable to disengage from these market trends, which were significantly influenced by rising interest rates. Details on the related developments can be found in our annual report which, like our last ESG report, is dedicated to timber, the building material of the 21st century.

2023 was also extremely problematic as regards the environment: it proved to be the warmest year since the start of weather recording in 1850. The planet only just avoided the 1.5°C threshold that defines the limit for global warming. Forest fires, heatwaves and flooding have already shown just how the world would look with a temperature increase of 1.5°C. The Global Risks Report 2024 lists the four most urgent, long-term risks as extreme weather events, a change in planetary systems (sea levels, permafrost soil, ocean currents, etc.), the collapse of ecosystems and a shortage of natural resources like water.

The difficult economic environment in 2023 and the challenges faced in 2024 frequently raise questions over the importance of ESG. However, there is no break in the climate crisis, even in economically challenging times and ESG has, once and for all, set the stage for the transformation of financial flows. We are therefore continuing to follow our *green. smart. and more.* strategy. With a clear commitment to transparency and sustainability, we measured our company’s overall carbon footprint in 2023 and arranged for the validation of our ambitious climate goals by the Science Based Targets Initiative. We also issued our first Green Bond with a volume of €50m in July based on the UBM Green Finance Framework – a step that would never have been possible without our proven ESG credibility.

Information on further milestones, also in the areas of social and governance, is provided in this ESG report, which – similar to previous years – was subject to independent verification by a chartered accountant.

Thank you for your confidence in our efforts to implement our *green. smart. and more.* strategy.

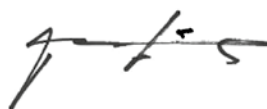
The Management Board



**Patric Thate**  
CFO



**Martina Maly-Gärtner**  
COO



**Thomas G. Winkler, LL.M.**  
CEO, Chairman



**Peter Schaller**  
CTO

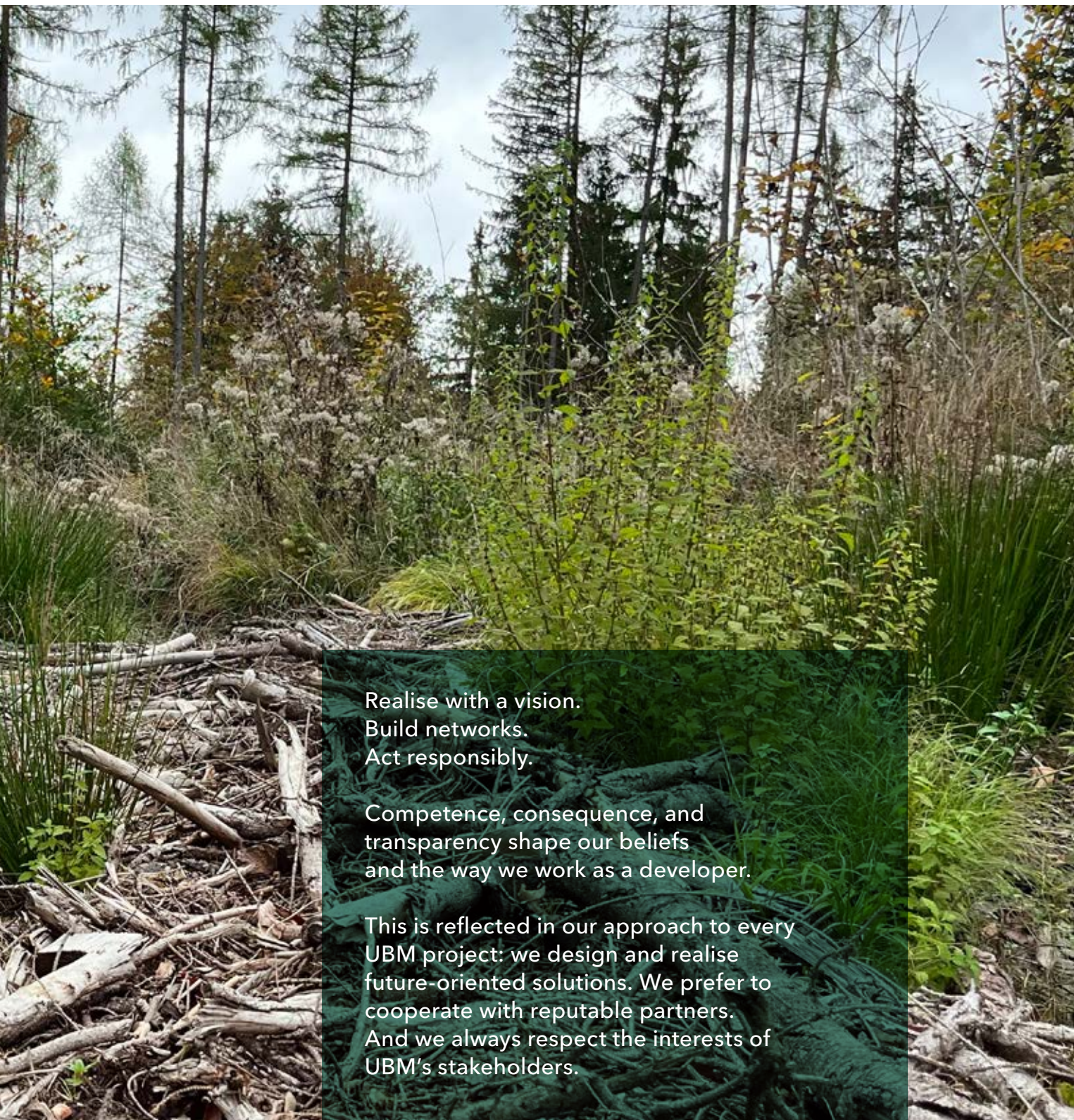












Realise with a vision.  
Build networks.  
Act responsibly.

Competence, consequence, and  
transparency shape our beliefs  
and the way we work as a developer.

This is reflected in our approach to every  
UBM project: we design and realise  
future-oriented solutions. We prefer to  
cooperate with reputable partners.  
And we always respect the interests of  
UBM's stakeholders.

## **1. UBM at a glance**

- 1.1. Our business model
- 1.2. Our activities
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# green. smart. and more.

## 1.1. Our business model. Explained in brief.

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

We develop residential and office properties for Europe’s major cities. In line with our core strategy, the focus is on green and smart building in metropolises like Vienna, Munich, Frankfurt and Prague. With over 150 years of experience, UBM offers a full range of development services – from planning to marketing – from a single source.

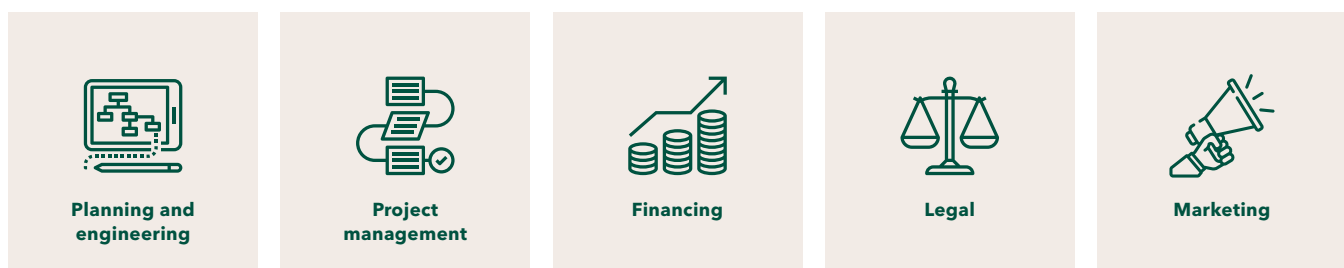
Ecological and social aspects play an important role in every decision because our actions today design the working and living space of tomorrow. Recognition that includes Platinum from EcoVadis, Prime Status (B-) from ISS ESG, Grade B in the CDP rating, inclusion in the VÖNIX sustainability index and more than 35 green building certifications in recent years underscore UBM’s commitment to sustainability.

Ecological and social sustainability are the determining factors for our actions. UBM is a member of various industry associations and organisations like the UN Global Compact and has arranged for the validation of its goals by the Science Based Targets Initiative.

UBM Development AG is listed in the Prime Market segment of the Vienna Stock Exchange, the segment with the highest transparency requirements. That not only means financial transparency but also includes the disclosure of all other aspects of our business model. Top management holds an investment of €5m.

UBM’s corporate headquarters are located in Vienna, but its business activities cover more than a dozen cities and metropolitan regions in five countries – Germany, Austria, Czechia, 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. **GRI 2-1, 2-6**

## TEAM PERFORMANCE ALONG THE ENTIRE VALUE CHAIN





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

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UBM IN EUROPE





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

## 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 of 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, and 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 source: 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 accompany 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-house.

UBM's core business is real estate development, above all in the residential and office asset classes. Based on the Total Output recorded in the individual countries during the past year, Germany was responsible for roughly 22%, Austria for 28%, Poland for 18% and other markets for 32%. The development pipeline in UBM's core markets is also well-filled for the future with €2.3bn up to Q4/2027. Our development projects are balanced and concentrated on the residential and office segments at 45% and 55%, respectively.

The German-speaking countries form the regional focus: we develop more than half of our projects (56%) in Germany and 36% in Austria, followed by the Czechia (7%) and Poland (1%). In the future, our investments will concentrate primarily on top cities like Munich, Frankfurt, Prague and Vienna.

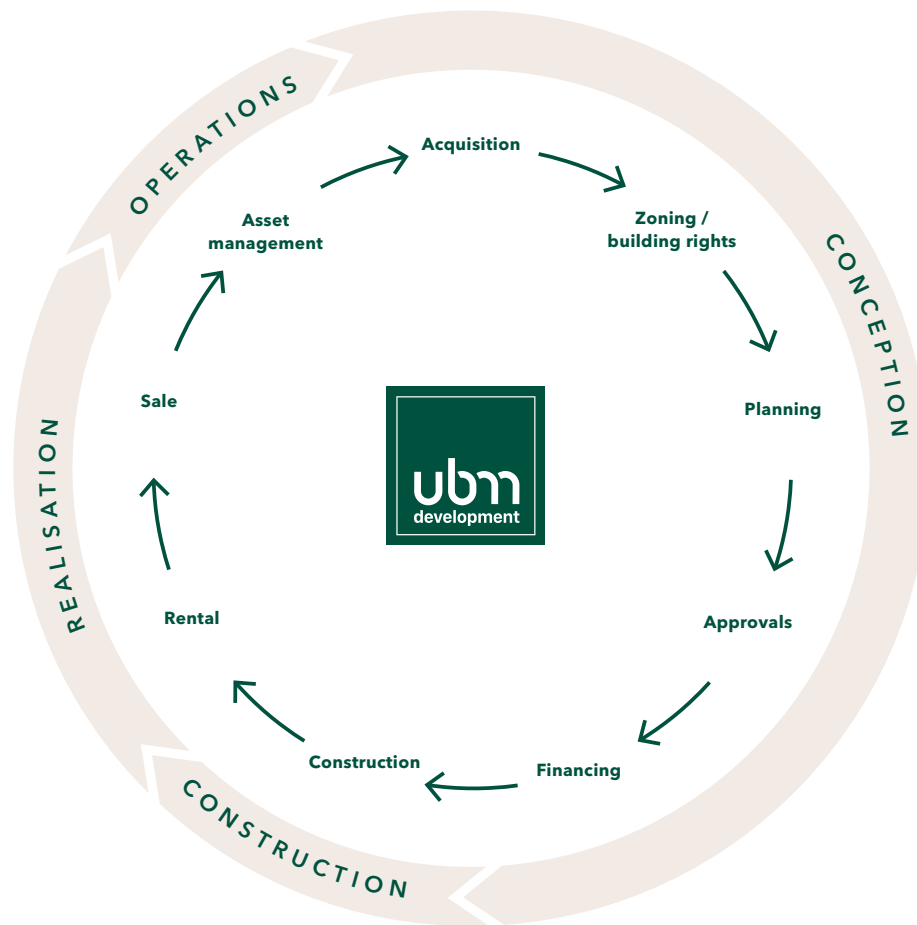
For historical reasons, UBM holds properties with a total value of roughly €480m in its standing asset portfolio. These properties represent investments where the company cannot decide on a sale without the respective partner, or properties whose sale is not yet possible for other reasons like the current market conditions. UBM's basic strategic focus, however, is that of a pure play developer. Roughly 63% of the company's book value is attributable to development. **GRI 2-6**

### UBM'S CORE EXPERTISE





THE VALUE CHAIN



**1.3. Competence and consequence along the value chain**

Expertise along the entire value chain is deeply anchored in UBM’s DNA. Sustainability plays a central role because every decision we make in connection with the development of a property has an impact on the climate for future decades. This conviction is also reflected in our *green. smart. and more.* strategy.

The first stage of the value chain is formed by the search for and acquisition of a location, followed by building permit and zoning issues. The next step is the planning stage. Actions required during the conception phase are initiated together with external partners. After the necessary approvals are received and the financing is secured, the project enters the realisation and construction phase. General contractors, individual companies or a combination of both serve as UBM’s partners.

UBM concentrates on realisation in the form of forward sales as early as the implementation phase. In line with the strategic

concentration on real estate development, the properties are generally sold. The company also holds individual standing assets in its portfolio (36% of the total property carrying amount at year-end 2023) where UBM is responsible for asset management. In keeping with the commitment to sustainability, the entire life cycle of a property is evaluated - for example: the planning phase can actively include possibilities for the later use of a building through refurbishment or opportunities for recycling materials in the event of demolition.

**Quality and experience along the supply 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 engineers - 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 2023. **GRI 2-6**

#### 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 (Germany)
- UBM Development Österreich GmbH (Austria)
- UBM Development Czechia s.r.o. (Czechia)
- UBM Development Polska sp.z o.o. (Poland)
- UBM Development Netherlands B.V. (Netherlands)

There were no significant changes in the organisation during 2023.

The share capital of UBM Development AG totalled €52,305,260 as of 31 December 2023 and is divided into 7,472,180 shares. The syndicate comprising IGO Industries and the Strauss Group held an unchanged 38.8% of the shares outstanding at year-end 2023. In addition, IGO Industries held 7.0% of UBM outside the syndicate. A further 5.0% were held by Jochen Dickinger, a private investor. Free float comprised 49.2% 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 (74%) and Germany (13%). There are no restrictions on voting rights: all shares carry the same rights and obligations, above all the voting right that is based on the number of shares held (non-existence of voting right ceilings). **GRI 2-1, 2-2, 2-9**

#### 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 four members of the Management Board - Thomas G. Winkler (CEO), Peter Schaller (CTO), Patric Thate (CFO) and Martina Maly-Gärtner (COO) - are supported by a four-member Directorate which is responsible for transporting the strategy defined by the Management Board to projects at the operating level and accompanying these projects continuously through completion and sale. The Directorate was staffed internally and has extensive experience in the areas of timber construction & green building, technical competences, controlling and investment management.

The Executive Committee, as an extended management body, includes the four Management Board members and, at the present time, 18 selected country and specialist managers. This committee meets six to eight times each year to evaluate market trends and ensure continuous fine-tuning. 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 it goes further than that.

The assignment of responsibilities underscores the central role of sustainability 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, investor relations & ESG, and compliance. Green building and timber construction report to Peter Schaller, while Patric Thate makes sure the financing is also turning "green" and oversees the implementation of ESG data management. Employees and work safety are the responsibility of Martina Maly-Gärtner. Sustainability issues are a regular point on the agenda of the Executive Committee, especially in view of the 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 Supervisory Board level. This separate committee allows the Supervisory Board, as the senior controlling body, to meet its responsibilities for the environment, society and governance. The ESG Committee deals with the analysis of sustainability criteria and social responsibility concepts in corporate processes. It monitors and backs activities in line with the ESG catalogue of measures based on the clear assignment of responsibilities at Management Board and Supervisory Board levels. This committee also supervises and evaluates the implemented ESG measures - above all, the impact of procurement and development processes on ecosystems, the use of resources, the direct and indirect neighbourhood, and good corporate management.

The inclusion of ESG factors in the remuneration model will be evaluated in detail in the future: plans call for the integration of key ESG performance indicators in management's variable remuneration over the medium term. Further information on the Supervisory Board and Management Board can be found in the Annual Report for 2023 (chapter "Corporate Governance").

### Shared values as the basis

Many projects in many different countries - that requires a common understanding 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: competent. consequent. transparent. Specifically, that means: UBM stands for high technical competence, consequent actions and full transparency.

**GRI 2-9, 2-13, 2-19, 2-22**



Based on these defined values, we have formulated the following binding goals:

#### one goal

stands for an increase in the value of the company.

#### one team

expresses the goal to grow even more together as a group.

#### one company

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



## 1.6. Financial performance indicators

UBM is in the midst of the greatest transformation in its 150-year history. The Management Board team has recognised the enormous demand for sustainable products in Europe, and the ambitious goal to become the leading developer of timber construction projects in Europe which makes this transformation visible gained momentum during the past financial year. The timber hybrid pipeline with more than 300,000 m<sup>2</sup> includes pioneering projects like LeopoldQuartier in Vienna and Timber Factory in Munich. However, difficult economic times for developers require a solid financial foundation. UBM is well positioned with an equity ratio of over 30%.

### Business development and earnings

UBM Development generated Total Output of €284.2m in 2023, compared with €390.7m in the previous year. The largest contributions in 2023 did not come from Germany or Austria, as in earlier years, but from the Other Markets segment. Total Output for the reporting year was influenced, above all, by the progress of construction on and the sale of real estate projects, which is recognised in revenue and earnings over time in accordance with the percentage of completion and realisation. A significant impulse for this positive development was provided by the Arcus City residential project in Prague with over 270 housing units and ten single family houses. The Astrid Garden Residences and Neugraf projects in the Czech Republic provided further substantial support for Total Output. The largest share of Total Output was generated by the hotel business based on an increase from €57.1m in 2022 to €110.4m in 2023. This upward trend reflects the recovery in tourism and travel after the COVID-19 pandemic.

Revenue as reported on the consolidated income statement fell from € 133.9m in the previous year to €85.3m and reflected the decline in contributions which followed the sale

of fully consolidated projects. Contributions to revenue were made, above all by residential construction projects in the Czech Republic (Arcus City, Astrid Garden Residences).

The profit from companies accounted for at equity fell to €-14.1m in 2023 (2022: €25.4m). The positive contribution to earnings in the previous year was based on real estate projects like F.A.Z. Tower in Frankfurt and Gmunder Höfe in Munich.

The income from fair value adjustments to investment property amounted to T€318, compared with €25.5m in 2022. The fair value adjustments in the previous year were related primarily to a large-scale project in Vienna and based on the receipt of the zoning permit from the municipal authority. The expenses from fair value adjustments totalled €40.8m in 2023 and were recognised, in particular, to larger office projects in Austria, Germany and Poland. In 2022, the expenses from fair value adjustments totalled €4.6m.

EBITDA fell by €66.5m to €-27.3m in 2023 (2022: €39.2m). The decline resulted, above all, from the revaluation of projects and standing assets.

Depreciation and amortisation amounted to €2.8m (2022: €5.3m). These factors, in total were responsible for a decline of €64.0m in EBIT to €-30.1m in 2023 (2022: €33.9m).

Financial income fell from €23.4m in 2022 to €21.8m due to a decline in interest and similar income from project financing for equity-accounted companies and subsidiaries. Financial costs rose to €31.1m in 2023 (2022: €25.9m), above all as a result of higher interest costs for project financing.

EBT amounted to €-39.4m in 2023 and was €70.9m lower than the previous year (2022: €31.5m) due to property write-downs. Tax expense totalled €6.7m, compared with €4.3m in 2022, and the tax rate equalled 17.0% (2022: 13.8%).

The net loss (net profit after tax) totalled €46.0m in 2023, compared with net profit of €27.1m in 2022. The net loss attributable to the shareholders of the parent company amounted to €52.5m (2022: net profit of €16.8m). Beginning with the 2020 financial year, the method used to calculate earnings per share was changed. The calculation of the net loss attributable to the shareholders of the parent company includes a deduction for the net loss attributable to the hybrid capital holders. The share attributable to the hybrid capital holders fell from €9.1m in 2022 to €5.9m in 2023, and the resulting earnings per share declined from €2.25 to a loss per share of €7.03 in 2023.

#### Asset and financial position

Total assets recorded by the UBM Group amounted to €1,253.8m as of 31 December 2023 and were €198.0m below the level on 31 December 2022 (€1,451.8m). This decline resulted primarily from the premature repayment of the hybrid bond 2018 in March 2023 and also involved write-downs that reduced equity and the payment of the dividend and interest.

Non-current assets declined by €45.3m year-on-year to €745.3m as of 31 December 2023. Property, plant and equipment totalled €11.1m and were slightly lower than on 31 December 2022 (€12.2m). This position consists primarily of capitalised rights of use from lease liabilities.

The carrying amount of investment property rose by €16.2m to €407.9m as of 31 December 2023. In contrast, the investments in equity-accounted companies declined by €30.6m to €150.2m. Project financing also declined by €37.3m to €143.6m.

Current assets totalled €508.5m at year-end 2023 and were €152.7m lower than at year-end 2022. Cash and cash equivalents were reduced, among others, by the following factors: the premature repayment of the hybrid bond 2018,

the repayment of the bond 2018-2023, the payment of the purchase price for two acquisitions made in 2022 and 2023, and the payment of the dividend and interest. As of 31 December 2023, cash and cash equivalents equalled €151.5m.

Equity totalled €379.7m as of 31 December 2023 (31 December 2022: €501.5m). The decline is explained, above all, by the repayment of the hybrid capital, the payment of the dividend and the loss recorded for the 2023 financial year. The €8.2m dividend was paid on 30 May 2023. The equity ratio equalled 30.3% at year-end 2023 despite the difficult operating environment (31 December 2022: 34.5%) and remained within the 30-35% target range.

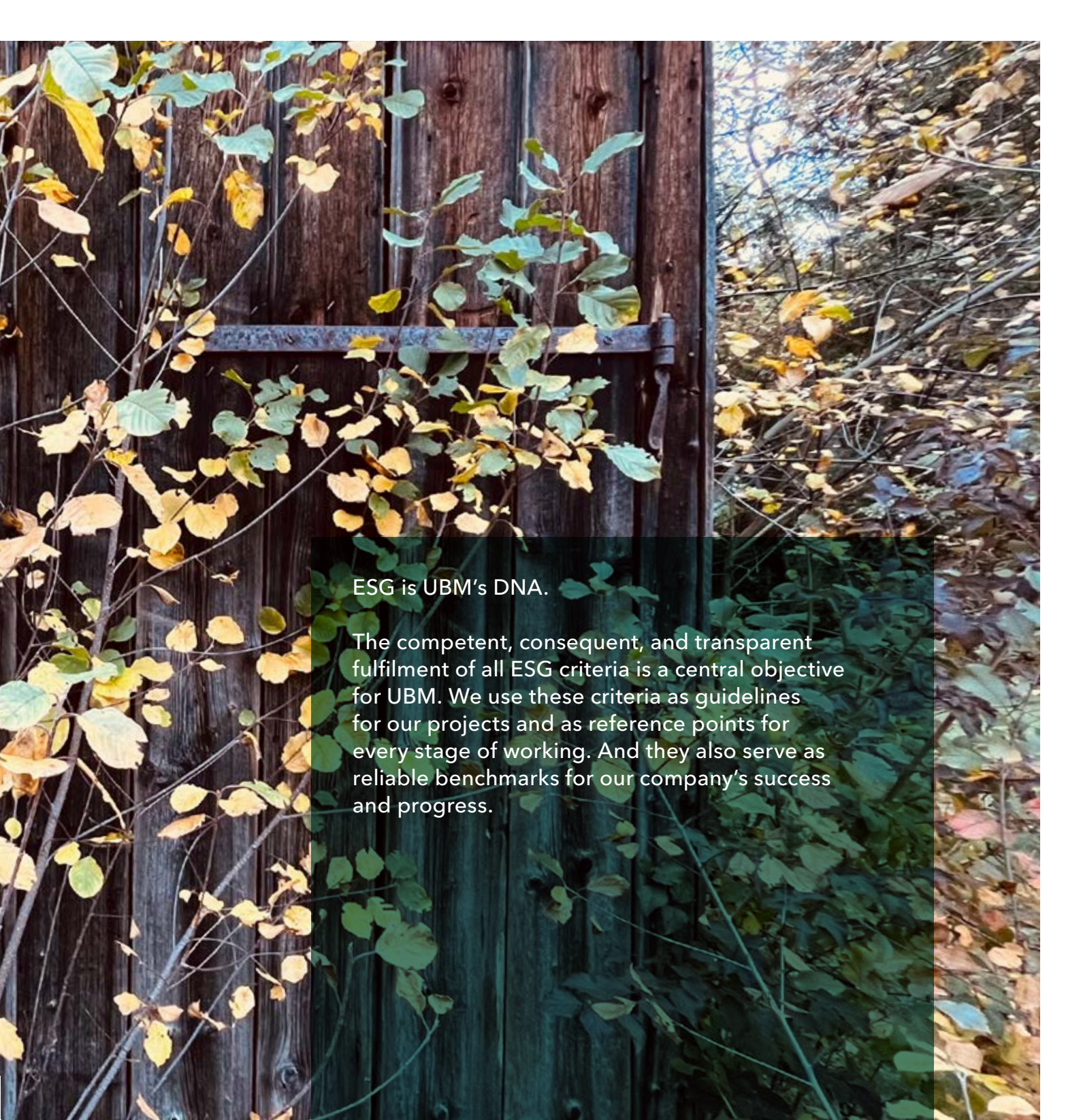
Bond liabilities (current and non-current) amounted to €376.1m at the end of December 2023 and were €70.6m lower than the previous year (31 December 2022: €446.7m). In November 2023, €91.1m of the UBM bond 2018-2023 was repaid.

Net debt totalled €610.2m at year-end 2023 (31 December 2022: €500.2m). This indicator includes current and non-current bonds and financial liabilities, excluding lease liabilities, less cash and cash equivalents. The increase resulted from the repayment of hybrid capital and the payment of the dividend. **GRI 2-6**









ESG is UBM's DNA.

The competent, consequent, and transparent fulfilment of all ESG criteria is a central objective for UBM. We use these criteria as guidelines for our projects and as reference points for every stage of working. And they also serve as reliable benchmarks for our company's success and progress.

## 2. UBM in detail

- 2.1. Competence: "organic" growth with timber
- 2.2. Consequence: Green Lease and Green Finance
- 2.3. Transparency: an entire year under the sign of ESG





## We rely on “organic” growth

### Our competence ...

... covers the expertise and the will to manage UBM with a focus on ecology, society, and responsibility.

Properties that are sustainably developed, built, and operated are what really count today. Here, the current demands of the market coincide with our own high standards as a developer. At UBM, our mission is to make sure our projects meet ecological, economic, and aesthetic criteria along the entire value chain.

This approach is reflected in each of our stages of working - even including the selection of the building materials. Where

ever conditions allow, UBM relies on timber construction, in other words on a continuously renewable, environmentally and people friendly material. With over 300,000 planned square metres as a timber construction, our pipeline is one of the largest in Europe. And we are optimally positioned to ensure the realisation of these projects on budget and on time internally with our highly qualified experts and externally with our experienced partners.

### Timber construction is also convincing at second glance

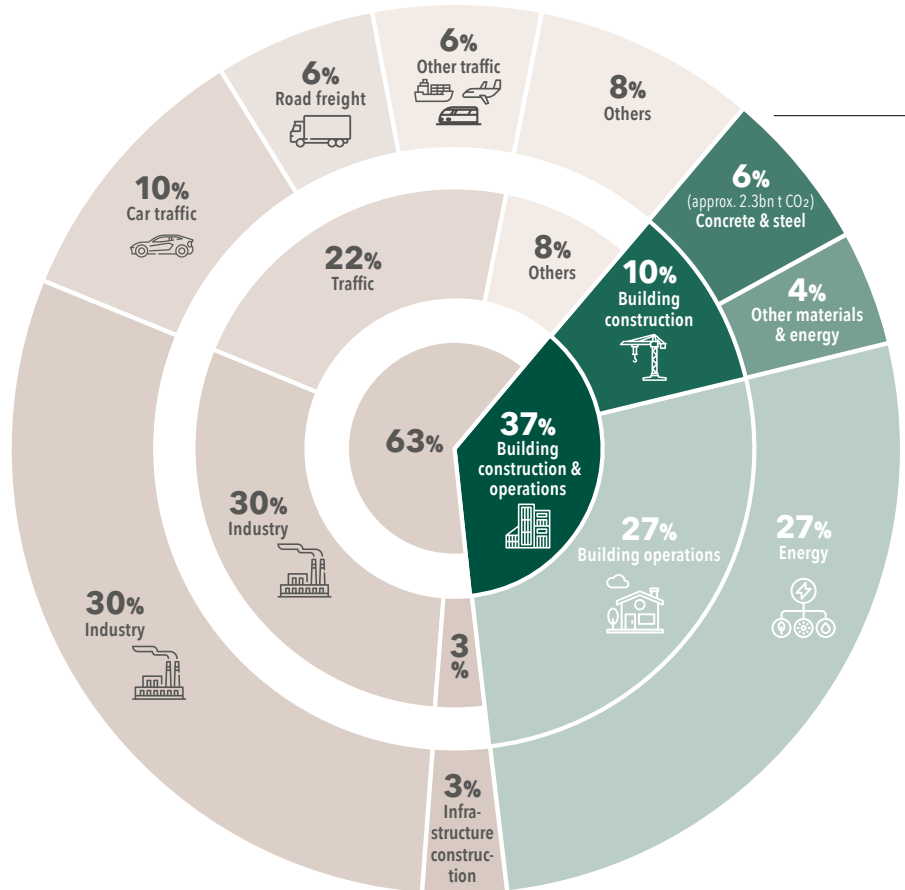
We find timber attractive because it creates a natural, pleasant atmosphere. But, in reality, it can do a whole lot



**Timber Peak, Mainz**  
High ceilings, natural wooden surfaces and a flexible room layout.

## GLOBAL CO<sub>2</sub> EMISSIONS

The production of the concrete, aluminium and steel frequently used in the construction of a building is responsible for **six per cent** of all CO<sub>2</sub> emissions worldwide. That equals the total of all global air, sea and rail traffic combined.



more. As a building material, timber acts like a big carbon sink. The production of cement, aluminium, and steel for building construction, in contrast, results in roughly two billion tonnes of CO<sub>2</sub> emissions each year - which can be reduced, at least in part, through the use of timber.

All of the required timber elements can be completed in advance by the producer. The final on-site assembly of the modules then proceeds considerably faster, quieter, safer, cleaner and at a lower cost compared with conventional construction methods. Future dismantling is easier on both budgets and the environment as it is connected

with less effort and yields significantly more recyclable material.

Timber construction also creates decisive advantages on the financial market. EU directives, including the EU Taxonomy, are shifting international financial flows massively and irreversibly towards "green" activities. Timber construction projects are viewed by investors as particularly positive - and this decisive support leads to higher proceeds on both sale and rental.

Timber is the building material of the 21st century.



## A winning idea: our Timber Family

With the eight-storey Timber Pioneer in Frankfurt am Main, UBM has developed the city's first office building as a timber hybrid construction. It is also the first member of our rapidly growing Timber Family and will create around 14,000 square metres of office space. The speed of rentals, even before completion, has set a clear signal. Our Timber Pioneer ranked first for take-up in this business metropolis during the first nine months of 2023.

By the end of 2024, we plan to lay the foundation for new members of our Timber Family at four attractive locations: Timber Factory (Munich), Timber Peak (Mainz), Timber View (Mainz), Timber Port (Düsseldorf), and Timber Praha (Prague).

We also have seven new timber construction projects in the pipeline. One outstanding example is the Timber Marina Tower in Vienna. This 113-metre office tower on the banks of the river Danube is one of the highest timber skyscrapers in the world as seen from today's development perspective. UBM is planning the Timber Marina Tower as a sustainable timber hybrid construction.



### One of the pioneers and leaders in Europe

Our current volume of over 300,000 square metres built with timber is divided equally between the office and residential asset classes. This volume also made us one of Europe's leading timber construction developers in 2023. Our strategic concentration on green and smart building in major cities like Vienna, Munich, Frankfurt and Prague again

**Timber Marina Tower, Vienna**  
One of the highest  
timber hybrid buildings in the world



impressively confirmed this position. A coveted Platinum ranking from EcoVadis and Prime Status in the ISS ESG rating also show that our undivided attention to sustainability is closely monitored and honoured by the market.

UBM CEO Thomas G. Winkler: "The climate crisis will still be with us long after the current economic crisis in the property sector has been overcome. Anyone who cannot display a top rating for sustainability will have difficulty in securing financing."

### Timber construction in focus at the Office Day in Frankfurt

The first UBM Office Day in Frankfurt am Main was held on 30 and 31 March 2023. Roughly 50 staff members enjoyed an interesting programme at the Holiday Inn Alte Oper. The first day included an overview of current projects from the UBM countries together with presentations on timber con-



struction green leases and interior design. This was followed by an on-site visit to our innovative Frankfurt timber construction project - Timber Pioneer. The second day covered topics like lean management and smart building.

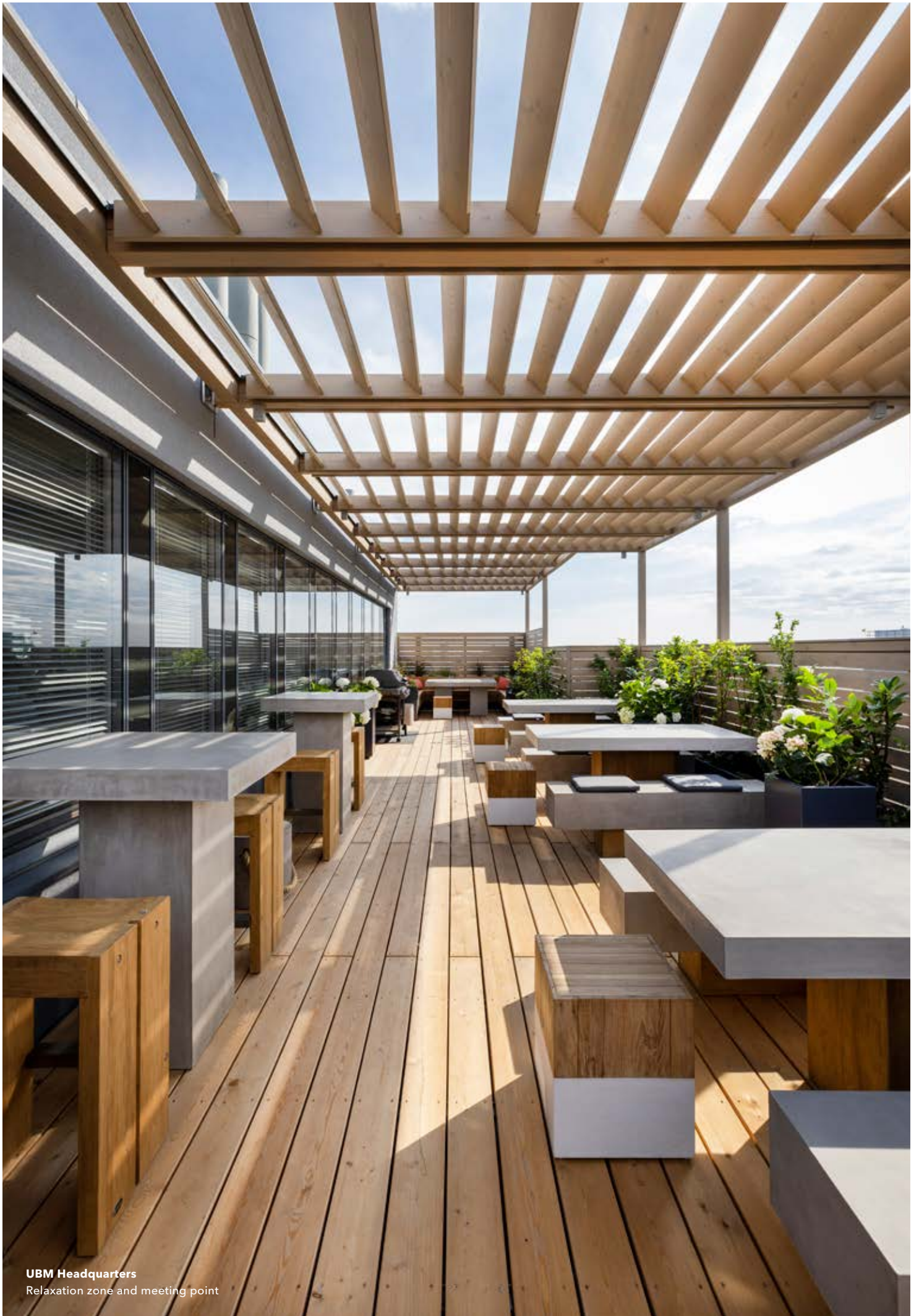
**UBM outing to the Timber Praha project**

Our Czech employees were given an opportunity to visit the construction site of Timber Praha on 1 August 2023. This UBM project represents the first multi-storey timber hybrid apartment house in Prague’s modern history. The visitors were surprised, above all, by the rapid progress of construction. Our cooperation partner ELK Bau started with the assembly of the prefabricated timber modules at the end of June 2023 and was already at work on the last storeys.

**UBM’S TIMBER FAMILY**

PROJECT	LOCATION	ASSET CLASS	GROSS FLOOR AREA
<b>Timber Factory</b>	Munich	Office, Commercial	<b>59,000 m<sup>2</sup></b>
<b>Timber Marina Tower</b>	Vienna	Office	<b>44,400 m<sup>2</sup></b>
<b>Timber Living</b>	Munich	Residential	<b>23,200 m<sup>2</sup></b>
<b>Timber View</b>	Mainz	Residential	<b>18,200 m<sup>2</sup></b>
<b>Timber Pioneer</b>	Frankfurt	Office	<b>17,600 m<sup>2</sup></b>
<b>Timber Port</b>	Düsseldorf	Office	<b>11,800 m<sup>2</sup></b>
<b>Timber Works</b>	Munich	Office, Commercial	<b>9,700 m<sup>2</sup></b>
<b>Timber Peak</b>	Mainz	Office	<b>9,500 m<sup>2</sup></b>
<b>Timber Praha</b>	Prague	Residential	<b>7,400 m<sup>2</sup></b>





**UBM Headquarters**  
Relaxation zone and meeting point

## Outstanding work in the interest of sustainability

UBM Development received the PLATOW IMMOBILIEN AWARD in 2023 for the category "Sustainability". We see this as an impressive success as the award comes from a very prestigious information service.

Commenting on the selection of UBM, the "PLATOW Brief" noted: "UBM Development is one of the leading and best-known developers of timber construction projects in Europe. With its strategic focus on green building and smart offices and consequent orientation on sustainability, the company has taken the leading role in the timber construction segment over 150 years and continuously set new benchmarks."

### Innovative headquarters for bright minds

The "Best Workspaces" competition was sponsored by the well-known German Callwey publishing house for the second time in 2023. An independent jury of top-class experts from various disciplines selected projects from Germany, Switzerland and Austria whose office buildings and working worlds were characterised by innovative concepts and sophisticated design. One of the proud award-winners: UBM's headquarters in Vienna, which has now joined the select circle of the 50 most innovative office worlds in the German-speaking countries.

The jury was convinced by the holistic concept developed by our own UBM interior design team, which covered the redesign of nearly 4,000 square metres of office space. A total of 116 stationary workstations, generous conference zones and cleverly scattered relaxation islands over two floors as well as an impressive chill-out zone on the green roof terrace were created in summer 2022.

UBM CEO Thomas G. Winkler explained: "Our first objective was to offer our own employees an attractive environment as an incentive to return to the office - before we start to tell other companies how the new hybrid working world functions."

On Vienna's Laaerberg, the result was a rousing success. The UBM headquarters overall together with every individual solution convey an atmosphere of professionalism and calm. This mixture clearly proves that office work can become more attractive, even in times when people work from home. The floor plan, furnishings and lighting create a bright, open atmosphere. The design of its own headquarters demonstrates UBM's capability as both an innovative developer and an attractive employer.

### Sustainable rewards in an anniversary year

In December 2023, UBM Development AG was heralded as the Austrian capital market's sustainability champion. The financial magazine "Börsianer" selected UBM as "Austria's most sustainable share in 2023". This award was presented for the first time and is based on a scoring model that included the peer group, corporate indicators and editorial staff as well as a ranking by BDO Austria.

Thomas G. Winkler, CEO of UBM Development AG: "A long history is important, but this award shows that UBM is actually young at heart." Dominik Hojas, Editor-in-Chief and Publisher of the "Börsianer" added: "Sustainability is also a megatrend on the capital market. Many companies rely on specific initiatives, but UBM Development AG impressed the 'Börsianer' with the transformation of its entire business model."







## UBM's Green Lease Framework

### **Our consequence ...**

... has now led to the addition of Green Lease and Green Finance to Green Development.

### **Responsibility on a large scale**

The European Green Deal calls for a reduction of at least 55% in net greenhouse gas emissions (basis: 1990) in the EU by 2030. The construction and operation of buildings are currently responsible for more than one-third of global energy consumption and roughly 40% of worldwide CO<sub>2</sub> emissions (UNEP 2022). Consequently, the sustainable use and management of buildings is essential to meet these European Union targets. Building operations must also be planned with a view towards future ESG criteria and the related reporting requirements.

### **A classic win-win situation**

A green lease, in other words a "greener" sustainable rental agreement, creates numerous benefits for all involved parties. In addition to the financial savings resulting from lower energy and operating costs, it helps commercial tenants to implement their own sustainability strategy. And

building owners benefit from the increased attractiveness of their properties for environmentally and cost-conscious tenants.

### **Everybody turns green**

A green lease also fundamentally changes the dynamics between building owners and tenants. Traditional rental agreements often establish an unequal balance of power between the parties. Under a green lease, both parties commit to sustainability as the overriding goal. The resulting concentration demands and supports a fair and cooperative commitment that benefits both sides over the long term.

### **A framework that works across the board**

The UBM Green Lease Framework serves as an advice-giver, guide and tool - all at the same time. It explains design possibilities and methods for the sustainable use and management of buildings that benefit everyone involved. The basis requirements for the collective implementation of these suggestions and tools are an open exchange and an atmosphere of mutual trust. In any event, the parties have their common interests right before their eyes.

### **Here, everything has its place**

The catalogue of measures in the UBM Green Lease Framework starts with general information and then goes into every imaginable detail. It covers all subjects related to modern building management, while building-specific rules can be found in the green lease clauses of the respective rental agreements.

**Save energy** - Roughly 27% of all global CO<sub>2</sub> emissions are caused by building operations. Energy consumption can be reduced with the use of energy monitoring systems as well as intelligent lighting and switching off equipment. The use of renewable energy sources can also make a significant contribution to reducing carbon emissions - and this is the method preferred by UBM.

**Reduce waste** - The European Commission presented a circular economy action plan in 2015 to prevent waste. In building operations, we always have an eye on waste generation and separation. Waste prevention saves energy and resources, and the sorted collection of waste improves correct material recycling.

**Conserve water** - An economical use of water and wastewater is an important factor in building use. As a real estate developer, UBM includes practical solutions for water consumption in its project planning. These solutions include the purification of rainwater and grey water as well as the use of water-saving fittings to significantly reduce the demand for fresh water.

**Design mobility** - UBM prepares individual mobility concepts to reduce the carbon emissions for every project. Included here, for example, are excellent connections to local public transportation, e-charging stations for cars, charging facilities for e-bike batteries, car sharing, and e-bike hire stations.

**Optimise cleaning** - One of the many detailed recommendations in the Green Lease Framework: cleaning agents that carry an environmental seal like the "Blauer Engel"

or "EU Ecolabel" are effective without having a significant environmental impact. Seals that cover the entire product life cycle also show where packaging waste can be saved.

### **Data points the way**

Precise data and comparable indicators provide important orientation points for the optimal construction and monitoring of our sustainable property management. Only with correct and valid inputs can we introduce optimisation processes and identify hidden opportunities for cost savings. Extensive data can also be collected proactively and processed for the next sustainability report.

The more complex the design or use of a building, the more information it generates. We therefore concentrate, above all, on parameters that have proven to be particularly cost-, risk- or contract-relevant. An important issue for collection and analysis is to ensure that data is never lost or distorted.

Measuring devices and metres for the consumption of water, heat, cooling and electricity have proven to be effective in practice. They permit the exact determination of costs and, in turn, fair and consumption-based invoicing. This data can also be consolidated into long-term consumption profiles that can be used as the basis for even more efficient energy management.

### **Start a conversation, stay in contact**

The recommendations in the UBM Green Lease Framework require both sides to supply information on a timely basis as soon as a sustainability issue appears. To ensure close and continuous communication during the contract term, the building owners and tenants ideally designate sustainability officers. Most agree on a quarterly or half-year cycle for coordination meetings. The resulting tasks can then be completed together according to their scope and urgency. Administrative activities are also included here and range, for example, from monitoring the agreed Green Lease requirements to data analysis and preparation of a sustainability report.



# UBM Green Finance Framework

## Strong principles, clear guidelines

We have created a clearly defined framework to provide direct and methodical support for our involvement in ecologically responsible projects: the UBM Green Finance Framework. It follows the ICMA Green Bond Principles 2021 (GBP) and LMA Green Loan Principles 2023 (GLP) and covers the four recommended core components:

- Use of proceeds
- Project evaluation and selection
- Management of proceeds
- Reporting

### Use of proceeds

Our Green Finance Framework requires us to always invest the net proceeds from the issue of green financial instruments in the full or partial financing and/or refinancing of new or existing Eligible Projects. These projects are selected by an internal expert committee based on clearly defined criteria from two categories: Green Buildings and Renewable Energies.

### Project evaluation and selection

We see the evaluation and selection of Eligible Green Projects as a key process. This positioning was reflected in the installation of a Green Finance Committee (GFC) at UBM, which includes the Chief Financial Officer, the Head of Treasury, the Head of Investor Relations & ESG, the Head of Green Building & Timber Construction and the Head of Controlling. Only unanimously approved projects are classified eligible green projects. The Investor Relations & ESG department is responsible for preparing and updating a list of these projects.

### Everything comes together in the GFC

The UBM Green Finance Committee evaluates, among others, whether the recommended allocations agree with general corporate guidelines and the ESG strategy. It also ensures, for example, that potentially eligible green projects reflect the established categories and meet the subsidy criteria.

The GFC meets at least once each year, in each case up to the complete allocation of the available funds.

## ESG risks systematically reduced

UBM carried out an extensive ESG risk analysis to identify the most important ecological, social and governance risks connected with its management and business activities. Examples of these risks are a negative environmental impact caused by high energy consumption, a lack of biodiversity, the low recyclability or durability of building materials, and danger to employees' health and safety.

Strategic decisions were taken to minimise risk and a concrete package of measures was developed. These decisions include UBM's focus on timber construction and on renewable energies and green building certifications. Our integrated management system for occupational safety and health protection is another important element.

As soon as a serious ecological or social risk is identified, the GFC makes recommendations to minimise this risk during the project evaluation and selection process. The compliance management system implemented by UBM also takes effect here. It minimises the risk of potential violations of legal requirements and systematically ensures compliance with all framework conditions.

### Management of proceeds

The net proceeds from our green financing instruments are managed by UBM's Treasury department on a portfolio basis and allocated in full to eligible green projects. If the involved projects are sold or terminated, or no longer meet the eligibility criteria, they are replaced as quickly as possible with suitable alternatives. UBM is committed, within its possibilities, to the complete allocation of the proceeds within 36 months of the respective securities issue.

### Reporting

UBM plans to issue regular reports that document the allocation and effects of Eligible Green Projects in the year following the issue of the respective green financing instruments. These reports will be publicly accessible on the UBM website.

The **allocation report** covers indicators like the total amount of outstanding green financing instruments, the total amount of the proceeds, the geographical distribution of eligible



projects, the total amount of non-allocated proceeds, the amount or percentage of new financing and refinancing as well as examples of eligible green projects.

The **impact report** documents the effects of the green projects. It provides information, for example, on certifications, the generation of renewable energies or measures for carbon reduction and energy savings.

**External review** - UBM commissioned ISS ESG to prepare a Second Party Opinion (SPO) on the Green Finance Framework as regards its agreement with the Green Bond Principles of the ICMA 2021 and the Green Loan Principles of the LMA 2023. This opinion was published on the website together with the UBM Green Finance Framework.

#### **First UBM Green Bond successfully placed**

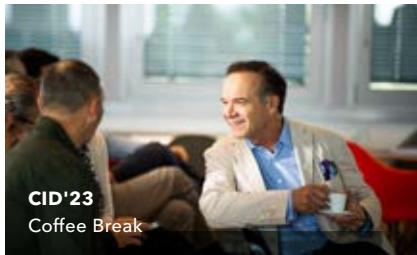
The first UBM Green Bond 2023-2027 was successfully placed on the Vienna Stock Exchange on 4 July 2023. This €50m bond has a four-year term and an annual coupon of 7%. The demand was reflected in strong participation by retail investors.

The success of this first green bond in an extremely difficult environment for the industry confirms our "green course" and also demonstrates the strong confidence of private investors in UBM. The ability to raise capital on the market by issuing bonds is a key competitive advantage, also in volatile times. It gives UBM the flexibility to act quickly and utilise market opportunities.

**UBM Green Bond:**  
Print and online  
media advertising

The graphic features a dark green background with the UBM logo in the top right corner. The text is white and includes the interest rate '7%', the bond title 'UBM Green Bond 2023-2027', the subscription deadline 'Zeichnungsfrist: 27.06 - 03.07.2023', and the ISIN 'AT0000A35FE2'. A small asterisk and the text '\*Rechtshinweis' are located at the bottom right of the graphic.





## UBM Events

### Our transparency ...

... an entire year under the sign of ESG. UBM increases its visibility and appeal.

### UBM "E"events in 2023

#### The UBM-wide Climate Impact Day

"Climate Impact" was the focal point for all UBM branches in October 2023. Internal and external experts held informed lectures on the latest developments in climate protection and sustainability. In addition to joint meetings, the interactive workshops were also well attended. The participants updated their knowledge on "green" financing, waste separation and waste prevention, and on the responsible handling of food products.

At the headquarters in Vienna, we also kept sustainability in mind for travel to the venue: employees arriving by bicycle could enjoy free servicing, and the person with the longest bicycle trip received a prize.

#### Summit meeting: Green Peak Festival 2023

The Green Peak Festival 2023 in Vienna's MuseumsQuartier was held on 8 September. It initiates and supports exchange and networking between the private sector, civil society and politics with a view towards sustainability and climate protection. The speakers included highly qualified sustainability innovators and changemakers from the real estate & construction, mobility, energy, industry and agriculture sectors. UBM was also represented: our CEO Thomas G. Winkler exchanged views with Alexandra Hagen (White



CID'23  
Speaker Bernhard Egert



Welcome Day  
Onboarding for new employees



respACT Start-up Lounge  
Innovative solutions for sustainable  
property development

Arkitektur) and Francisco Jose Galan (Masdar City) on "Building Our Sustainable Future".

**respACT start-up lounge at UBM**

On 14 September 2023 the Vienna headquarters were entirely focused on start-ups and ESG. In cooperation with Austria's leading corporate platform for sustainable management, we organised a respACT start-up lounge. The spotlight was on the planning and design of construction projects and the presentation of ideas for sustainable real estate development. Three challenges on these subjects set the stage for the creation of new approaches in directed, structured group work with experts and start-ups. We see this event as the cornerstone for possible future cooperation and a way to strengthen the innovation mindset at UBM.

**UBM "S" events in 2023 ...**

**A second Welcome Day at UBM in Vienna**

27 March marked the date for UBM's second Welcome Day in Vienna. This entertaining event gave us an opportunity to meet and greet 23 new colleagues from UBM's local organisations at the headquarters in Vienna. After informal group discussions, the Management Board presented UBM's goals and strategy and followed with an invitation to lunch. The day's activities ended with an informative and fascinating lecture by our Timber Construction team and an exciting quiz.





**UBM Family Day in Vienna**  
First steps



**UBM Family Day 2023**  
Generation UBM



**UBM Family Day in Vienna**  
Happy birthday!



**UBM Family Day in Vienna**  
Young talent

**Second UBM Family Day in Vienna**

UBM's offspring were invited to investigate their parents' working world in Vienna on 28 June 2023. Eighteen inquisitive children and two curious canines explored UBM's office world. Entirely in tune with the environment and timber construction mindset, materials were upcycled to create bird boxes and build treehouses. A quiz on sustainability subjects also kept the children busy. All in all, it was an unforgettable afternoon full of laughing, learning and valuable family moments.

**The first UBM Family Day in Poland**

The UBM Family Day celebrated its premiere at our Warsaw branch in Poland on 28 June 2023. Many of our employees' children used this occasion to playfully explore UBM's Poleczki Park project. The popular activities included an exciting hunt for herbs in the garden and planting trees together. Our Polish UBM families ended the day with an idyllic campfire.

**UBM Family Day in Vienna**  
Office



**UBM Family Day in Vienna**  
Visiting the parents' workplace



**UBM Family Day in Poland**  
Exploring Poleczki Park



**Family Day in Czechia**  
Rooftop

### **Family Day 2023 in Czechia**

The first Family Day in Czechia was held in September. In our Prague office, 16 children happily and curiously investigated their parents' working world. From the terrace, they were able to see the Astrid Garden project which is currently under construction. All of the children's questions on UBM's work, climate protection and its relevance for our project development found interested listeners - and opened surprising new viewpoints for our staff.



**Family Day in Czechia**  
New perspectives





**Social Day at Samariter Suppentopf**  
Cooking for people affected by poverty



**Social Day at Lichtblickhof**  
Hoof-friendly floor for the therapy horses



**Social Day at Lichtblickhof**  
Total effort for the therapy centre



**Social Day at Vinzirast**  
Gardening

**In the best sense of the world: restless at Vinzirast**

This year's first UBM Social Day took place on 28 April. Employees from our Vienna office took charge of the garden at the Vinzirast facility in Mayerling, Lower Austria. They removed weeds, prepared the beds, and potted plants. Vinzirast provides housing for homeless people and gives them an opportunity to work on joint projects. This charitable institution lives solely from donations and volunteer support - which made our work that day even more important.

**Mixing the Samariter soup pot**

On 7 June 2023, a number of our UBM employees volunteered to help with the Samariter Suppentopf in Vienna as part of their Social Day activities. This institution has offered a warm meal to people in homeless and refugee shelters who are at risk of poverty since 2022. The name

here describes the method and means that even simple ingredients can be turned into the most creative, sustainable and diverse main dishes. A professional chef did the shopping and helped the UBM kitchen crew with the preparation and serving.

**Further strong support for the Lichtblickhof**

We visited the Lichtblickhof therapy centre and children's hospice for the fourth time on 15 September 2023 - and worked hard for an entire Social Day. Nine UBM employees loosened the stony underground on the area to make it "hoof friendly" again. The therapy horses then galloped happily from the stables into the outdoor paddock. Their renewed high spirits were a pleasant experience for the therapists, the children treated in the Lichtblickhof and our animal-friendly staff.



**Social Day Berlin**  
Garden maintenance  
for the KiJuNa



**Social Day Munich**  
Turtle refuge



**Social Day Munich**  
Definitely green



**Social Day Frankfurt**  
Handicraft sets for sick children

### **Impressions from the Social Day in Berlin**

Our colleagues in Berlin supported the children's, youth, and neighbourhood centre (KiJuNa) in Berlin Steglitz during their Social Day. Together, they decorated the outside area and attended to the garden - with the satisfying results that the KiJuNa, as a social facility, is now optically just as welcoming as its outstanding urban quarter activities.

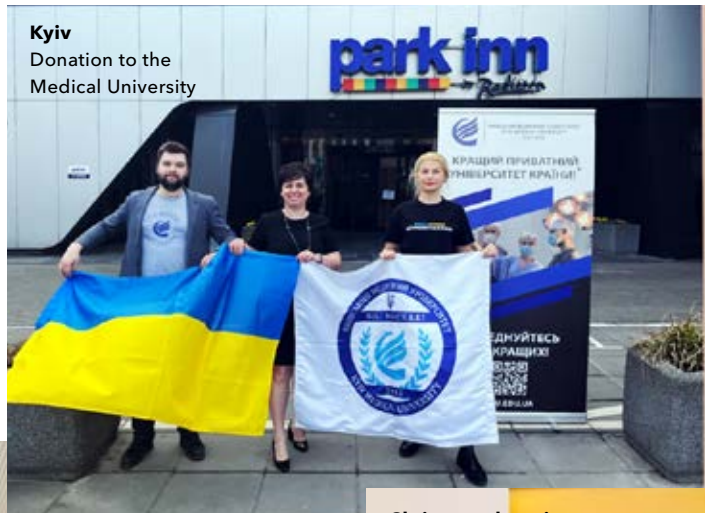
### **Social Day in the reptile rescue centre in Munich**

With a great deal of commitment and love for animals, nine employees from our office in Munich spent a day refurbishing the Chelonia turtle refuge. They also received a highly interesting glimpse of the reptile world from Luka, the head animal keeper, on a special tour. And they met Ramses, the Nile soft-shelled turtle, who is one of only seven of this species in Europe.

### **UBM Frankfurt in action for AKIK**

The action committee KIND IM KRANKENHAUS e.V. (AKIK) formed the focal point of activities for our staff at UBM Frankfurt am Main on 31 October 2023. AKIK, which was founded in 1982, supports the well-being of children and young people in hospitals and in nursing and care-giving facilities. Our employees used their Social Day to support AKIK: 80 complete handicraft sets, including children's scissors and coloured pencils wandered into covers decorated with get-well wishes from AKIK to the five supported clinics. A great activity that brought a smile to children's faces.





**Kyiv**  
Donation to the  
Medical University



**Samariterwage!**  
Donation to the Samaritans



**Christmas donation**  
To the St. Anna  
Children's Hospital

**Support for the Medical University in Kyiv**

The start of the war in Ukraine led to the partial relocation of the Kyiv Medical University to Krakow in Poland. Here, the students have found a safe environment to continue their studies. To cover their immediate needs, the Park Inn by Radisson Krakow – which was developed by UBM and is operated by UBM hotels – donated chairs, tables, mattresses, sofas, household items and office supplies for the students and their instructors. All of these items came from the public areas in our Krakow hotels and were replaced during renovation. In line with UBM’s ESG strategy, we look for local partners who urgently need our redundant furniture and materials whenever we plan a refurbishment project. That’s how sustainability can be put into practice quickly and directly.

**Christmas donation to the St. Anna Children’s Hospital in Vienna**

Our activities during the Christmas season in 2023 again included a donation to a good cause instead of distributing numerous gifts. This year, we donated €10,000 to the St. Anna Children’s Hospital in Vienna’s ninth district. It is an important contact point in Austria for childhood blood and tumour diseases and stem cell transplantations. The donation was used to purchase medical equipment, create additional family-friendly lounges and privacy areas, and expand the therapy and sport offering. It will help the hospital to provide state-of-the-art, child-oriented medical care for its young patients.

**Samariter trolley filled**

The Samariterwage! arrived at UBM’s headquarters in June 2023. UBM employees donated food and hygiene articles over

**Poleczki Park**  
Football tournament



**Women's Run in Vienna**  
The joy of exercise



**Poleczki Park**  
Sporting meet and greet

a period of two weeks, and we were able to return a well-filled trolley to Vienna's Samariterbund relief organisation. The collected donations in kind were distributed to social markets and homeless shelters where they were made available to people living on the poverty line and in need of special help.

### **UBM on the run**

UBM was well represented by our athletic colleagues at the Vienna Women's Run in June 2023, where they were able to choose from a 5- or 10-kilometre course in the Prater Park. In September 2023, 11 UBM employees took part in the Vienna Energy Business Run over 4.3 kilometres. All of these athletes demonstrated three real UBM virtues during these races: high motivation fair competition and great staying power.

### **A sporting encounter in Poleczki Park**

In the grounds of the Poleczki Park in Warsaw, UBM organised an exciting football tournament with the location's cooperating companies. A total of 14 teams met for this event in September, which gave everyone an opportunity to get to know their counterparts in the other firms involved in this project.

### **Games and sports on the Danube Island**

UBM also had an outdoor subscription for beach volleyball and paddle tennis on the Vienna Sportinsel in 2023. Here, our sports enthusiasts were able to meet each week for a friendly competition. The season's end was celebrated with a paddle tennis and beach volleyball tournament together with dinner for all.









Sustainably well positioned – on all sides.

Our view of sustainability is universal: as values in action and a sought-after goal. For a real estate developer, this creates widespread obligations. It demands a far-sighted strategy, a finely tuned organisation and full commitment at all levels.

### **3. UBM & Sustainability**

- 3.1. Our strategy
- 3.2. ESG organisation
- 3.3. Stakeholder inclusion
- 3.4. Materiality analysis
- 3.5. ESG goals and measures
- 3.6. Risk management
- 3.7. ESG reporting
- 3.8. ESG ratings
- 3.9. Memberships



# Living sustainability.

## 3.1. Our strategy

Protecting the future viability of our planet is one of the most important social responsibilities of our time. With the announcement of the Green Deal, the European Union underscored its intention to make Europe the world's first climate-neutral continent by 2050. Other megatrends aside from ecology are urbanisation and the transformation of society caused by demographic and social changes. "Silver Society" is a term that describes the ageing of society, in which health and the quality of life will be deeply anchored as fundamental values in our consciousness. Changing gender roles and the breakdown of stereotypes have also led to radical changes in society and the business sector. These developments, together with Covid-19, are the decisive factors for the megatrend New Work – meaning people's needs as regards their working world.

We see these trends not only as a challenge but also as an opportunity: the interaction with ESG is a key success factor for our entrepreneurial activities. In the sense of ecological sustainability, UBM aims to become one of the leading timber construction developers in Europe. Our actions today are already directed to smart, low-barrier or barrier-free, flexible living and working to also meet the needs of tomorrow's users. As a real estate developer, we can give the office new meaning as a communication and collaboration platform – the physical workplace then becomes a place for community and corporate culture. As an employer, we also take advantage of these opportunities – for example, by benefitting from the additional innovation potential created by a diverse workforce.

UBM has anchored the relevance of ESG in its corporate strategy through the focus on *green. smart. and more.* and is introducing specific accompanying measures. The efficient use of resources is an integral part of ongoing operations, as are social issues and adherence to compliance rules. UBM's flagship projects, green building certifications and the activities evolving from the *green. smart. and more.* strategy reflect EU requirements and create new opportunities for UBM.

*green.* stands for measures in support of greening, meaning the redirection of the economy in line with the environment. Our primary focal point is timber construction as well as renewable energies and green building certification.

*smart.* expresses our commitment to intelligent buildings. With the use of sensors and automation, buildings can be adapted to meet users' needs and, at the same time, operations can become more efficient.

*and more.* means we tell stories with our buildings. This involves aesthetics, well-being and customer experience – a "more" that is perceptible all over.

Our sustainability activities are based on the applicable rules and regulations in the countries where we are active. For example: government programmes in the countries relevant for UBM cover issues like the expansion of renewable energy, the increase in energy efficiency, subsidy programmes for environmentally friendly behaviour and the strengthening of fundamental and human rights, especially in the supply chain. Additional frameworks are based on national and supranational norms and standards, including the UN Global Compact, Sustainable Development Goals (SDGs), the EU Green Deal and the EU Taxonomy. In the future, UBM will publish its sustainability information in accordance with the European Sustainability Reporting Standards (ESRS). We have implemented – and regularly evaluate and improve – effective processes to realise our ESG goals and the related measures. Information on our 360° process landscape and the related activities follows in the next sections of this report.

Leading worldwide ESG rating agencies have confirmed UBM's strong position on sustainability. Additional information can be found in section 3.8.

**GRI 2-23, 2-24**

# ESG goals at a glance

## ENVIRONMENT

# E



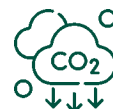
### Timber construction

Over 100,000 m<sup>2</sup> as a timber construction by 2025



### Green building certification

Obtain green building certification for 100% of new developments



### Reduction of CO<sub>2</sub> by 30%

Reduction of CO<sub>2</sub> intensity of completed projects by 30% by 2030



### Brownfield development

Share of brownfield developments in new projects over 66% by 2025



### EU Taxonomy alignment

EU Taxonomy alignment for 100% of new developments in the office asset class



### Increase in renewable energy

Increase the share of renewable energy in energy carriers to 30% by 2025  
(Standing assets and corporate locations)

## SOCIAL

# S



### Minimise employee turnover

Hold employee turnover below 15% by 2025



### Over 30% women in management positions

Increase percentage of women in management positions to over 30% by 2025



### Yearly ESG training

Annual ESG awareness training for all employees

## GOVERNANCE

# G



### Voluntary external ESG audit

Voluntary external audit of ESG reporting



### Code of conduct for business partners

Carry out KYC reviews of new business partners and confirm binding code of conduct



### Code of conduct for employees

Confirm code of conduct in writing with all employees



### 3.2. The implementation: organisation & governance

Together with our *green. smart. and more.* corporate strategy, we have anchored ESG goals throughout the entire corporation. We see the transformation of our conviction into concrete actions as the shared responsibility of all employees. Only when everyone knows and is committed to our internal ESG goals can ESG become part of our everyday life and have a lasting effect.

The organisation of and compliance with sustainability issues is anchored at Management Board level. Thomas G. Winkler, the Chief Executive Officer, is in charge of the sustainability-relevant areas of strategy, investor relations & ESG as well as legal & compliance. Green building and timber construction report to Peter Schaller, while Patric Thate makes sure the financing is also turning "green" and reliable ESG data management becomes reality. Employees and occupational safety are the responsibility of Martina Maly-Gärtner.

The Management Board and Executive Committee, together with the heads of the involved specialist departments, are responsible for the implementation of ESG activities. The relevance of the sustainability strategy and goals is evaluated at regular intervals, and appropriate steps to reach these goals are defined. The Executive Committee frequently deals with sustainability issues, especially in view of the strategic focus on *green. smart. and more.* The Management Board is included in central decisions and receives routine progress reports.

With the help of a RACI matrix (Responsible, Accountable, Consulted, Informed), the roles and responsibilities for ESG were transparently defined and recorded. The Investor Relations & ESG department coordinates sustainability issues within the framework of UBM's strategy and business model and is in charge of operative ESG reporting together with the organisation of ESG ratings. Its activities include the further development of the sustainability strategy, the definition and monitoring of goals, and the implementation of measures together with selected specialist departments. This

department is also responsible for monitoring changes in the legal framework and serves as an information interface for the company. The Head of Investor Relations & ESG and the Management Board communicate regularly on current developments and issues.

The specialist departments and country organisations are responsible for managing and implementing sustainability issues. These employees are involved and take the defined actions as part of their regular day-to-day operations and in pilot projects.

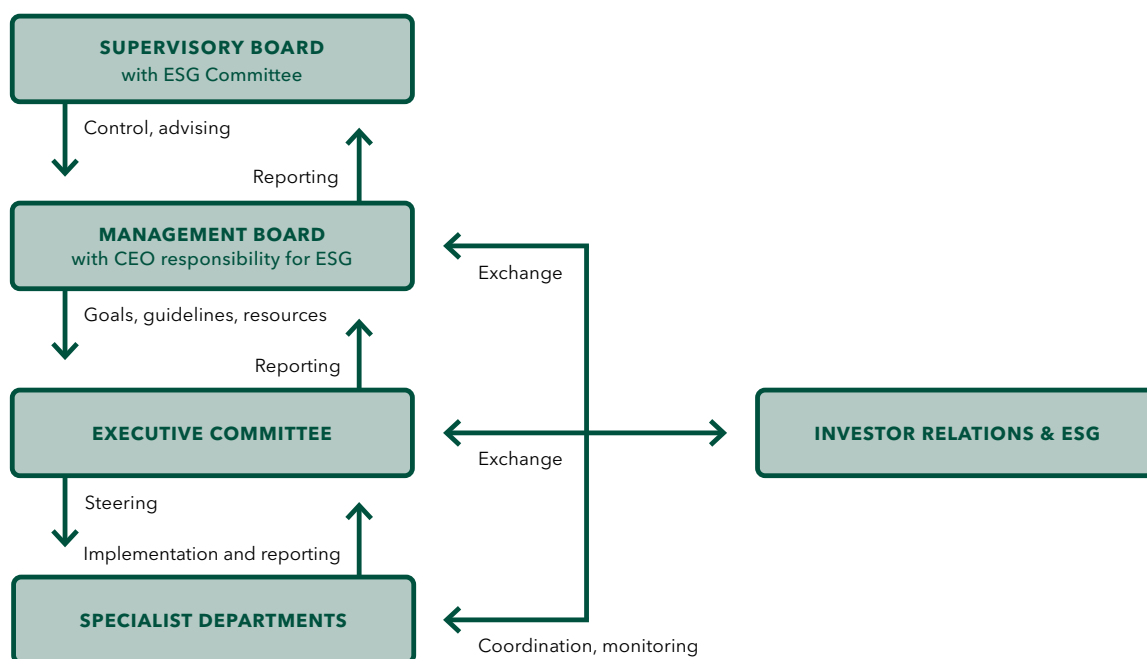
In 2021, UBM became one of the first listed companies in Austria to install an ESG committee at Supervisory Board level. This separate committee allows the Supervisory Board, as the senior controlling body, to meet its responsibilities for the environment, society and governance. The committee members and their positions are listed below. The chairwoman was elected by the committee members.

#### Member of the ESG Committee

Name	Position
Iris Ortner	Chairwoman
Susanne Weiss	Deputy Chairwoman
Birgit Wagner	Member
Anke Duchow	Member

The activities of the ESG Committee include the analysis of sustainability criteria and concepts in corporate processes. It is also responsible for overseeing and advancing actions in line with the ESG catalogue of measures based on the clear assignment of responsibilities at Management Board and Supervisory Board levels. The committee additionally monitors and evaluates the implemented ESG measures – above all, the impact of procurement and development processes on ecosystems, the use of resources, the direct and indirect neighbourhood, and good corporate governance.

ESG ORGANISATION



**Corporate Governance**

The UBM Supervisory Board is composed of members elected by the Annual General Meeting. In addition, the Works Council is authorised by Section 110 Para. 1 of the Austrian Labour Constitutional Act to delegate a specific number of members to the Supervisory Board. The Annual General Meeting can recall a Supervisory Board member before the end of his or her term with a resolution based on a simple majority of the votes cast. The Supervisory Board elects a chairperson and one or more deputies from among its members each year at a meeting held after the Annual General Meeting. The Supervisory Board can form committees from among its members, which can be established as permanent bodies or for individual tasks.

In 2023, the Supervisory Board had eight members elected by the Annual General Meeting plus four additional members designated by the Works Council as employee representatives. The table on the following page shows the members elected to the Supervisory Board in 2019.

As of 31 December 2023, the members of UBM's Supervisory Board held additional positions on supervisory boards or exercised comparable functions in Austrian and foreign companies (which are not included in the consolidated financial statements). These positions are also listed in the table on the following page.

The chairman of the Supervisory Board does not hold a senior executive function in the UBM Group. In accordance with the criteria defined by C-Rule 53 of the Austrian Code of Corporate Governance, the following Supervisory Board members have declared themselves independent: Karl-Heinz Strauss (Chairman), Birgit Wagner, Ludwig Steinbauer, Bernhard Vanas and Susanne Weiss.

In accordance with C-Rule 36 of the Austrian Code of Corporate Governance, the Supervisory Board also conducted a self-evaluation during 2023. The questionnaire used for the evaluation addressed, in particular, the efficiency of the Supervisory Board, its organisation and its working procedures. The findings were evaluated and discussed by the Supervisory Board.



**Members of the Supervisory Board**

Name	Date of birth	Gender	Position	Member since	Appointed until
Karl-Heinz Strauss <sup>1</sup>	27.11.1960	male	Chairman	14.4.2011	AGM 2024
Iris Ortner <sup>2</sup>	31.8.1974	female	Deputy Chair	14.4.2011	AGM 2024
Klaus Ortner <sup>3</sup>	26.6.1944	male	Member	15.1.2015	AGM 2024
Ludwig Steinbauer <sup>4</sup>	26.10.1965	male	Member	15.1.2015	AGM 2024
Paul Unterluggauer	28.4.1967	male	Member	15.1.2015	AGM 2024
Bernhard Vanas <sup>4</sup>	10.7.1954	male	Member	15.1.2015	AGM 2024
Birgit Wagner <sup>4</sup>	9.1.1972	female	Member	29.5.2019	AGM 2024
Susanne Weiss <sup>4</sup>	15.4.1961	female	Member	15.1.2015	AGM 2024
Anke Duchow	19.1.1968	female	Member	27.5.2019	n/a <sup>5</sup>
Martin Mann	14.2.1972	male	Member	30.6.2016	n/a <sup>5</sup>
Hannes Muster	28.11.1967	male	Member	30.6.2016	n/a <sup>5</sup>
Günter Schnötzing	20.8.1973	male	Member	30.6.2016	n/a <sup>5</sup>

<sup>1</sup> Karl-Heinz Strauss was Deputy Chairman of the Supervisory Board from 27 February 2013 until 18 September 2014 and has been Chairman since 18 September 2014.

<sup>2</sup> Iris Ortner has been Deputy Chairwoman of the Supervisory Board since 18 September 2014 and previously served as a member of the Supervisory Board from 2 July 2003 to 5 May 2010.

<sup>3</sup> Klaus Ortner was previously a member of the Supervisory Board from 18 March 2000 to 14 May 2014.

<sup>4</sup> Independent member who does not hold more than 10% of the shares (C-Rule 54).

<sup>5</sup> Appointed by the Works Council on 30 June 2016 as well as on 27 May 2019 in accordance with Section 110 Paragraph 1 of the Austrian Labour Constitutional Act.

**Functions of the Supervisory Board members**

Name	Company	Function
Karl-Heinz Strauss	PORR Bau GmbH PORR GmbH & Co. KGaA PORR SUISSE AG	Chairman of the Supervisory Board Chairman of the Supervisory Board President of the Administrative Board
Iris Ortner	ELIN GmbH PORR AG <sup>1</sup> ÖBAG Liechtensteinische Landesbank (Austria) AG TKT Engineering Sp. z.o.o. (Poland) Blue Code International AG (Switzerland)	Chairwoman of the Supervisory Board Supervisory Board member Supervisory Board member Supervisory Board member Deputy Chairwoman of the Supervisory Board Supervisory Board member
Klaus Ortner	ELIN GmbH PORR AG <sup>1</sup>	Supervisory Board member Deputy Chairman of the Supervisory Board
Ludwig Steinbauer	Klinikum Austria Gesundheitsgruppe GmbH	Supervisory Board member
Paul Unterluggauer	ELIN GmbH	Deputy Chairman of the Supervisory Board
Bernhard Vanas	PORR AG <sup>1</sup> Wolfgang Denzel Holding AG Bankhaus Denzel AG Wolfgang Denzel AG Wolfgang Denzel Auto AG	Supervisory Board member Supervisory Board member Supervisory Board member Supervisory Board member Supervisory Board member
Birgit Wagner	-	-
Susanne Weiss	ROFA AG PORR AG <sup>1</sup> Wacker Chemie AG <sup>1</sup>	Chairwoman of the Supervisory Board Supervisory Board member Supervisory Board member

<sup>1</sup> listed

To support and ensure the efficient handling of complex issues, the Audit Committee, Nomination Committee, Remuneration Committee and ESG Committee were active in 2023.

The members of the Remuneration Committee are Karl-Heinz Strauss (Chairman), Iris Ortner and Susanne Weiss (remuneration expert). The Chairman and one of the two other members have declared themselves independent. External consultants are not involved in determining remuneration.

This committee is responsible for the following duties in connection with the current remuneration policy and in accordance with applicable legal regulations: (i) matters related to the remuneration of the Management Board members and the content of the employment contracts with these persons, in particular, the definition and implementation of the underlying principles for the remuneration of the Management Board members and the criteria for the variable remuneration components in line with C-Rules 27 (above all, the preparation of a catalogue for the variable remuneration components), 27a and 28 of the Austrian Code of Corporate Governance; (ii) evaluating the remuneration policy for the Management Board members at regular intervals; (iii) approving the assumption of sideline activities by the Management Board members.

The aim of the remuneration policy for the members of the Management Board is to ensure that the total remuneration of the members of the Management Board is commensurate with the company's situation and the remuneration customary in comparable companies, provides behavioural incentives for sustainable corporate development and promotes the business strategy and long-term development of the company. At the same time, the total remuneration must be competitive overall in a national and international comparison and in line with the market so that suitably qualified individuals can be recruited and retained in the company in the interests of the desired continuity in corporate management. The remuneration corresponds to the overall responsibility of the Management Board associated with the task, but also takes into account the individual responsibility of the individual members of the Management Board, which

results from the allocation of responsibilities, as well as special requirements arising from the respective tasks. Due to the UBM business model, it is necessary to grant both fixed and variable remuneration to the members of the UBM Management Board. Variable, performance-related remuneration elements are intended to motivate the members of the Management Board to optimise the earnings of the UBM Group in a sustainable and risk-conscious manner.

The members of the Management Board receive the fixed (non-performance-related) and variable (performance-related) remuneration components listed in the remuneration report. The remuneration report can be found on the UBM website under the menu item "Annual General Meeting". The Supervisory Board is authorised to determine the respective fixed amount at its own discretion in the respective Management Board contract, whereby in particular seniority, experience, length of service with the company and membership of the Management Board should be taken into account accordingly.

Each member of the Management Board is entitled to receive variable remuneration each year, depending on the achievement of parameters to be determined by the Supervisory Board. The Supervisory Board is authorised to set financial or non-financial criteria, or a combination of both. In accordance with the stipulations of the Supervisory Board, the maximum value for the variable performance bonus for the Chairman of the Management Board is 2.5% of EBT, up to a maximum of EUR 360,000.00 gross per year. The other members of the Management Board also receive a variable performance bonus according to the same scheme, but of a maximum of EUR 240,000.00 gross per annum each. Each member of the Management Board is entitled to additional benefits, in particular inclusion in a D&O insurance policy, inclusion in an employee pension fund, inclusion in an accident and legal expenses insurance policy and the provision of a company car.

The Remuneration Committee held one meeting in 2023, on 28 March, which involved the determination of the annual bonuses for the members of the Management Board.



The inclusion of ESG factors in the remuneration model will be evaluated in detail in the future: plans call for the integration of key ESG performance indicators in management's variable remuneration over the medium term.

The remuneration policy for the Supervisory Board is intended to ensure that the members are granted remuneration that is commensurate with their duties and responsibilities and the economic situation of the company. The remuneration policy also takes into account the size of the company, the international orientation and the business model of UBM as well as the tasks and qualifications of the Supervisory Board members.

Each member of the Supervisory Board receives fixed annual remuneration. The amount to be paid to all members of the Supervisory Board is proposed by the Supervisory Board and the Management Board to the Annual General Meeting, whereby the Chairman of the Supervisory Board is responsible for allocating this amount to the individual Supervisory Board members.

The members of the Supervisory Board do not receive any variable remuneration, but do receive an attendance-related attendance fee for each meeting of the Supervisory Board. The same applies to attendance at meetings of the Supervisory Board committees and for the Chairman of the Supervisory Board and his deputy for attendance at the company's Annual General Meeting. The amount of the attendance fee should vary depending in particular on the function and scope of duties and responsibilities (Chair, Deputy Chair). The attendance fee for each Supervisory Board member attending the meeting is € 2,000.00 per day on which the Supervisory Board member attends one or more meetings of the Supervisory Board. The members of the Supervisory Board are covered by UBM's D&O insurance, the costs of which are borne by UBM. The Supervisory Board members delegated by the Works Council in accordance with Section 110 (1) ArbVG do not receive any separate remuneration for their work on the Supervisory Board. **GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-17, 2-18, 2-19, 2-20, 2-24**

### 3.3. This is how we include stakeholders

As a project developer, we influence many areas of life. Maintaining regular contact with our internal and external stakeholders and their active inclusion in our business activities therefore has high priority at UBM. The fulfilment of our social and ecological responsibility as well as UBM's long-term economic success is based on successful cooperation with a wide variety of stakeholders and the respectful handling of their concerns. In this connection, we updated our materiality analysis in 2021. Internal and external stakeholders were actively involved through a structured, methodical process. Roughly 700 women and men from 12 pre-defined stakeholder groups were invited to take part in an online survey – 208 analysable results were received and integrated into the materiality analysis.

Based on the responses from the relevant stakeholder groups, the major issues were identified, structured and evaluated. The results were documented in a materiality matrix (see section 3.4.). UBM has scheduled the next involvement of stakeholders in the materiality analysis according to ESRS for 2024.

We also include relevant stakeholder groups through early information, participation and co-determination in planning and development processes, which give neighbouring residents an opportunity to explain their needs and interests and influence results. This practice has been embedded in the process landscape as UBM's standard since 2021. Additional information can be found in section 5.

Our stakeholder dialogue uses, among others, the instruments listed on the following page. **GRI 2-29**

**Stakeholder dialogue**  **2-29**

Stakeholder group	Interests & expectations	Dialogue forms
<b>Employees</b>	<ul style="list-style-type: none"> <li>■ Attractive workplace</li> <li>■ Professional and personal development</li> <li>■ Support for the work-life balance</li> <li>■ Workplace safety and health</li> </ul>	<ul style="list-style-type: none"> <li>■ Communication via intranet, newsletter, video streams, social media posts</li> <li>■ Annual employee appraisals</li> <li>■ Various events and initiatives (e.g. UBM Day, Climate Impact Day), to promote communication</li> <li>■ Ethics code</li> </ul>
<b>Users/end customers</b>	<ul style="list-style-type: none"> <li>■ Information and transparency over properties</li> <li>■ High-quality and durable properties</li> </ul>	<ul style="list-style-type: none"> <li>■ Regular contact with project managers</li> <li>■ Website, press releases, newsletter, social media input</li> </ul>
<b>Capital market participants</b>	<ul style="list-style-type: none"> <li>■ Transparent reporting on corporate strategy, implementation and target attainment</li> <li>■ Information on forecasts, risk and opportunity analyses</li> <li>■ Sustainable corporate performance</li> </ul>	<ul style="list-style-type: none"> <li>■ Personal discussions</li> <li>■ Press reports and announcements</li> <li>■ Website, newsletter, social media input</li> <li>■ Roadshows</li> <li>■ Annual General Meeting</li> <li>■ Reports, e.g. annual report and ESG report</li> </ul>
<b>Supervisory Board</b>	<ul style="list-style-type: none"> <li>■ Sustainable corporate performance</li> <li>■ Transparent reporting on corporate strategy, implementation and target attainment</li> </ul>	<ul style="list-style-type: none"> <li>■ Supervisory Board meetings</li> <li>■ ESG Committee meetings</li> <li>■ Reports, e.g. annual report and ESG report</li> </ul>
<b>Business partners &amp; suppliers</b>	<ul style="list-style-type: none"> <li>■ Fair business relations and good cooperation basis</li> <li>■ Shared values</li> </ul>	<ul style="list-style-type: none"> <li>■ Tenders and contract negotiations</li> <li>■ Regular contacts during order execution</li> <li>■ Code of conduct</li> </ul>
<b>Interest groups</b>	<ul style="list-style-type: none"> <li>■ Definition of and commitment to shared values</li> <li>■ Backing for solutions to adapt to climate change and other ecological and social challenges</li> </ul>	<ul style="list-style-type: none"> <li>■ Proactive exchange and further development with the sector for social responsibility/ESG</li> <li>■ Membership and active participation in several organisations</li> </ul>
<b>Public authorities</b>	<ul style="list-style-type: none"> <li>■ Compliance with requirements of public authorities</li> <li>■ Joint identification of solutions on issues for real estate and quarter planning</li> </ul>	<ul style="list-style-type: none"> <li>■ Coordination of decisions on major issues in close cooperation with the public authorities</li> <li>■ Legally required reports</li> <li>■ Reports, e.g. annual report and ESG report</li> </ul>
<b>Neighbouring residents</b>	<ul style="list-style-type: none"> <li>■ Increase in quality of life through UBM projects</li> </ul>	<ul style="list-style-type: none"> <li>■ Timely information, participation and codetermination rights in planning and development processes</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>■ Targeted and timely information on current and strategic issues</li> </ul>	<ul style="list-style-type: none"> <li>■ Press releases</li> <li>■ Interviews</li> <li>■ Website, newsletter, social media input</li> </ul>

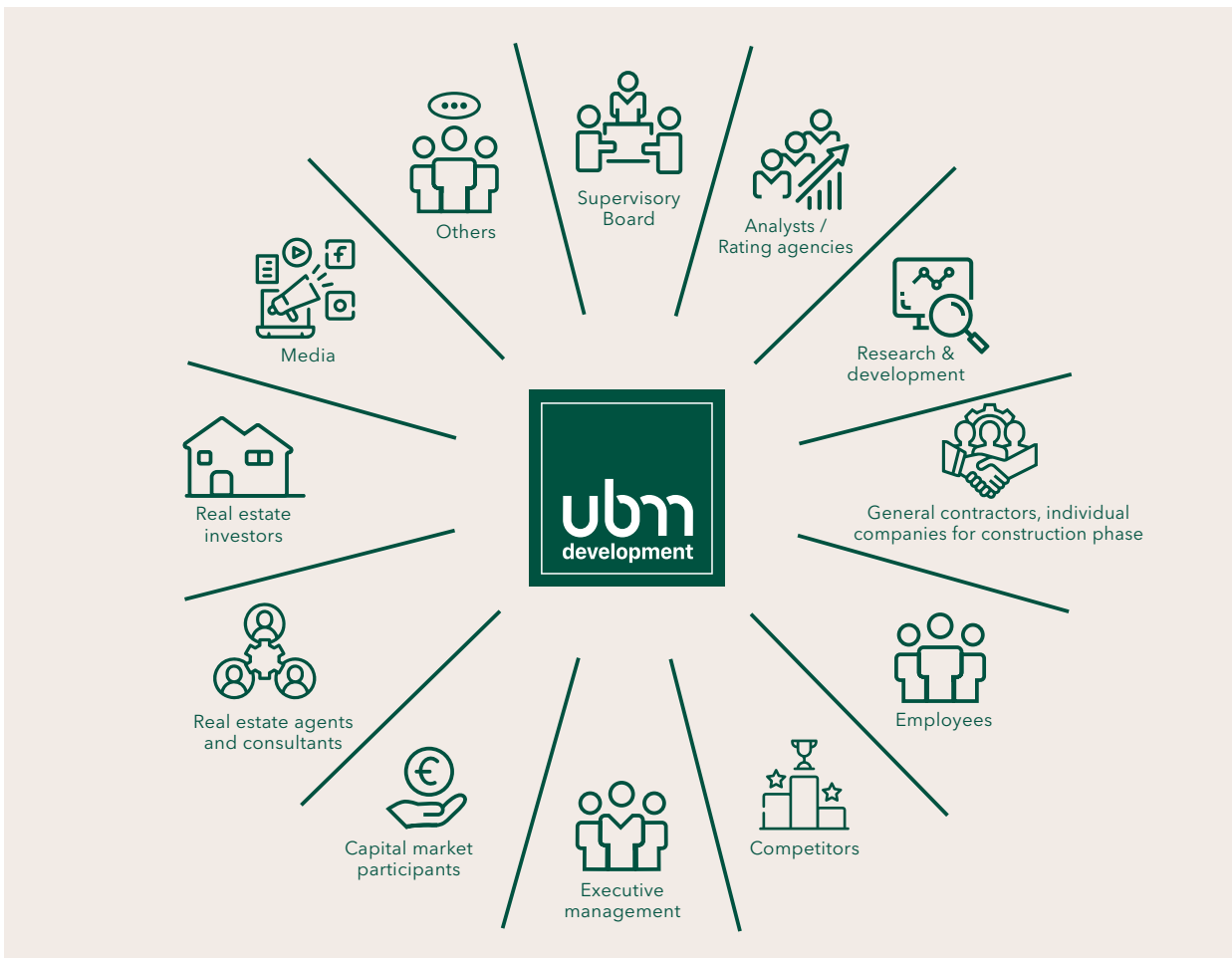


### 3.4. Materiality analysis

To meet our responsibility towards society and the environment, we rely on a structured process to monitor and evaluate social and ecological developments. This process is based on the concept of “double materiality”, meaning an evaluation from two perspectives: outside-in (risks from the company’s viewpoint, impact on our business and added value) and

inside-out (UBM’s impact on people and the environment). An important third dimension is the perspective of relevant stakeholder groups.

#### STAKEHOLDER GROUPS SURVEYED



The major issues for UBM were redefined in 2021 as part of a materiality analysis based on these three dimensions. This revision was required to accommodate changes in international regulations and standards, in particular the EFRAG recommendation to the CSRD draft (2021) and the GRI Standards (2021). The resulting materiality matrix forms the basis for this ESG report and replaces the former version.

The first step involved compiling a list of 17 potential material issues based on a comprehensive context analysis, studies on megatrends, an extensive peer group review and discussions with internal experts. The evaluation of the importance and impact of these issues was based on three perspectives:

- UBM's impact on people, society and the environment
- The relevance of sustainability issues for UBM
- The relevance of sustainability issues from the stakeholder perspective

#### **UBM's impact on people, society and the environment**

Based on the valuation approach in the CSRD draft (2021), a quantitative and qualitative assessment carried out with external experts determined the impact on people, society and the environment. The ecological assessments are based on simplified carbon footprint measurements and other indicators that allow for an expert-based evaluation of the ecological effects. The social assessments are based on an estimate of the number of involved persons (range), the influence on their quality of life (scope) and the irreversibility of these influencing factors.

#### **Impact of sustainability issues on UBM**

A worst-case scenario was developed for each sustainability issue and evaluated by the Management Board together with the Investor Relations & ESG department. Gross risks were evaluated on the basis of two dimensions (scope and probability of occurrence) over a time horizon of roughly ten years.

#### **Relevance of sustainability issues from the stakeholder perspective**

Internal and external stakeholders from 12 pre-defined stakeholder groups (see page 44) were invited to take part in an online survey where they were asked to rank the individual issues according to their priority and to select the five most important issues. The survey was sent to roughly 700 stakeholders and generated 208 analysable results (representing a return rate of 33%).

The three perspectives formed the framework for evaluating and ranking the issues based on their importance for UBM and its stakeholders as well as their impact on the environment and society. In a workshop with the Management Board and the internal experts responsible for the areas of environment, society and governance, the findings were discussed and three material issues were identified:

- Energy efficiency, renewable energies and CO<sub>2</sub> emissions
- Attractive employer & training and education
- Corporate governance and compliance

The changes compared with the materiality analysis from 2020 are described in the ESG report for 2021.

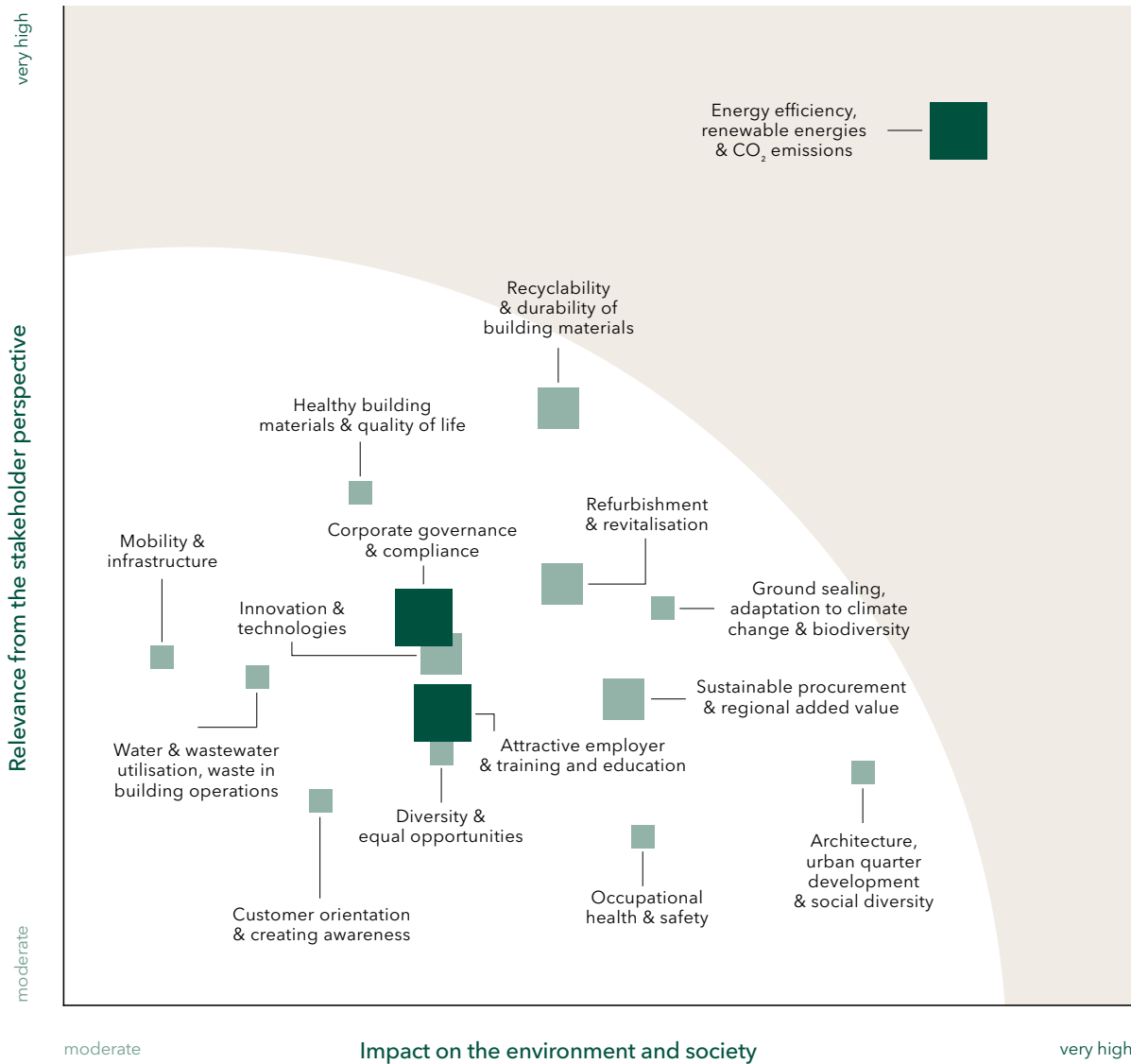
The results are recorded in a materiality matrix and, in line with the ESG structure, classified under the areas of environment, society and governance for sustainability reporting. Here, employees and society are covered together under the same heading. The matrix shows all three dimensions and is oriented on the EFRAG recommendation to the CSRD draft as well as the GRI Standards 2021. The three material issues for UBM are described in detail in the following sections, and the other issues are also explained.

The next update of UBM's materiality analysis is scheduled for 2024. **GRI 2-12, 2-29, 3-1, 3-2**



MATERIALITY MATRIX

**Materiality** is signified by dark green squares and topics with beige background.



The **relevance** for UBM is assigned as follows:



### 3.5. Concrete goals and measures

#### 3.5.1. Sustainable Development Goals

UBM is committed to the United Nations Sustainable Development Goals (SDGs), which were adopted by all UN Member States in 2015 as the 2030 Agenda for Sustainable Development. Governments as well as companies are called upon to contribute to reaching these goals. The framework includes 17 goals and 169 sub-goals which are related to global economic, social and ecological challenges.

Our actions are also based on the ten principles of the UN Global Compact. The assignment of the applicable SDGs and their sub-goals together with the ten principles of the UN Global Compact and their relation to the GRI Standard are explained in greater detail in the GRI Index (see section 7).

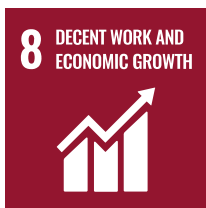
In connection with a materiality analysis (see section 3.4.) and a risk/impact assessment (see section 3.6.), UBM examined the SDGs and the related sub-goals in detail and identified the goals where the company can make a direct contribution to the Agenda 2030:



**Affordable and clean energy** - Ensure access to affordable, reliable, sustainable and modern energy for all.  
Focus: Goals 7.2 and 7.3



**Climate action** - Take urgent action to combat climate change and its impacts.  
Focus: Goals 13.1 and 13.2



**Decent work and economic growth** - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.  
Focus: Goals 8.4 and 8.8



**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.  
Focus: Goal 15.5



**Industry, innovation and infrastructure** - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.  
Focus: Goal 9.1



**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.  
Focus: Goal 16.7



**Sustainable cities and communities** - Make cities and human settlements inclusive, safe, resilient and sustainable.  
Focus: Goals 11.1 and 11.3



### 3.5.2. Goals and measures in detail

The consequent pursuit of our commitment is underscored by the definition of goals, measures and indicators for the environment, society and governance action areas.

Issue	Goal	Measures	Indicators	Time horizon
<b>ENVIRONMENT - PROJECT DEVELOPMENT</b>				
<b>Timber construction</b>	Over 100,000 m <sup>2</sup> as a timber or timber hybrid construction	Quality gate: evaluate the feasibility of timber (hybrid) construction based on a comparison of alternatives for all new projects.	m <sup>2</sup> of timber	2025 ongoing
	For timber (hybrid) construction: reduce CO <sub>2</sub> by at least 20% versus conventional construction in the production phase (LCA A1-A3 acc. to EN 15978) for new developments.	Prepare life cycle assessment, compare production phase to conventional construction methods.	Storage in kg/m <sup>2</sup> CO <sub>2</sub> intensity (CO <sub>2</sub> equivalents)	2025
<b>Energy requirements &amp; CO<sub>2</sub></b>	Reduce primary energy demand (PED) for new projects to national nearly zero energy building standards	Calculate CRREM path for all new development projects as the basis for optimisation measures, use of renewable energy sources on site (solar thermal energy, heat pumps, geothermal energy, etc.), choose energy-efficient building furnishings, install a digital and efficient energy management system, timely inclusion of TGA planning to identify necessary measures.	PED in kWh/m <sup>2</sup> GFA/a	2025
	Reduce CO <sub>2</sub> intensity (basis 2019) by 30% for completed projects		CO <sub>2</sub> intensity in kg/m <sup>2</sup> GFA (CO <sub>2</sub> equivalents)	2030
	Increase share of renewable energy in energy carriers to 50%		Energy from renewable sources in relation to total energy consumption	2030
<b>Building certification</b>	Obtain green building certification with DGNB or LEED Gold or BREEAM Excellent as a minimum for 100% of new developments starting in 2022	Green building certification for all new projects as a mandatory element of the <i>green. smart. and more.</i> strategy.	Certified projects in relation to the total portfolio	2025
	EU Taxonomy alignment for 100% of new developments in the office asset class	Integrate technical evaluation criteria from the EU Taxonomy as a requirement for project developments in the office asset class.	Share of Taxonomy-aligned projects in relation to the total portfolio	2025
<b>Brownfield development</b>	Increase share of brownfield developments in new projects to at least 66%	Focus of acquisition process on brownfield developments (land with existing buildings).	Brownfield developments in relation to total portfolio (cumulative starting in 2021)	2025

Issue	Goal	Measures	Indicators	Time horizon
<b>Sustainable building materials &amp; circular economy</b>	Use circular economy approaches in project development as part of a UBM (pilot) project	Use a digital building resource passport to document the construction products and materials used. Prepare a dismantling concept based on the cradle-to-cradle approach. Examine and track the use of secondary materials, recyclable construction mass and products with provable recyclability, e.g. baubook, EPD (Environmental Product Declaration).	Share of recyclable building materials in the project	2030
<b>ENVIRONMENT - CORPORATE LOCATIONS</b>				
<b>Renewable energies</b>	Increase share of renewable energy in energy carriers to 30%	Changeover to green electricity suppliers.	Energy from renewable sources in relation to total energy consumption	2025
<b>Energy management</b>	Establish/optimize energy monitoring at all UBM locations	Equip all Group locations with BMS (Building Management Systems).	Share of company locations equipped with BMS	2025
<b>Motor vehicle pool</b>	Double the number of vehicles with alternative drives (basis 2021)	Preference for purchase of vehicles with alternative drives	Number of vehicles with alternative drives	2025
<b>Travel</b>	Air travel: CO <sub>2</sub> reduction of 25% (basis 2019)	Prepare and distribute travel manual for employees on subject of air travel.	Emissions (in t CO <sub>2</sub> equivalents) caused by air travel	2025



Issue	Goal	Measures	Indicators	Time horizon
<b>ENVIRONMENT - STANDING ASSETS</b>				
<b>Renewable energies</b>	Increase share of renewable energy in energy carriers to 30%	Changeover to green electricity suppliers.	Energy from renewable sources in relation to total energy consumption	2025
<b>CO<sub>2</sub> intensity</b>	Reduce CO <sub>2</sub> intensity by 30% (basis 2020)	Reduce CO <sub>2</sub> intensity through refitting to achieve high-efficiency energy systems, building automation. Implement guidelines for sustainable building operations & change energy carriers.	CO <sub>2</sub> intensity in kg/m <sup>2</sup> GFA (CO <sub>2</sub> equivalents)	2030
<b>Energy management</b>	Establish/optimize building management systems for at least 90% of GFA in standing assets	Equip all standing assets with BMS (Building Management Systems).	Share of GFA in standing assets equipped with BMS	2024
<b>SOCIAL</b>				
<b>Attractive employer - win over the best employees</b>	Increase number of applicants	Create employer branding strategy to strengthen the attractiveness of UBM for potential candidates and continuously improve the candidate experience. This includes the development of a career page, increased online presence, e.g. in LinkedIn, Instagram and kununu, and preparation of job and skills profiles for all job classifications.	Number of applications per advertised position	ongoing
	Increase quality of applicants		Interview quota (% of applicants with job interview)	ongoing
	Ensure high probability of hiring		New hiring by gender & age, offer acceptance rate, time-to-hire after job ads	ongoing
<b>Attractive employer - retain the best employees</b>	Hold employee turnover below 15%	Create employer branding strategy to strengthen the attractiveness of UBM for potential candidates. This includes a systematic onboarding process for all new employees, flexible working time models, attractive remuneration, regular information for employees via internal communication channels, internal opportunities for advancement, exit interviews and structured succession planning.	Turnover rate, average length of service with the company, recommendation quota, share of management positions filled internally	2025

Issue	Goal	Measures	Indicators	Time horizon
<b>Training and education</b>	25% more training hours per employee (basis 2020)	Define individual, requirement-oriented training measures in annual employee appraisals.	Average training hours per employee	2025
	Annual ESG awareness training for all employees	Active participation of all employees in Climate Impact Day to create awareness for the importance of ESG.	Share of employees with ESG training	2023 - met ongoing
	Promote feedback culture - annual appraisals with all employees	Regular HR development and feedback discussions with employees based on a structured guideline.	Share of employees with appraisals	ongoing
<b>Diversity and equal opportunities</b>	No salary differences between women and men (Preparation for EU Pay Transparency Directive)	Focus recruiting on the search for suitable candidates. Women will be directly addressed through appropriate wording in job advertisements, and clear guidelines give preference to women when qualifications and experience are equal. Women with high potential will be identified and offered direct assistance. A programme to proactively manage maternity leave was established.	Gender pay gap (by hierarchy and age levels; "adjusted gender pay gap")	2026
	Increase percentage of women in management positions to over 30%		Share of women in management positions	2025
	Increase share of women in the workforce to 50%		Number of women in relation to the entire workforce	2025
<b>Health and safety</b>	Protect and promote employees' health	Protect psychological and physical health of employees with the help of modern occupational work and health protection management systems based on the highest standards (ISO 45001). Instruments to promote employees' health include in-house fitness offerings, an occupational physician and a contact point for psychological health and conflict resolution. Workplaces are designed to promote healthy working conditions, and there is a subsidy for membership in a fitness studio.	Work-related illnesses, absences due to work-related illnesses in days lost	ongoing
	Hold lost time due to work accidents at a low level.		Absence rate after work accidents, work accidents per year	ongoing



Issue	Goal	Measures	Indicators	Time horizon
<b>GOVERNANCE</b>				
<b>Corporate governance and compliance</b>	Safeguard entrepreneurial compliance and responsible actions	Certify process-oriented quality management system according to the highest standards (ISO 9001).	Share of employees covered by ISO certification. Violation of legal regulations and requirements, confirmed corruption cases, confirmed money laundering incidents, proceedings resulting from anticompetitive behaviour, discrimination incidents	ongoing
		Self-evaluation by the Supervisory Board to judge the efficiency of its activities, especially organisational and working procedures.		annual
		Evaluate possible ESG remuneration model and prepare necessary database.		2024
<b>Corporate governance and compliance</b>	Implement guidelines and prevent misconduct by consequent precautionary actions	Carry out employee training (in-house or via e-learning) in capital market compliance; revise and expand training materials.	Number of training courses held	ongoing
		Carry out in-house training for employees in compliance with special attention to the prevention of money laundering; revise and expand training materials.	Number of training courses held	ongoing
		Carry out sampling controls to verify compliance with rules for insider information as well as confidential and price-sensitive information.	Number of sampling controls	ongoing
		Confirm ethics code in writing with all new employees in their national language.	Share of employees with agreement to ethics code	ongoing
		Adapt ethics code to meet our sustainability requirements and further strengthen ecological and social responsibility.		2023 - met

Issue	Goal	Measures	Indicators	Time horizon
		Ongoing training for compliance staff and additional certification for selected responsible employees.		ongoing
		Store documentation on internal guidelines read by employees.	Share of employees with agreement to new guidelines	ongoing
	Prevent money laundering and terrorism financing	Carry out continuous KYC reviews of new business partners via disclosure forms.	Number of KYC checks	ongoing
		Regularly update internal risk analysis for the prevention of money laundering and terrorism financing.		ongoing
<b>Sustainable procurement and regional added value</b>	Ensure ecological & socio-economic compliance in the value chain	Confirm binding code of conduct with business partners in writing.		ongoing
		Adapt code of conduct to meet our sustainability requirements and further strengthen ecological and social responsibility along the entire value chain.		2023 - met
		Improve subcontractor documentation to expand internal evaluation options.	Number of business partners who have signed the code of conduct	2024
		Carry out sampling controls to verify compliance by existing suppliers for documentation of subcontractors.		2023 - met
				ongoing



Issue	Goal	Measures	Indicators	Time horizon	
<b>GENERAL</b>					
<b>ESG reporting</b>	Transparent ESG reporting	UN Global Compact: publish progress report in the new format.		2023 - met	
		Continue voluntary reporting based on the Austrian Sustainability and Diversity Improvement Act and GRI 2021.		2023 - met	
		Adapt reporting to meet CSRD requirements.		2024	
		Update materiality analysis to reflect CSRD requirements.		2024	
		Voluntary, gradual adaptation of reporting to meet the EU Taxonomy requirements (mandatory reporting beginning with the 2025 financial year).	% revenue, % capex, % opex	2025	
		Voluntary, gradual adaptation of reporting to meet TCFD recommendations.		2023 - met	
		Voluntary external audit of ESG reporting.		annual	
		Reduce Scope 1 and Scope 2 GHG emissions 42% by 2030 (basis 2022)	Prepare detailed transition plan. Continue measures to reduce emissions (timber hybrid construction, renewable energy, energy efficiency). Neutralise remaining emissions starting in 2050.	tCO <sub>2</sub> (Scope 1 + 2)	2030
		Net zero by 2050: reduce Scope 1+2+3 emissions 90% by 2050 (basis 2022)		tCO <sub>2</sub> (Scope 1 + 2 + 3)	2050
		Expand and optimise internal reporting and monitoring systems	Continued development of internal ESG reporting (interactive dashboards).		2024
External evaluation of ESG performance	Arrange for ESG ratings by well-known rating agencies.		annual		

### 3.6. Conscious handling of risks and their effects

The realistic assessment and management of risks are essential factors for business success and sustainable management. In 2021, UBM's became an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD recommends the voluntary disclosure of climate-related risks based on four pillars: governance, strategy, risk management, and metrics and targets.

The TCFD recommendations for the reporting of climate-related risks were applied for the first time in 2021 and are gradually being implemented. Additional information on the risk management system can be found in the annual report (chapter "Risk report").

#### Governance

The overall responsibility for general risk management at UBM lies with the Management Board. Additional information on corporate governance can be found in section 3.2. UBM takes a systematic approach to handling risks, whereby different areas of the company are involved. Operating management is responsible for the identification and evaluation of the risks arising from daily business activities as well as the implementation of appropriate measures to contain these risks. The operating units are monitored and receive the necessary assistance. In this way, operating management is systematically strengthened by the risk management functions, and the overall risk for the company can be established by consolidating the individual risks.

The Head of Risk Management is responsible for the operational risk management process. The compliance function monitors the observance of external and internal rules and regulations. Internal audit ensures independent and objective monitoring. The respective reports are submitted to the Management Board, the Supervisory Board and the Audit Committee.

#### Strategy

Energy efficiency, renewable energies and the reduction of CO<sub>2</sub> emissions are central drivers for UBM's long-term success and, consequently, are an elementary part of the *green. smart. and more.* corporate strategy. Given the substantial share of worldwide energy-related CO<sub>2</sub> emissions, regulations to limit CO<sub>2</sub> emissions by the construction and real estate sector can be expected to increase.

An agreement reached in trialogue by the EU Parliament, the member states and the Commission at the end of 2023 established the most important points of the EU's Building Directive. It deals with the energy efficiency of buildings and the use of renewable energies. Starting in 2030, all new buildings must be built as nearly zero-energy structures. Buildings that do not meet this standard could therefore risk being denied a building permit in the future. Climate protection, among others, is also anchored in the EU Taxonomy (e.g. through regulations covering primary energy requirements). That could result in a competitive disadvantage as well as a decline in investor demand for investments that are not classified as sustainable in the sense of the taxonomy.

The growing frequency of high temperature periods is also increasing the pressure on energy-intensive equipment for building operations (e.g. cooling systems). Moreover, the CO<sub>2</sub> pricing scheme which, for example, was introduced in Austria in October 2022 and is designed to increase annually, will create financial disadvantages for fossil energy carriers. UBM has therefore turned to the carbon-absorbing raw material timber, renewable energies like geothermal power and photovoltaics, and green building certification as part of its *green.* strategy. Intelligent buildings and solutions for efficient building operations are anchored in this strategy with *smart.* Additional information on the corporate strategy can be found in section 3.1.

### Risk management

UBM adapted its risk management in 2023 to fully integrate ESG. The risk catalogue was modified and expanded to include ESG-relevant risks and opportunities. ESG risks are evaluated in line with and integrated in the existing risk measurement system (Value at Risk and Cashflow at Risk).

A valuation scale was introduced to rank ESG opportunities and calculate the effects on cash flow. A net position of risks and opportunities is not presented to enable a more detailed overview of the risk parameters.

The integration of ESG in risk management involved the Management Board and the Head of Risk Management as well as the Investor Relations & ESG department and external consultants.

As part of risk management, the probability of occurrence and the scope of possible damages from the individual risks are evaluated twice each year by the Management Board. The members of the Management Board evaluate and quantify the risks along the value chain according to their professional judgement. The estimates for the potential scope of the individual risks are the subject of increasing systemisation, where possible, with mathematical models. The country managing directors and risk owners are involved in the assessment and projected development of the individual risks. The risk system is audited annually and adapted where necessary to meet changing circumstances.

The ESG-relevant individual risks in this catalogue are classified under the following categories:

- Acute physical climate risks (heatwaves, cold spells, storms, drought, heavy rain, flooding, etc.)
- Chronic physical climate risks (changes in temperature, wind, precipitation, etc.)
- Non-climate-related environmental risks (impairment of critical infrastructure)

- Transitory climate risks (GHG taxation, reporting requirements, change in preferences, etc.)
- Social risks (human error, employee turnover, reputation risk, heat stress)
- Governance risks (diversity on the Management and Supervisory Boards, legal and compliance risks, etc.)

ESG-relevant opportunities include the following:

- Products and services: the development of buildings as a timber (hybrid) construction, green buildings
- Resource efficiency: in the construction and development of buildings with low resource consumption
- Energy sources: use of renewable and low-emission energy
- Markets: access to new investor groups; green finance
- Resilience: development of resilient buildings

As a pure play developer with a limited portfolio of standing assets, the most relevant risks for UBM are selected chronic physical climate risks, non-climate-related environmental risks, transitory climate risks, social and governance risks.

### Metrics and targets

UBM has defined goals, measures and indicators for assessment and management along the three fields of environment, society and governance. The main goals are described on page 37, the details on page 48. Further information can be found in the following sections.



**3.6.1. 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 at UBM: sustainable management is the basis for economic success – and economic success is the basis for sustainable management. The goal is to reduce environmental risks and, at the same time, identify and utilise business opportunities for UBM in this field.

A scenario was developed for each sustainability issue as part of the materiality analysis. Specific measures are described in greater detail in section 4.

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

**3.6.2. Social risks**

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

Our success is also based on our proven quality as a business partner and contracting firm that acts with expertise, reliability and transparency.

A scenario was developed for each social issue related to sustainability as part of the materiality analysis. The risks arising from social issues, their impact and the implemented measures are described in greater detail in section 5.

**The following environmental risks are relevant for UBM:**

Sustainability issues	Risks	Measures
<b>Energy efficiency, renewable energies and CO<sub>2</sub> emissions</b>	<ul style="list-style-type: none"> <li>■ Increasing regulations for emissions, energy efficiency and other relevant topics</li> <li>■ Rising CO<sub>2</sub> prices for fossil fuels</li> </ul>	<ul style="list-style-type: none"> <li>■ Strategic focus on timber construction, renewable energies and green building certifications</li> <li>■ Installation/optimisation of building management systems in standing assets and at UBM locations</li> </ul>
<b>Recyclability and durability of building materials</b>	<ul style="list-style-type: none"> <li>■ Delivery shortages, increased competition and rising material costs</li> <li>■ Increasing regulations for building materials</li> </ul>	<ul style="list-style-type: none"> <li>■ Evaluation of timber in the selection of materials for all new development projects</li> <li>■ Inclusion of circular economy requirements in the planning stage</li> </ul>
<b>Ground sealing, climate change adaptation and biodiversity</b>	<ul style="list-style-type: none"> <li>■ High water levels and flooding due to ground sealing</li> <li>■ Increasing temperature, heat islands</li> </ul>	<ul style="list-style-type: none"> <li>■ Focus on brownfield developments</li> <li>■ Focus on biodiversity in designing outdoor facilities</li> <li>■ Expansion of biological diversity through roof and facade greening</li> </ul>
<b>Refurbishment and revitalisation</b>	<ul style="list-style-type: none"> <li>■ Stricter requirements for building demolition and correct material recycling</li> </ul>	<ul style="list-style-type: none"> <li>■ Green building certification, also for refurbishment projects</li> </ul>
<b>Healthy building materials and the quality of life</b>	<ul style="list-style-type: none"> <li>■ Increased minimum requirements for the healthy quality of building materials</li> </ul>	<ul style="list-style-type: none"> <li>■ Green building certification</li> <li>■ Use of timber</li> </ul>
<b>Water and wastewater utilisation and waste in building operations</b>	<ul style="list-style-type: none"> <li>■ Reduced water supplies for building operations and the upstream construction industry due to dry periods (climate change)</li> <li>■ Increasing costs for waste disposal</li> </ul>	<ul style="list-style-type: none"> <li>■ Green building certification</li> <li>■ Established waste concepts and specific actions for water and wastewater utilisation</li> </ul>

**In the area of social issues, the materiality analysis identified the following risks:**

Sustainability issues	Risks	Measures
<b>EMPLOYEES</b>		
<b>Attractive employer &amp; training and education</b>	<ul style="list-style-type: none"> <li>■ Higher turnover and the related additional costs, increasing costs for new hiring</li> <li>■ Decline in innovation power and productivity</li> <li>■ Image loss</li> </ul>	<ul style="list-style-type: none"> <li>■ Active promotion of an open communication culture and work-life balance</li> <li>■ Measures to develop skills and career planning, opportunities for personal development</li> <li>■ Competitive and performance-oriented remuneration and benefits</li> <li>■ Structured succession planning</li> <li>■ Exit interviews</li> </ul>
<b>Diversity and equal opportunities</b>	<ul style="list-style-type: none"> <li>■ Loss of innovation potential when personal backgrounds are not considered</li> <li>■ Lack of motivation, higher turnover and the resulting higher costs</li> <li>■ Increasing legal requirements</li> <li>■ Image loss</li> </ul>	<ul style="list-style-type: none"> <li>■ Targeted recruiting of suitable female candidates</li> <li>■ Exchange of experience ("buddy principle")</li> <li>■ Identification of and direct assistance for women with high potential</li> <li>■ Programme for active maternity leave management</li> </ul>
<b>Occupational health and safety</b>	<ul style="list-style-type: none"> <li>■ Rising costs due to lost workdays and illness</li> <li>■ Image loss</li> </ul>	<ul style="list-style-type: none"> <li>■ Integrated management system for occupational safety and health protection</li> <li>■ Active support for physical and psychological health</li> </ul>
<b>SOCIETY</b>		
<b>Architecture, urban quarter development and social diversity</b>	<ul style="list-style-type: none"> <li>■ Increasing requirements for barrier-free, flexible and smart housing due to demographic shift</li> </ul>	<ul style="list-style-type: none"> <li>■ Green building certification</li> <li>■ Active support for stakeholder dialogues</li> <li>■ Membership in initiatives like ÖGNI, ICG</li> </ul>
<b>Mobility and infrastructure</b>	<ul style="list-style-type: none"> <li>■ Standing assets become more difficult or impossible to sell</li> </ul>	<ul style="list-style-type: none"> <li>■ Flagship projects for future-oriented mobility concepts</li> <li>■ Active support for stakeholder dialogues</li> </ul>
<b>Customer orientation and creating awareness</b>	<ul style="list-style-type: none"> <li>■ Project delays</li> <li>■ Market entry problems</li> </ul>	<ul style="list-style-type: none"> <li>■ Green building certification</li> <li>■ Active support for stakeholder dialogues</li> <li>■ Membership in initiatives like ÖGNI, ICG</li> </ul>



### 3.6.3. 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 of the interests of all our stakeholders are an essential and integral part of our actions.

A scenario was developed for each governance issue related to sustainability as part of the materiality analysis. The risks arising from social issues, their impact and the implemented measures are described in greater detail in section 6.

The extensive catalogue of measures to deal with compliance risks covers the entire UBM Group. Corruption risk is viewed as part of governance risks (among others, from internal fraud, corrupt behaviour) and flows into the risk assessment, risk map and overall aggregation. Steps to reduce this risk include, among others, regular training, work instructions (e.g. the dual control principle), obtaining multiple offers, recording order procedures, the separation of orders and payment as well as the related controls. **GRI 205-1**

**In the area of governance, the materiality analysis identified the following risks:**

Sustainability issues	Risks	Measures
<b>Corporate Governance and Compliance</b>	<ul style="list-style-type: none"> <li>■ Fines, consequences under criminal law</li> <li>■ Reputational damage</li> <li>■ Risks for the interests of investors and employees, declining share prices</li> <li>■ Financial damages due to invalid agreements</li> <li>■ Exclusion from tenders</li> </ul>	<ul style="list-style-type: none"> <li>■ Commitment to the Austrian Code of Corporate Governance</li> <li>■ Extensive compliance management system</li> <li>■ Whistleblower system</li> <li>■ Internal training and awareness creation</li> <li>■ Code of conduct for business partners</li> <li>■ Ethics code</li> <li>■ 360° process landscape</li> </ul>
<b>Sustainable procurement and regional added value</b>	<ul style="list-style-type: none"> <li>■ Increasing regulatory requirements for due diligence in the supply chain</li> <li>■ Problems in international supply chains</li> <li>■ Reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>■ Code of conduct for business partners</li> <li>■ Procurement guideline for the ecologically oriented purchasing</li> <li>■ Supplier checks</li> </ul>
<b>Innovation and technologies</b>	<ul style="list-style-type: none"> <li>■ Impairment of competitive ability</li> <li>■ Loss of know-how</li> </ul>	<ul style="list-style-type: none"> <li>■ Digitalisation of the UBM working world</li> <li>■ Smart Building Innovation</li> <li>■ Foundation (SBIF)</li> <li>■ Cybersecurity training</li> </ul>

### 3.7. ESG reporting

UBM is not covered by the reporting requirements of the Austrian Sustainability and Diversity Improvement Act but has voluntarily and proactively published an annual ESG report in line with the latest GRI standards since 2020. This reporting is in accordance with the Universal Standards 2021 issued by GRI (Global Reporting Initiative). Consequently, the company is very well prepared to address the information requirements at the product and corporate levels that will result from the CSRD and Taxonomy Regulation. UBM will be covered by the CSRD reporting requirements beginning with the 2025 financial year and will report its sustainability information in accordance with ESRS standards. The materiality analysis and reporting reflect, in all respects, the GRI definitions for report content and quality: accuracy, validity, balance/relevance, clarity, comparability, completeness, sustainability context, timeliness and reliability. These criteria apply to both the financial and non-financial information.

Reporting will be gradually adapted to reflect the changing regulatory developments – for example, the materiality analysis was already revised under this perspective (see section 3.4.). Moreover, UBM's reporting is based on voluntary frameworks and norms like the UN Global Compact (see section 3.9.). This ESG report serves as a progress report for the UN Global Compact. UBM has been an official supporter of the TCFD recommendations (Task Force on Climate-related Financial Disclosures) since 2021 and is covering this subject in its current report (see section 3.6.).

In connection with the concrete, measurable goals for the coming years which were set in 2021 and are regularly evaluated, the ESG report gives UBM a valuable management tool to meet its responsibility to society. The ESG report describes the management approaches, goals and measures related to the environment, society and governance, and highlights successes as well as challenges. The subject areas are based on the materiality analysis carried out in 2021.


UBM calculated its complete corporate carbon footprint (CCF), retroactive for the 2022 reporting year, for the first time in 2023. The CCF provides an overview of a company's direct and indirect greenhouse gas emissions in t CO<sub>2</sub>e (CO<sub>2</sub>equivalents)

along the entire value chain. The results are presented in accordance with the requirements of the scientifically based Greenhouse Gas Protocol (GHG Protocol) and the Guide to Scope 3 Reporting in Commercial Real Estate. Based on the CCF, we can identify opportunities for improvement and evaluate the progress in reaching our goals. We have also submitted ambitious, scientifically based climate goals with the Science Based Targets Initiative and are developing a GHG reduction path. Additional information on the CCF is included in section 4.

The ESG report is prepared by the Investor Relations & ESG department in coordination with the specialist departments and released by the Management Board. Additional information on UBM, its business development and corporate governance is provided in the 2023 annual report.

Transparency and reliability are also decisive for our ESG reporting, and we therefore arranged for an external limited assurance audit of this ESG report (more information is provided beginning on page 135).

UBM also introduced a central data management tool in 2021, which has been successively developed and used for internal and external reporting since 2022. The goal is to create an informative basis for the definition of internal goals and external evaluations. This tool permits data processing with maximum flexibility and meets all current international sustainability standards. Transparency is ensured by control mechanisms, plausibility checks and the definition of responsibilities.

Controlling is responsible for this tool at corporate level, and a contact partner has been designated for each country organisation. Data collection takes place directly in the respective areas and departments in the individual countries. The Controlling, Timber Construction & Green Building and Investor Relations & ESG departments are integrated in the data control.  **2-3, 2-5, 2-14**

### 3.8. ESG ratings

Leading global ESG rating agencies have confirmed UBM's strong position in the area of sustainability.

#### CDP: B for UBM in the Climate Change Rating

The "B" grade received by UBM in its first evaluation (in 2022) by CDP was repeated in 2023 with a "B" for the company's actions in the fight against climate change. That places UBM only one level below CDP's "Leadership" status. In 2023, UBM was also invited to apply for a water security rating and received a "C" grade. UBM has taken part in CDP reporting on climate-relevant data since 2022 and provides its stakeholders with transparent information on the climate protection strategy and actions to reduce CO<sub>2</sub> emissions.



#### ISS ESG: Prime Status for UBM

Rating by ISS ESG resulted in "Prime Status" (Level "B-") for UBM Development. That makes UBM Development the most sustainable company in its sector in Germany and Austria.



#### EcoVadis: Platinum for UBM

Following Gold from the previous year's evaluation, UBM Development was also awarded Platinum in 2023 - the highest rating given by EcoVadis. That places UBM among the top one per cent of the 100,000 companies graded by EcoVadis worldwide.



#### UBM joins the VÖNIX

UBM's inclusion in Austria's VÖNIX Sustainability Index in 2022 was extended to 2023/24. This sustainability benchmark includes the Austrian companies listed on the Vienna Stock Exchange that hold leading positions with regard to their ecological and social activities.



#### EthiFinance (Gaïa): 76/100 for UBM

The EthiFinance rating resulted in a score of 76/100 for UBM and a slight improvement over the previous year's results. Compared with the benchmark (real estate sector), UBM was a high-flyer in all four rating categories (Environment, Social, Governance and external stakeholders).



### 3.9. Memberships

Our actions are also based on the ten principles of the UN Global Compact, a “network of the future” which UBM joined in 2021. UBM has additionally been an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD) since 2021, where it is one of almost 5,000 organisations committed to fighting climate risks and developing a more resistant financial system through better disclosure.

An intensive dialogue with stakeholders is guaranteed and reinforced by UBM’s participation in various organisations and sector 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 the corporate platform respACT (Austrian Council for Sustainable Development), the Austrian Sustainable Building Council (“Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft”, ÖGNI) and Hotel Management Associates (HAMA).

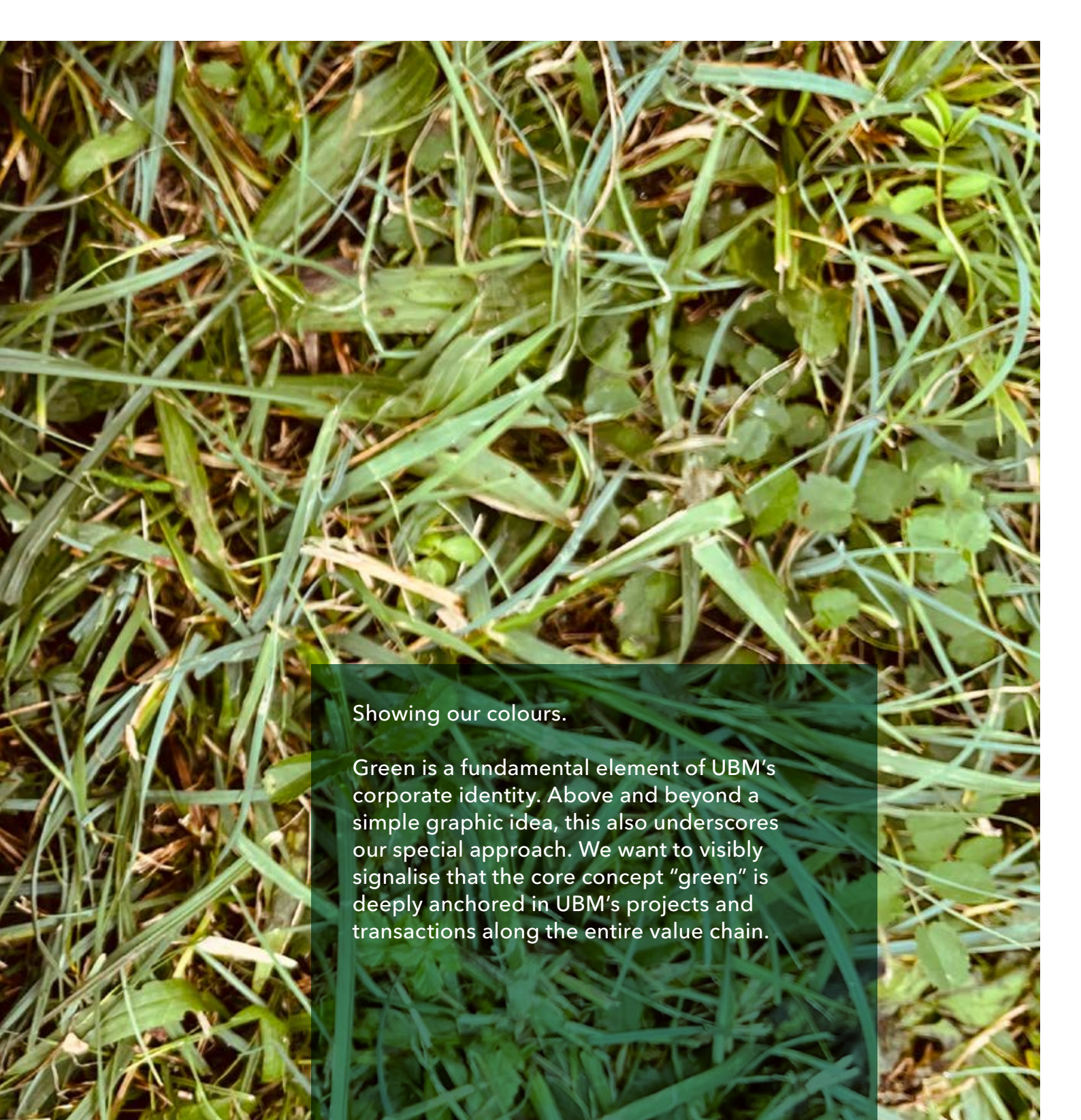
UBM expanded its active participation in the interest group “IG-Lebenszyklus Bau” to include membership in 2020. The organisation’s working group on the shortage of land was headed, among others, by UBM Austria’s management. Its central objective is to find ways to stop the wasteful use of land as a limited resource 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 demonstrates that project developers can be strong and reliable partners for the general public and the public sector in the creation of living environments. **GRI 2-28**









Showing our colours.

Green is a fundamental element of UBM's corporate identity. Above and beyond a simple graphic idea, this also underscores our special approach. We want to visibly signalise that the core concept "green" is deeply anchored in UBM's projects and transactions along the entire value chain.

#### **4. UBM & Environment**

- 4.1. Energy efficiency, renewable energies & CO<sub>2</sub> emissions
- 4.2. Recyclability & durability of building materials
- 4.3. Ground sealing, climate change adjustments and biodiversity
- 4.4. Refurbishment and revitalisation
- 4.5. Healthy building materials & the quality of life
- 4.6. Water and wastewater utilisation and waste in building operations



# Our company. Our environment.

The architect Lamia Messari-Becker summarised the environmental effects of construction in a few simple statistics: 40% of energy requirements, 50% of resource consumption, 60% of waste and 70% of ground sealing worldwide are attributable to the construction sector. In view of this high environmental relevance, it is natural for UBM to give high priority to ecological aspects in all decisions.

## Future-oriented real estate development

With our properties, we design the living space of the future – and that means we also design the environment. Real estate development is not only our core business – at the same time, it gives us the greatest leverage to significantly reduce our carbon footprint. UBM directly addresses the ecological

impact of its activities in all project phases. A firm belief in the importance of timber construction, our dedication to renewable energies and energy efficiency, the emphasis on green building certification and our efforts on behalf of the circular economy are an expression of this conviction. Our activities concentrate on the following areas:

- Energy efficiency, renewable energies and CO<sub>2</sub> emissions
- Durability and recyclability of materials
- Ground sealing, climate change and biodiversity
- Refurbishment and revitalisation
- Healthy building materials and the quality of life

## Real estate development projects

Projects	Total pipeline <sup>1</sup>	2023	2022	2021
GFA (Gross Floor Area) total [m <sup>2</sup> ]	523,219	58,420	99,633	118,104
GFA Office [m <sup>2</sup> ]	272,440	0	35,775	5,430
GFA Residential [m <sup>2</sup> ]	250,779	58,420	21,778	47,072
GFA Hotel [m <sup>2</sup> ]	0	0	16,992	51,149
GFA Other and Mix [m <sup>2</sup> ]	0	0	25,089	14,453
Projects - all asset classes [number]	36	4	9	10
Office [number]	12	0	3	1
Residential [number]	24	4	3	4
Hotel [number]	0	0	1	4
Mix and Other [number]	0	0	2	1

<sup>1</sup> The data covers all projects in the pipeline (Q1/2024-Q4/2027). Projects that are composed of different phases or building sites are shown separately.

## We measure our locations based on their footprint

In addition to our development projects, we want to make our own business operations more sustainable. UBM has office space at 12 locations and is working to steadily reduce its ecological footprint. Relevant activities to reach this goal involve energy consumption and emissions (see section 4.1.). The efficient use of water and correct waste management are also important issues for UBM and are internally managed and reported.

## Fewer standing assets

The strategic focal point of UBM's business activities is the development and sale of properties. Accordingly, the number of standing assets has been steadily reduced since 2015. UBM also takes action to strengthen sustainability in these properties – here, the key issue is whether the properties are rented and UBM therefore only has an indirect influence on energy consumption and emissions, for example through the use of energy-saving lighting or efficient heating and cooling solutions.

## 4.1. Energy efficiency, renewable energies and CO<sub>2</sub> emissions



### 4.1.1. Importance of the issue

With the Paris Agreement, nations across the world have agreed on joint efforts to hold global warming substantially below 2 °C and, through further measures, to limit the increase to 1.5 °C below the pre-industrial level (1990). The EU's Green Deal represents the heart of European sustainability efforts in this context. It calls for a reduction of at least 55% in net greenhouse gas emissions (basis: 1990) in the EU by 2030. This important interim goal in the Green Deal will put Europe on course to become the world's first climate-neutral continent by 2050.

Related activities include the European Commission's "Fit for 55" package which includes draft legislation, among others, for buildings. The requirements involve, among others, a European approach to carbon pricing (certificate trading and CO<sub>2</sub> taxes). The European Carbon Border Adjustment Mechanism (CBAM) is designed to counter the shift of CO<sub>2</sub> emissions to non-EU countries with less ambitious climate policies by introducing CO<sub>2</sub> tariffs on certain imports (including cement, iron and steel) starting in 2026. The EU Energy Performance of Buildings Directive is intended to increase the energy efficiency of buildings in order to achieve a zero emission stock by 2050. The EU Green Bond Standard harmonises and promotes the issue and management of green bonds.

Other sets of regulations and initiatives like the EU Taxonomy currently concentrate, among others, on energy and emissions and establish stricter requirements for companies

regarding climate protection activities and the related reporting. Investments not considered sustainable in the sense of the taxonomy are likely to face a competitive disadvantage as well as a decline in investor demand in the future. Various players - including companies, investors, public institutions and consumers - are called on to accept responsibility and effectively contribute to reaching these goals.

These ambitious goals are a challenge for the real estate sector because energy consumption and the related greenhouse gas emissions caused by a building over its entire life cycle have a significant impact on the climate balance. In global terms, real estate and construction are the most CO<sub>2</sub>- and energy-intensive sectors.

Nearly 40% of global CO<sub>2</sub> emissions and more than one-third of worldwide energy consumption are attributable to the construction and operation of real estate. In spite of a substantial increase in investments and successful results at the global level in reducing the energy intensity of buildings, CO<sub>2</sub> emissions from building operations have risen to a historical high of 10 Gt CO<sub>2</sub>. The real estate and construction sector is, consequently, not on course to decarbonise by 2050 (UNEP 2022). The real estate industry therefore plays an important role - the reduction of energy consumption and the carbon emissions of buildings are essential for the realisation of energy-related goals.

Real estate developers have a powerful lever to make a valuable, positive contribution in the area of energy and emissions: possible actions involve renewable energies (geothermal power, the installation of photovoltaic or solar energy equipment, inclusion in the planning phase of subsequent refitting and options for the expansion of renewable energy carriers), energy-efficient building shells and technology, low-energy and low-emission building materials (e.g. timber) and the integration of mobility concepts (e.g. e-charging stations). **GRI 3-3**

#### 4.1.2. Our commitment

Through the development of new projects, we create urgently needed living space for society. We are committed to the global agenda and attach great importance to environmentally friendly, resource-conserving and future-oriented construction methods. The carbon footprint of a property can be substantially reduced as early as the planning and construction stage and also through processes required for later building operations. Our attention is therefore directed to low-emission building materials, energy-efficient building design, and the use of renewable energies.

Our commitment to and investments in timber construction are important because of their significant, inherent capability to reduce the carbon footprint. Every cubic metre of wood stores one tonne of CO<sub>2</sub> over the long term, while the production of cement and steel is energy-intensive and results in CO<sub>2</sub> emissions. The production of the concrete and steel frequently used in building construction is responsible for no less than six per cent of all CO<sub>2</sub> emissions worldwide. We therefore evaluate the possible use of the renewable material timber, with its carbon-capturing properties, for every project. Our goal here is to create significantly more than 100,000 m<sup>2</sup> of office and residential space as a timber hybrid construction by 2025.

The energy consumption of the buildings developed by UBM (offices, apartments) also has an impact on the environment and is a material cost factor for tenants and users. The energy consumption during building operations can already be reduced during the planning phase. Efficient measures include, among others, good insulation, energy-efficient building technology, the location-based orientation and size of windows, shading equipment, and the energy-efficient regulation of the indoor climate (heating and cooling) with modern sensors.

In comparison with fossil energy carriers like natural gas or heating oil, the use of renewable energy sources in buildings (geothermal power, photovoltaics, solar technology, etc.) can make a significant contribution to reducing carbon emissions. This reduction can also be achieved through subsequent

refitting or options to increase the use of renewable energy carriers. The possibilities for connection to geothermal power and similar sources, however, must be evaluated when selecting a location and acquiring the site.

Our *green. smart. and more.* strategy places ESG at the centre of our actions along the entire value chain. It is deeply anchored in processes and represents an integral part of all phases. Processes are operationally standardised through an institutionalised 360° principle. As part of the "Next Level" efficiency programme, our core and support processes were reviewed on the basis of specific quality gates and defined for the entire UBM Group. These processes were adapted to reflect the strategic focus on *green. smart. and more.* and thereby ensure the implementation of UBM's strategy at the project level. For example: every project must include an evaluation, among others, of the use of timber as a building material, greening and the on-site generation of renewable energy through photovoltaics – as only several examples of the quality gates in our standardised group-wide processes. Additional information on the 360° process landscape can be found in section 6.

### We are building for a greener future – with timber, energy-saving technology and renewable energies.

Green building certifications are a suitable measurement instrument to make building performance on the real estate market comparable – and to draw conclusions and learn from the results. For many years, we have been actively working to achieve certification for our properties based on this conviction. All new construction projects are sustainably planned, built and subjected to a sustainability assessment. We rely on systems like the ones developed by the German Sustainable Building Council ("Deutsche Gesellschaft für Nachhaltiges Bauen", DGNB), Leadership in Energy and Environmental Design (LEED) or the Building Research Establishment Environmental Assessment Methodology (BREEAM). As part of its strategic reorientation, UBM has set a goal to achieve certi-



fication not only for 100% of its commercial properties, but also for all new projects in the residential asset class – at the latest by 2025.

As a pure property developer, we cooperate with a wide variety of suppliers and service providers. Our business partners are required to meet the same high standards, for example strict environmental requirements for their production processes and building material components. Environmental protection is also anchored in our code of conduct for business partners (further information can be found in section 6).

Environmental aspects at our Group locations are also receiving greater attention. The entire UBM Group was certified in accordance with the international environmental management standard ISO 14001, the quality management standard ISO 9001 and the energy management standard ISO 50001 via a matrix audit. This means that 100% of UBM locations are covered by the certifications. Our binding ethics code, in which the subject of environmental protection is anchored, forms the basis for all business activities and decisions, and compliance is confirmed in writing by our employees (see section 6 for further information).

The United Nations recommends three steps to achieve climate neutrality: measure emissions, reduce emissions and, finally, compensate for unavoidable emissions. We calculate our emissions based on the internationally recognised Greenhouse Gas Protocol and monitor and report on our performance. One challenge in this respect is the limited availability of data on Scope 3 emissions, i.e. the indirect emissions arising from the purchase, transport or sale of raw materials and other products. In 2023, we calculated UBM's complete corporate carbon footprint (CCF), retroactive for the 2022 reporting year, for the first time. Details can be found on page 74.

In order to be optimally positioned for the future, UBM established the Smart Building Innovation Foundation (SBIF) in 2022. This non-profit organisation includes partners from industry and science who work together to develop technical applications for smart buildings.

Additional information can be found in section 6.3.

**GRI 2-23, 2-25, 3-3**

**4.1.3. Organisational structure**

With the Timber Construction & Green Building department, UBM has established a competence centre with six experts to underscore the strategic importance of timber construction. It monitors and assists the operational implementation of green building processes. New national and European requirements are evaluated and implemented at project level in agreement with the *green. smart. and more.* strategy. This department also coordinates the evaluation and organisation of building certification and EU Taxonomy checks for development projects by external partners.

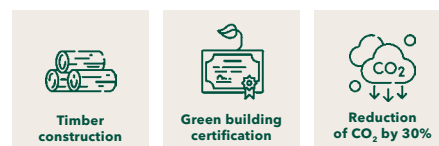
Project managers are responsible for the operational implementation of the green building strategy in development projects. They optimise the projects, e.g. as regards energy, together with external experts based on the alternatives available at the respective location. The implementation of the green building strategy in standing assets and at Group locations is the responsibility of UBM's asset managers. They implement the actions defined by green building to reduce the CO<sub>2</sub> emissions from these properties.

All projects are carefully reviewed and must be approved by UBM's Management Board. **GRI 2-23, 2-24, 3-3**

**4.1.4. Goals and measures**

**Property development**

**Goals from our sustainability programme:**



To reach these ambitious goals, UBM takes specifically defined steps to reduce energy consumption in its projects. Examples are the use of energy-efficient materials for building shells and the installation of energy-efficient technical equipment. The use of timber as a building material makes

a special contribution to reducing CO<sub>2</sub> emissions. Targeted actions to implement and improve sustainability best practices makes it possible for UBM to identify and utilise key controls to optimise building performance with regard to energy and CO<sub>2</sub> emissions.

**Goals and measures in detail:**

**Timber construction**

- Over 100,000 m<sup>2</sup> as a timber hybrid construction by 2025
- For timber (hybrid) construction: CO<sub>2</sub> reduction of at least 20% versus conventional construction methods during the production phase of new development projects by 2025

In order to ensure the correct selection of materials for the construction of buildings, every development project begins with the question: can it be realised with timber construction? The life cycle assessment for every timber construction project must demonstrate savings over conventional construction methods as early as the planning stage. These two quality gates are part of the 360° principle (see section 4.1.2.). The following table provides an overview of UBM’s timber hybrid pipeline, whereby the potential for CO<sub>2</sub> savings is illustrated by the individual projects. UBM is handling the “embodied carbon”, i.e. the embedded emissions, during the construction phase by using timber to reduce the CO<sub>2</sub> emissions from the building materials.

One challenge for timber construction is the current lack of specialists in subcontractor companies. The strong dynamics on the timber market were a further source of uncertainty in previous years, but the timber price has stabilised after a speculative phase and this raw material is again available at a reasonable price.

**UBM’s timber hybrid pipeline**

Project	GFA timber hybrid	Asset class
LeopoldQuartier	75,700 m <sup>2</sup>	Mix
Timber Factory	59,000 m <sup>2</sup>	Light Industrial
Timber Marina Tower	44,400 m <sup>2</sup>	Office
Timber Living	23,200 m <sup>2</sup>	Residential
Timber View	18,200 m <sup>2</sup>	Residential
Timber Pioneer	17,600 m <sup>2</sup>	Office
Amras	16,600 m <sup>2</sup>	Residential
Timber Port	11,800 m <sup>2</sup>	Office
Molenkopf	9,800 m <sup>2</sup>	Residential
Timber Works	9,700 m <sup>2</sup>	Light Industrial
Timber Peak	9,500 m <sup>2</sup>	Office
Unterbiberger Strasse	8,400 m <sup>2</sup>	Office
Timber Praha	7,400 m <sup>2</sup>	Residential
<b>Total</b>	<b>&gt; 300,000 m<sup>2</sup></b>	

**Energy and CO<sub>2</sub> intensity**

- Reduction of primary energy requirements to the national “nearly zero energy building standard” by 2025
- Reduction of CO<sub>2</sub> intensity by 30% (basis 2019) by 2030
- Increase in the share of renewable energy in energy carriers to 50% by 2030

To meet its energy and CO<sub>2</sub> intensity goals, UBM has defined primary energy requirements for the planning of technical building equipment in all new development projects. The installation of measurement and monitoring systems can lead to the targeted reduction of energy consumption and emissions, for example through intelligent lighting or heating, ventilation and cooling. The durability of buildings, meaning the inclusion of a second or third use in the planning stage, is another important factor: the specific goals set by UBM are reviewed regularly by Life Cycle Assessments (LCA/life cycle evaluations). These planning tools make it possible to determine and, where necessary, optimise the energy requirements and CO<sub>2</sub> emissions of buildings from construction to maintenance and dismantling.

The calculation of energy consumption and CO<sub>2</sub> emissions is based on the final energy requirements for the respective project.

Energy intensity depends on the project specifics (asset class, countries) and is therefore subject to fluctuations.

**Energy indicators - real estate development**

	2023	2022	2021
Total calculated energy consumption [kWh]	4,395,872	11,499,695	11,165,679
% share renewable energy consumption	15%	15%	n/a
GFA of development projects [m <sup>2</sup> ]	58,420	99,633	118,104
<b>Calculated energy intensity [kWh/m<sup>2</sup>]<sup>1</sup></b>	<b>75</b>	<b>115</b>	<b>95</b>
Direct/Indirect GHG emissions [t] <sup>1</sup>	1,136	3,518	3,132
<b>Intensity of GHG emissions [kg/m<sup>2</sup>]<sup>1</sup></b>	<b>34</b>	<b>46</b>	<b>27</b>
Property area in total [m <sup>2</sup> ]	40,069	33,685	45,678

<sup>1</sup> The decline in energy and GHG intensity is due in particular to the specifics of the asset classes (2023: only residential, 2022: including one hotel). Data source: energy certificates.

**Building certification**

- Certification for 100% of development projects based on DGNB, LEED Gold or BREEAM Excellent as a minimum standard beginning in 2022
- EU Taxonomy alignment for 100% of new developments in the office asset class by 2025

Green building certification is a mandatory element of the 360° principle for all new projects. All commercial and residential projects designated for global sales have been evaluated in accordance with internationally recognised certification criteria since 2021. Refurbishments and listed buildings are also certified - e.g. the profiles "dismantling" and "construction site" were added to UBM's certification programme for the large-scale LeopoldQuartier project in Vienna.

The following projects were successfully completed in 2023:

- Gmunder Höfe, Section A, Munich
- Arcus City Phase 1, Prague
- Rankencity, Graz
- Noble Residence, Krakow

Our completed projects in 2023 are assigned to the residential asset class. Four residential projects with 58,420 m<sup>2</sup> of gross floor area (GFA) were completed.

The projects completed in 2023 were started before the strategic realignment, which is why no certification was carried out.

UBM plans to continue building certification to confirm the sustainability of its property developments. All projects in all asset classes in the pipeline will undergo a sustainability assessment in the future to ensure the attainment of the defined goals over the long term. Moreover, the technical assessment criteria in the EU Taxonomy will be integrated as a requirement for development projects in the office asset class.





The following table shows the classification of certified and uncertified projects:

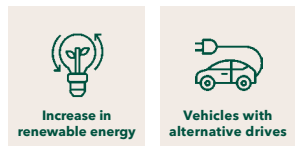
**Development certifications**

	2023	2022	2021
Projects - all asset classes [number]	4	9	10
Office [number]	0	3	1
Residential [number]	4	3	4
Hotel [number]	0	1	4
Mix and Other [number]	0	2	1
GFA total [m <sup>2</sup> ]	58,420	99,633	118,104
GFA certified [%]	0	46	60
GFA certified [m <sup>2</sup> ]	0	45,511	71,032
GFA not certified [m <sup>2</sup> ]	58,420	54,122	47,072
Certifications <sup>1</sup> [number]	0	2	6
DGNB [number]	0	1	2
LEED [number]	0	1	3
BREEAM [number]	0	0	1

<sup>1</sup> The data is based on the absolute number of projects, without an adjustment for double certification.

**Corporate locations**

**Goals from our sustainability programme:**



**Goals and measures in detail:**

**Renewable energy and energy management**

- Increase the share of renewable energy in energy carriers to 30% by 2025
- Establish/optimize energy monitoring at all UBM locations by 2025

To meet these ambitious goals, UBM is gradually converting its own locations to green electricity suppliers and equipping or refitting these facilities with building management systems to improve energy optimisation and reduce the energy required for heating, ventilation and cooling. One challenge in this area is the availability of green electricity. Renewable energy as a share of UBM's total energy consumption equalled 31% in Austria, 23% in Germany, 45% in Poland and 5% in Czechia (UBM in total: 30%) during 2023. CO<sub>2</sub> certificates (Guarantees of Origin) were purchased for the Group's location in Warsaw to neutralise the emissions from electricity consumption due to the lack of low-emission electricity. The contracts for all locations in Germany, Austria, Czechia and Poland will be converted to green electricity, where available, by 2025 at the latest.

UBM generally relies on district heating for its heating supplies to benefit from the decarbonisation of the national networks and avoid the use of pure fossil energy carriers. Energy-efficient LED lighting is also installed when UBM locations are renovated.

UBM has carried out regular energy audits since 2016 in accordance with Directive 2012/27/EU on energy efficiency and Directive (EU) 2018/2002 (in Austria, the Energy Efficiency Act; in Germany, the Building Energy Act). All investments over 50% (land, standing assets, new development projects) and locations are covered by these procedures. External energy audits were carried out at the German and Austrian locations in 2019, and verification audits based on ISO 50001 took place in Austria (UBM Development AG and UBM Austria) during 2020 and 2021. The external audit was carried out in Austria in 2023. External audits in Austria, Germany and Czechia are planned for 2024.

An important process launched by UBM in 2020 and continuously expanded is the transparent and more exact collection of data on energy consumption and emissions. This data will be used to develop further climate protection initiatives in the future.

UBM introduced a central data management tool in 2021, which has been successively filled with E, S and G data since 2022. The goal is to create a useful basis for the definition of internal goals and external evaluations. The tool creates maximum flexibility for data processing and meets all current international sustainability standards. Additional information on this tool can be found in section 3.7.

**Motor vehicle pool**

- Double the number of vehicles with alternative drives by 2025 (basis 2021)

The petrol and diesel consumption of all Group motor vehicles has been recorded since 2020 to create a database for defining concrete emission reduction targets. Preference is given to hybrid or electric vehicles when new vehicles are purchased, whereby the decision also involves the availability of suitable charging stations near the employee’s home. In 2023, UBM’s motor vehicle pool included 38 (2021: 18) vehicles with alternative drives.

**Travel**

- Reduce CO<sub>2</sub> from air travel by 25% (basis 2019) by 2025

The Group-wide travel guideline “think before you travel” makes clear that business trips should only be undertaken when absolutely necessary. Rail travel must be given preference for shorter distances, shared transport should be targeted, and video conference portals should be used more frequently for meetings. The use of these digital formats has increased substantially as a result of the Covid-19 pandemic. Since 2022, UBM has received a comprehensive analysis of the CO<sub>2</sub> emissions from the travel management providers responsible for its flight reservations. The CO<sub>2</sub> emissions from air travel equalled 117 t CO<sub>2</sub>e (CO<sub>2</sub> equivalents) in 2023, which represents a reduction of roughly 77% below the comparative period (2019: 505 t CO<sub>2</sub>e).

**Standing assets**

**Goal from our sustainability programme:**



**Goals and measures in detail:**

**Renewable energy**


- Increase the share of renewable energy in energy carriers to 30% by 2025

UBM is gradually converting its Group locations as well as its standing assets to green electricity suppliers. The W3, a standing asset in Vienna, already purchases green electricity and, in addition to district heating, is also changing over to district cooling. A “manage to green” project is currently in progress at the Poleczki Business Park in Poland. It involves the neutralisation of CO<sub>2</sub> emissions from the total electricity consumption in 2023 and 2024 through certificates because green electricity is not available at that location. In order to ensure the long-term availability of renewable energy, photovoltaic equipment is currently being installed on the rooftop of one of the office buildings in the commercial park. The share of renewable energy in the standing assets equalled 42% in 2023.

#### Energy management and CO<sub>2</sub> intensity

- Reduce CO<sub>2</sub> intensity by 30% by 2030 (basis 2020)
- Establish/optimize building management systems for at least 90% of the GFA in all standing assets by 2024

UBM is successively equipping or refitting all standing assets with building management systems (BMS) to improve energy optimisation. Roughly 99% of the GFA in UBM’s standing assets were equipped with these systems in 2023. Plans call for the reduction of energy consumption from heating, cooling and air conditioning as well as the CO<sub>2</sub> intensity through refitting with highly efficient energy systems and building automation. In addition, UBM issued a Green Lease Framework in 2023. It shows the design possibilities for energy, waste, water consumption, mobility and cleaning and is intended to facilitate building use and management. For our largest standing asset, the Poleczki Business Park in Poland, a catalogue of building-specific energy saving measures was also prepared and is currently being implemented – that represents around 53% of the GFA square metres in UBM’s standing assets. This is part of our plans to increase the awareness of our relevant stakeholders for the sustainable use of properties through a greater emphasis on environmentally oriented consumption.

The CO<sub>2</sub> intensity of UBM’s standing assets equalled 34 kg CO<sub>2</sub>e/m<sup>2</sup> in 2023 (2022: 23 kg CO<sub>2</sub>e/m<sup>2</sup>). 

#### UBM’s corporate carbon footprint

The Corporate Carbon Footprint (CCF) provides an overview of a company’s direct and indirect greenhouse gas emissions in tonnes of CO<sub>2</sub>e (CO<sub>2</sub> equivalents) along the entire value chain.

For 2022, we carried out a complete survey of our CCF for the first time. The entire process of preparing the CCF was supported by external experts, including a review of completeness, correctness and GHG Protocol conformity in accordance with ISO 14071. The results are presented in accordance with the requirements of the scientifically based Greenhouse Gas Protocol (GHG Protocol) and the Guide to Scope 3 Reporting in Commercial Real Estate. According to the Greenhouse Gas Protocol, at least Scope 1 and 2 are considered, and relevant Scope 3 categories should also be included.

A full calculation was carried out again for the 2023 reporting year. This CCF covers the emissions of UBM Development including its investments:

- Project development: four completed projects in 2023, including one renovation.
- Group locations: seven of the twelve locations in Austria, Germany, Poland and Czechia, at which more than 95% of employees are employed in total (cut-off limit per location: at least 5% of the total workforce must be employed at the location). One investment (UBM hotels, 50%).
- Existing buildings: six standing assets in Austria, Poland, Czechia and the Netherlands. Undeveloped properties are not relevant for the CCF calculation.

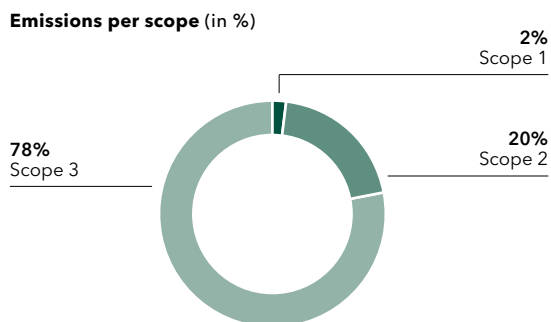
In accordance with the “operational control” approach, the emissions of those companies over which UBM has operational control (i.e. can make operational decisions) are reported in Scope 1 and 2. In Scope 3.15, external investments over which UBM has no operational control are reported (with the percentage of the investment).



Scopes 3.4, 3.9, 3.10 and 3.14 were identified as not relevant on the basis of UBM's business model and are therefore not reported. For the remaining scopes, measured data (primary data) such as meter readings, delivery receipts or travel records were used where available. Where necessary, estimated data was used (expenditure-based or extrapolations).

The emission factors were selected to suit the activity, geographical location and time period. In total, the emissions caused by UBM's business activities in 2023 amounted to 22,035 t CO<sub>2</sub>e. The majority of emissions are attributable to Scope 3 at 78% (Scope 2: 20%, Scope 1: 2%) - a quite typical picture for property developers. Details on the CCF 2023 can be found on the website under "esg." under the "environment" menu item.

Based on the CCF, we can identify potential for improvement and measure progress in achieving our targets. In 2023, we submitted ambitious, science-based climate targets to the Science Based Targets Initiative on the basis of the CCF 2022, which were successfully validated in 2024.

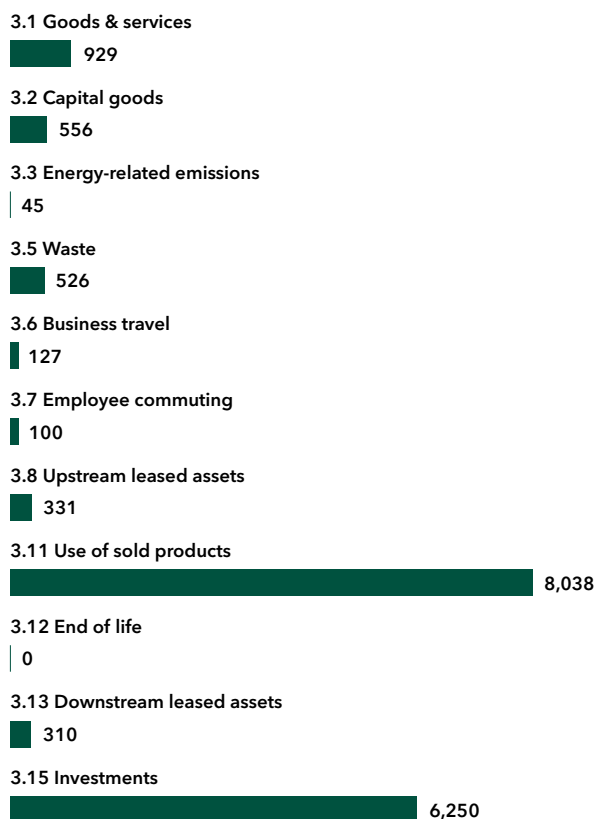


UBM is committed to

- reducing Scope 1 and Scope 2 GHG emissions by 42% by 2030 (base year 2022) and
- achieving Net Zero by 2050 (reducing Scope 1+2+3 emissions by 90% by 2050 from the base year 2022 and neutralising the remaining emissions)

in order to limit global warming to 1.5 °C. UBM is currently developing a concrete transition plan.

**Scope 3 details**



## 4.2. Recyclability and the durability of building materials

In property development, the early planning phase lays the foundation for the ecological footprint and acts as the key to an efficient circular economy. Our planning for structural elements covers, among others, the materials used, their durability and their recycling capability.

The Austrian Council of Ministers approved a circular economy strategy in 2022, in which the “9 Rs” form the core points: refuse, rethink, reduce, repair, refurbish, remanufacture, repurpose, recycle and recover. The EU Taxonomy anchors, among others, the transition to a circular economy, waste avoidance and recycling (e.g. through regulations covering the hazardous waste from construction and demolition). Investments that fail to meet these requirements are likely to face a competitive disadvantage as well as a decline in investor demand in the future.

The use of environmentally friendly and durable building materials (e.g. timber) creates numerous environmental benefits. They include, among others, the capture of CO<sub>2</sub> and a reduction in resource consumption. Timber, as a renewable raw material, stores carbon over the long term and is characterised by high resilience, strength and load-bearing capacity combined with flexibility. Timber also creates time and cost benefits through prefabrication and modular construction, lower transport costs due to reduced weight and increased space through narrower wall construction. And last but not least, timber creates excellent living conditions: wood surfaces equalise humidity and that has a positive influence on the indoor climate.

**With timber construction, we have the largest lever in our hands as a real estate developer.**

The production of steel and concrete, in particular, is carbon intensive, and these materials should be recycled when a

building is demolished. Subsequent recycling capacity can be actively included as early as the planning stage, for example through the avoidance of inseparable composites. Timber can be easily recycled – untreated wood can be reused or recycled, while dirtied or treated wood can be used as a renewable energy carrier. These actions illustrate UBM’s responsibility for recycling in the sense of the circular economy.

In the broader sense of the term, this issue also covers measures to ensure the adaptability of buildings over time (e. g. through flexible room design, dynamic usage concepts, scalability).

### Goals and measures in detail:

#### Sustainable building materials and circular economy

- Implement circular economy approaches in project development as part of a UBM (pilot) project

UBM’s sustainable corporate strategy includes active participation in the development of a circular economy. This also means the use of sustainable and/or recycled building materials, which are evaluated for all projects. A central component of this is a landmark pilot project, in which the innovative “Madaster” tool is used. This project underscores UBM’s efforts to serve as a pioneer for sustainable construction and resource management.

The Madaster platform uses a building resource passport to collect, administer and share detailed information on construction materials. The extensive documentation of these materials, their origin and properties will increase transparency in the construction industry. It will also facilitate the realisation of a circular economy by improving and optimising the life cycle of building materials.

In addition to the pilot project with Madaster, UBM relies on proven concepts like cradle to cradle. This concept is directed to designing products and materials to enable their return to biological or technical cycles. Secondary products are also integrated in construction projects to reduce the dependence on primary resources.

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 life cycles and renovation cycles. The results of these assessments help UBM to optimise the selection of materials and component assembly and make an important contribution to resource conservation, the reduction of environmentally harmful waste and the return to the materials cycle.

In the LeopoldQuartier, the demolition of the existing buildings is taking place as sustainably as possible and in line with our *green. smart. and more.* strategy. Special attention is given to recycling and the reuse of building materials, and virtually no landfill deposits are required. 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 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. The LeopoldQuartier was awarded "Gold" certification by the DGNB for sustainable building demolition.

Activities are also underway to optimise CO<sub>2</sub> emissions over the entire building life cycle at the Village im Dritten project in Vienna's third district.

"Circular Construction", a sector research project, was launched in October 2023 to evaluate and improve the applicability of EU Taxonomy criteria to refurbishment projects. The project is backed by UBM together with companies from the real estate sector and representatives from the building materials and building components industry. A core element of the project is the development of a standardised process to analyse the structures scheduled for refurbishment. This will create a broad basis for planning that deals with all goals defined by the EU Taxonomy. The project covers a wide range of reference buildings from various eras, which serve as benchmarks for the renovation of similar buildings throughout Austria. These benchmarks include energy efficiency, the use of sustainable materials and the adaptability to climate change of the selected reference projects. The "Cir-

cular Construction" project will also identify opportunities for the large-scale recycling or reuse of buildings scheduled for demolition. Refurbishment opportunities are identified and their impact on sustainability is evaluated. The economic efficiency of these plans is evaluated by comprehensive life cycle cost analyses. **GRI 2-23, 2-25**

### 4.3. Ground sealing, climate change adjustments and 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 and movement areas, an increase in the air temperature in heavily populated areas, and a decline in the regeneration of groundwater due to lack of direct rainwater seepage and the resulting risk of highwater and flooding. Increased ground sealing changes the microclimate - local temperatures rise and new heat records are set (heat islands) - which can cause serious health problems for the people involved.

The EU Taxonomy requires, among others, the protection of healthy ecosystems (e.g. through regulations governing construction sites). Investments that have negative effects on the ecosystem are likely to face a competitive disadvantage as well as a decline in investor demand in the future. Building permits in Austria are granted under sustainability aspects that also cover the issues of ground sealing and biodiversity. At the EU level, a directive for deforestation-free supply chains took effect in June 2023 and prohibits the marketing of goods (including timber and related products) from deforested or damaged forestry areas. Market participants will be required to disclose precise geographic information on usable areas to permit the auditing of compliance with these regulations.

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, are embedded in an existing infrastructure.



Our value chain for real estate development begins with the purchase of a site. We never use land in protected or sensitive areas for our projects. However, we are well aware that the realisation of greenfield projects is invariably connected with intervention in the ecosystem through ground sealing, the destruction of free space and other aspects. UBM therefore concentrates on brownfield developments to avoid the conversion of natural or undeveloped areas as far as possible and limit ground sealing. Conscious interaction with land as a resource and the creation of valuable outside areas help to improve biodiversity.

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

The main elements of UBM's biodiversity agenda are as follows:

- Focus on brownfield developments
- Biodiversity in designing outdoor facilities
- Increase in biological diversity through roof and facade greening
- Ecologically valuable design and non-invasive greening

The LeopoldQuartier in Vienna, as an example, will include spacious green areas - the developed zones will be reduced by roughly 15% compared with the former setting, which means more than half the property will consist of green areas.

**Goal from our sustainability programme:**



**Goals and measures in detail:**

**Brownfield development**

- Increase share of brownfield developments in new projects beginning in 2021 to at least 66% by 2025 (cumulative)

As mentioned above, UBM's acquisition process focuses on brownfield developments (land with existing buildings). Biodiversity has also been integrated into UBM's 360° process landscape. The relevant parameters (tree stock, groundwater, contamination, previous use, etc.) for all asset classes are surveyed and monitored in accordance with the "Land" checklist. Our reporting on development projects is based solely on the sealed areas, with a differentiation between greenfield and brownfield. Brownfield developments represent roughly 45% of the 40,069 m<sup>2</sup> GFA in the nine projects completed during 2023.

**GRI 2-23, 2-25**

**Green- & brownfield developments - real estate development**

Projects	Pipeline 2021 - 2025	2023	2022	2021
Greenfield developments [number]	9	1	2	3
Brownfield developments [number]	36	3	7	7
Greenfield developments [total property area [m <sup>2</sup> ]]	70,301	22,079	9,617	11,038
Brownfield developments [total property area [m <sup>2</sup> ]]	188,480	17,990	24,068	34,640
Greenfield developments [%]	27	55	29	24
Brownfield developments [%]	73	45	71	76

2021 - 2025: according to time horizon of target regarding greenfield/brownfield. Projects that are composed of different phases or building sites are shown separately.

**4.4. Refurbishment and revitalisation**

The acquisition of developed land with existing buildings places high requirements on demolition, refurbishment and/or revitalisation. Especially on the commercial property market, signs of a structural transformation are now visible: a growing number of existing/outdated office buildings no longer meet the economic demands of companies, the new work requirements of employees, or the climate policy requirements of investors. We are experiencing a growing gap in the office asset class - on the one side, with increasing vacancies on the mass market and, on the other side, a shortage of available properties in the modern top segment.

This development is increasing the relevance of refurbishment, revitalisation and conversions. Stricter legal requirements for building demolition can be expected in the future, for example through the consequent separation of construction and demolition waste or the production of quality-assured secondary building materials.

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 revitalisation of existing buildings involves lower energy consumption and lower carbon emissions - an important ecological aspect that will represent an important criterion 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. The life cycle of a building is extended as a result, and that means fewer carbon emissions.

In addition to an increase in projects involving revitalisation, UBM has set a goal to evaluate all refurbishment projects based on sustainability criteria. None of these projects underwent building certification in 2023. Slightly more than 1% of the gross floor area of the projects in the pipeline including 2023 was attributable to revitalisation and refurbishment projects.

**GRI 2-23, 2-25**

**Renovation and revitalisation projects - real estate development**

Pipeline incl. 2023	Type of property	Status	GFA/number	%
New construction projects [number]			39	97.5
Renovation and revitalisation projects [number]			1	2.5
Development projects [m <sup>2</sup> ] - total			581,639	
New construction projects [m <sup>2</sup> ] - total			573,733	98.6
Renovation and revitalisation projects [m <sup>2</sup> ] - total			7,906	1.4
Noble Residence, Krakow	Residential	completed	7,906	

Projects that are composed of different phases or building sites are shown separately.

**GRI 2-23, 2-25**

**4.5. Healthy building materials and the quality of life**

The use of healthy building materials has a positive influence on the indoor climate in UBM’s buildings and the comfort of residents, office tenants and hotel guests. The avoidance of harmful substances (e.g. paints, insulating materials, adhesives, synthetic products) can create a pleasant and healthy ambiance for everyone involved. The avoidance and prevention of environmental pollution (e.g. through regulations covering pollutants in paints, insulation, flooring, etc.), among others, are anchored in the EU Taxonomy.

UBM selects the most appropriate quality level for building certification to ensure and confirm the use of healthy building materials. Timber is a particularly important product with regard to living quality and aesthetics: timber surfaces equalise humidity and therefore have a positive influence on the indoor climate. In indoor rooms, timber stands out owing to its pleasant haptics, acoustic properties and atmosphere. This is due, above all, to the fact that timber provides good thermal insulation, and surfaces at room temperature are perceived as comfortable. **GRI 2-23, 2-25**

**4.6. Water and wastewater utilisation and waste in building operations**

Resource conserving water and wastewater utilisation plays an important role in building operations. The recycling of rainwater and grey water as well as water-saving equipment (efficient fittings in kitchens and bathrooms) can reduce the consumption of fresh water. The EU Taxonomy calls, among others, for the sustainable use and protection of water resources (e.g. through requirements for water-efficient fittings and water protection management plans).

Water stress areas are areas in which the demand for water exceeds the supply during a specific period or areas where the usability of existing water supplies is limited by poor quality. In these areas, water stress leads to the deterioration of fresh water supplies for quantitative (overstressing of aquifers, dehydration, etc.) and/or qualitative (pollution, salt intrusion, etc.) reasons. UBM is relatively unaffected by water stress at the present time due to the locations of its business activities.

We take targeted actions in all cases, even where consumption is primarily influenced by end users.



One example is the Mercure Katowice Centrum which was completed in 2021: its 18-metre-high and 260 m<sup>2</sup> green facade is much more than a popular exterior symbol of the “green and clean” motto. Nearly 7,000 plants root in pockets that are made of recycled materials and mounted on textile panels. This vertical garden is irrigated with rainwater collected in the basement.

Waste management is also important in building operations. The avoidance of waste saves energy and resources, and the organised collection of waste allows for correct material recycling. End users, in particular, also play an important role here by influencing waste generation and separation.

The following are a few examples of the activities in our standing assets and Group locations:

At the W3 standing asset in Vienna, the anchor tenant and facility management have implemented a waste management concept.

The innovative Smart Waste Solutions system created by Hailo Digital Hub was implemented at UBM’s Berlin location in 2021. Specifically, the conventional waste bins at employees’ individual desks were replaced by central, sensor-controlled collection points and the kitchenettes were equipped with intelligent recycling stations. In the sanitary rooms, waste is now collected in smart individual waste bins which are equipped with wireless communications that allow for mobile, flexible use.

This solution allows UBM to collect important and very detailed information on waste and, in that way, understand how to reduce the amount of waste and alter disposal behaviour. Dashboards were installed to show the current level of waste volumes in real time. This information builds awareness and increases the motivation to reduce waste. Transparent information provides an ideal basis for discussion and can motivate the team to reduce waste. It can also encourage employees to evaluate their own behaviour. Reusable trash bags are used at the location in Berlin to avoid throw-away plastic bags. In addition, reusable boxes were purchased for employees to use when they order meals at local restaurants instead of causing unnecessary waste with one-way packaging.

A further benefit of the Smart Waste Stations involves cleaning services. The collected data can help to optimise cleaning processes by identifying the ideal waste collection times.

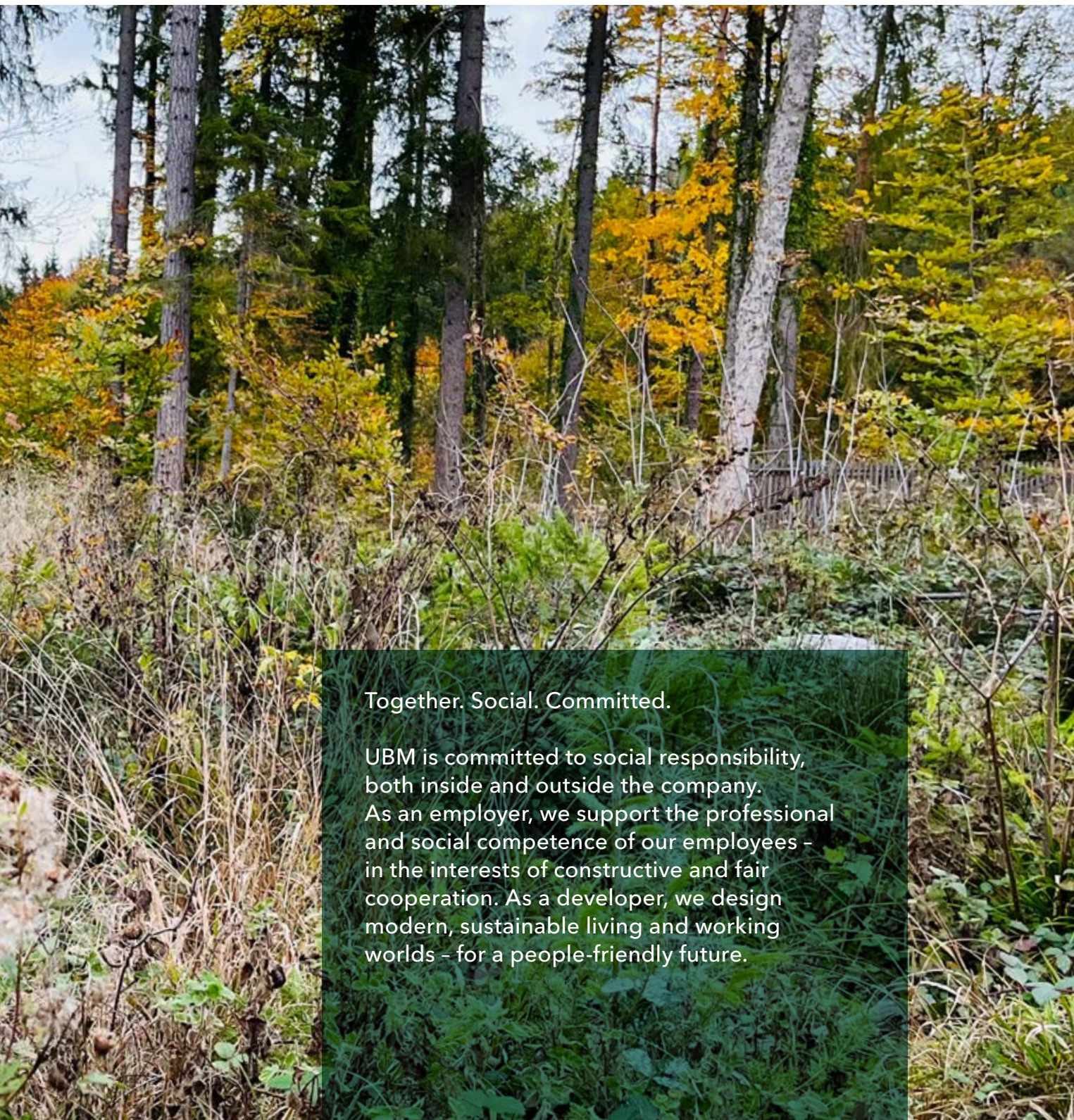
We also ensure waste separation at our headquarters in Vienna based on an established concept. A digital solution for waste management similar to the one used in Berlin is also in preparation.

Paperless invoices were introduced throughout the Group in 2020. That not only led to a significant reduction in paper consumption but also complements the previously implemented controlling systems. **GRI 2-23, 2-25, 303-1, 306-1, 306-2**









Together. Social. Committed.

UBM is committed to social responsibility, both inside and outside the company. As an employer, we support the professional and social competence of our employees - in the interests of constructive and fair cooperation. As a developer, we design modern, sustainable living and working worlds - for a people-friendly future.

## 5. UBM & Social

- 5.1. Attractive employer & training and education
- 5.2. Diversity and equal opportunities
- 5.3. Health and safety
- 5.4. Architecture, urban quarter development and social diversity
- 5.5. Infrastructure and mobility
- 5.6. Customer orientation and awareness raising



## Social responsibility. For employees and society.

We believe sustainable management is in no way limited to environmental aspects. It also covers a company's social responsibility, in other words the impact of our actions on society.

This includes fair and responsible interaction with our employees in our direct sphere of influence. The women and men who work for UBM are an important factor for our long-term success and essential for the positive development of our company. In this connection, we have defined the following focal points:

- Attractive employer and training & education
- Diversity and equal opportunities
- Health and occupational safety

As a real estate developer, we also have an impact on local communities and neighbouring residents. Our projects contribute to the quality of life for society – above all through urban quarter development, but also with our residential and office assignments. We understand 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 make an improvement through our activities. This added value and neighbourhood vitalisation also benefit the project over the long term.

Accordingly, we have defined focal points in the following areas:

- Architecture, urban quarter development and social diversity
- Infrastructure & mobility
- Customer orientation and awareness creation

**We are well aware that our real estate development projects influence and design people's living environments.**

Employees - Overview	2023	2022	2021
<b>Employees - total<sup>1</sup></b>	<b>268</b>	<b>292</b>	<b>355</b>
thereof female	130	142	152
thereof male	138	150	203
Permanent contract	255	278	348
Temporary contract	13	14	7
Full-time	218	242	296
Part-time	38	40	45
Leave <sup>2</sup>	12	10	14

<sup>1</sup> Headcount as of 31 December

<sup>2</sup> All types of leave (parental leave, time off for partial retirement)

## 5.1. Attractive employer & training and education



### 5.1.1. Importance of the issue

Qualified and motivated employees are an important factor for our company's long-term success. Attracting and retaining these women and men calls for an environment in which personal development is possible and community is encouraged.

The understanding of work, above all by younger talents, is undergoing a paradigm shift that was accelerated by the Covid-19 pandemic and the rapid increase in digitalisation. Values like meaning, the work-life balance and creative opportunities are becoming more and more important. New work structures have developed and include, above all, greater flexibility for working hours and locations. However, a functioning remote work culture can never completely replace the office with its spontaneous interpersonal contacts, inspiring coincidence, and sharing and shaping. Offices will, consequently, never become irrelevant, but the requirements will change: that is where a company becomes visible, that is where community becomes real. The office will become a place where coexistence is lived and new ideas are born.

The study "The State of Skills 2021" showed the challenges faced by training and education. The Covid-19 pandemic has intensified the need to acquire new skills but also reduced development opportunities. Limited possibilities to invest in learning and development, combined with rising demands on new skills and competences can cause problems at numerous levels over the long term. Employees with insufficient expertise will be unable to carry out their activities at a higher quality level - and when confidence in their own abilities is low, work is perceived as more stressful, assignments take longer, and both quality and motivation decline. Training and education therefore create benefits for the employee as well

as the employer. Expanding know-how and skills, retaining this expertise in the company, and encouraging innovation by employees guarantees quality and satisfaction for everyone involved.

A greater risk for companies is the inability to find, develop and retain sufficient specialists and managers. A lack of opportunities can lead to lower employee motivation and productivity. That, in turn, can increase employee turnover, recruiting costs and the loss of know-how in the company.

In the competition for qualified employees, positioning as an attractive employer is decisive. The basis is formed by compliance with the respective national laws governing employment and working conditions as a minimum standard as well as consideration for other frameworks like the recommendations of the International Labour Organisation. Employers must respect human rights, reject child labour and forced labour, and support the freedom of association, among others, and can also influence the following subject areas: fair compensation, safe and healthy working conditions, and the rejection of discrimination in any form.

Unattractive working conditions can damage a company's reputation - they do not create a welcoming environment for young professionals or experienced experts and significantly limit access to the labour market. Moreover, news of negative experience with employers over online application platforms or social media can be expected to spread rapidly. These factors weaken a company's positioning on the market and increase the risk that high-potential employees may wander to the competition. **GRI 3-3**

### 5.1.2. Our commitment

Our success depends to a significant degree on our talented, committed employees who take on individual responsibility and want to play an active role in designing UBM's development. We encourage our employees to reach their personal career goals and offer them opportunities for personal growth, diverse training and development possibilities as well as numerous benefits. With our values – competent. consequent. transparent. – we create a working climate in which each person feels included, authorised and called upon to make a personal contribution. We encourage our employees to be proactive through short decision paths and flat hierarchies.

The design of our working environment reflects our strict compliance with the national and international rules and requirements in the markets where we are active. We also base our actions on agreements that include the Universal Declaration of Human Rights, the United Nations Guidelines and the international labour standards set by the International Labour Organisation. Our actions clearly exceed minimum standards. This commitment is anchored in our codes of conduct (ethics code and code of conduct for business partners, see section 6.1.).

#### Modern workplace & community

Open communications are a central element of our corporate values and an important building block for our attractiveness as an employer. At all our locations, we create working spaces that stimulate interaction, creativity, and the health and performance of our employees. UBM's headquarters in Vienna, for example, include a roof terrace with a barbecue area, a lounge with table football and darts as well as a green inner courtyard. We also created separate "new work zones" which serve as multifunctional work areas and give the office a new standing as a communication and collaboration platform.

Our Welcome Day for new employees stimulates the exchange of know-how and helps to create an open corporate culture beyond departments and countries. In addition to UBM Family Days, company outings and Christmas parties, we organise joint participation for social days and sports events which contribute to team building.

#### Work-life balance

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 and part-time models are part of our efforts in this area, and every second Friday is a day off under the new "short week/long week" working time model that was introduced in 2022. Rules are in place and formalised in a company agreement to permit care-giving leave for close family members. Employees have access to special time off under certain circumstances and, of course, all employees are entitled to parental leave.

**We create a working climate in which each and every person feels involved, authorised and motivated to make a personal contribution.**

#### Performance-based remuneration


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



### Career, training and continuing education

Specially planned training and continuing education programmes are a fixed part of human resources development at UBM. The basis is formed by an annual appraisal meeting, which includes an agreement on focus topics and specific training programmes together with the responsible supervisor. UBM actively offers numerous educational opportunities ranging from internal workshops to external training programmes, but also encourages the independent development of its employees.


### Additional benefits

UBM also provides added benefits for environmentally friendly mobility, including the partial or full reimbursement of the costs for public transportation, and offers a daily lunch allowance. Special projects to help employees remain healthy include, for example, in-house fitness programmes and 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. 

2-23, 2-25, 3-3, 401-2, 404-2, 404-3

## We support our employees in meeting their career and personal development goals.

### 5.1.3. Organisational structure

At Management Board level, the COO is responsible for personnel-related issues which are centrally combined under human resources. The Head of Human Resources meets regularly with the COO to discuss developments in this area. Targets, programmes and the strategic focus are defined together with the Management Board and communicated to the organisation. The Human Resources team also includes an HR business partner who implements human resources measures together with local management in agreement with the HR strategy.  2-23, 2-24, 3-3

### 5.1.4. Goals and measures

#### Goals from our sustainability programme:



#### Goals and measures in detail:

##### Recruit the best employees for UBM

- Increase the number of applicants
- Increase the quality of applicants and continuous improvement starting in 2022
- Ensure high probability of hiring

To reach these goals, UBM has taken numerous steps to establish an employer branding strategy. Its goal is to increase the attractiveness of UBM as an employer for potential applicants and to continuously improve the candidate experience. A career website was developed to provide an overview of UBM's values and benefits and explain the application process. An application tool helps to optimise the candidate experience. To establish a uniform employer brand, UBM's social media presence was improved and expanded to include the branch offices in all UBM countries. Online platforms like LinkedIn, Instagram and kununu are increasingly used and, with the inclusion of employees, give an impression of UBM's working world.

The indicators used to monitor target attainment include the number of applications per advertised position, the interview quota, the offer-acceptance rate or time-to-hire after the job advertisement.

### Retain the best employees

- Hold employee turnover below 15% by 2025

The creation of an employer branding strategy is intended to also increase the attractiveness of UBM for existing employees. The related measures include a structured onboarding process for all new employees, flexible working time models, attractive remuneration, regular information via our internal communication channels, internal opportunities for advancement, and the preparation of job and skills profiles for all job categories.

The onboarding process was structured and personally designed to make (future) team members feel welcome before their official start. Pre-boarding includes extensive information on the schedule for the first day at work as well as an overview of the team and the company. New employees receive a checklist with all important information and to-dos and are accompanied by a personal buddy beginning on their first day. UBM's Welcome Days give new colleagues from the country organisations an opportunity to meet with the Management Board at the headquarters in Vienna. They are also a good opportunity for networking and contribute

to teambuilding and increase identification with UBM as an employer. Many other events - like the UBM Family Days, company outings and Christmas parties - also strengthened the community feeling at UBM in 2023.

Internal communication channels include the "HR News" with monthly information for all employees on personnel issues via the Intranet and email. Up-to-date information on employees is also available over the Intranet.

An additional activity in 2023 involved the establishment of structured succession planning for internal appointments. It will ensure the continuous development of our employees and the company, serve as a stabilising factor and reduce personnel risk. Employees are informed of opportunities for further advancement, which also has a positive influence on retention. This process matches the company's management and key functions with potential successors and forms the basis for appropriate development. Exit interviews were also held in 2023 with persons leaving the company to form the basis for actions implemented in agreement with the Management Board.

	2023	2022	2021
<b>New hiring - total</b>	<b>22</b>	<b>65</b>	<b>65</b>
thereof female	16	40	38
thereof male	6	25	27
<b>Turnover - total</b>	<b>46</b>	<b>58</b>	<b>52</b>
thereof female	28	27	25
thereof male	18	31	27

Headcount as of 31 December. Turnover of employees who had their last working day on the last day of the year are recorded for the following year.

Work also continued on the preparation and adaptation of job and skill profiles for all activity categories.

The turnover rate for the entire UBM Group equalled 14.7% in 2023. Other indicators for internal monitoring include the average length of service with the company, the share of management positions filled internally and the recommendation quota. UBM was recognised as one of Austria’s Leading Employers in 2023, which places it among the top 1% of all employers in the country.

**Train and educate the best employees**

- Promote feedback culture - annual appraisals with all employees
- 25% more training hours per employee by 2025 (basis 2020)
- Make annual ESG awareness training available to all employees

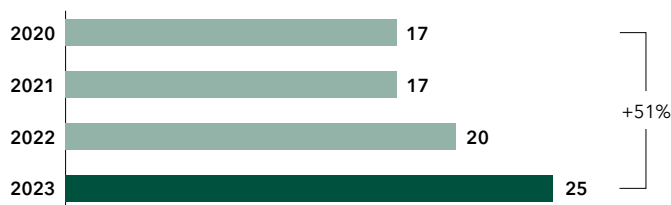
Individual, requirement-oriented training and educational programmes are defined in regular personnel development and feedback discussions with employees based on a structured guideline. This guideline is regularly updated and optimised to reflect the responses from employees and managers. Discussions are held with all employees, regardless of the hierarchy level, and reported by the supervisors to HR.

A management development programme is currently in preparation for introduction in 2024. It will ensure that managers are equipped with the necessary management skills to master the current challenges, meet our responsibility to society, and retain and develop our employees. In a first step, the programme will concentrate on employees who recently advanced to management positions and help them to develop their management role.

A reporting tool was developed to assist managers with the leadership and development of their staff to permit the independent evaluation of information at all times. This tool will go live at the beginning of 2024 and will be available to all managers.

An online tool to collect standardised and comprehensive documentation on training was introduced throughout the Group in 2022. The percentage of employees who participated in training rose from 82% in 2022 to 86% in 2023, and the average hours of training per employee increased from 20 to roughly 25 hours.

**Training hours per employee**



The special training initiative on ESG issues continued in 2023: employees from all branch offices took part in the Climate Impact Day to improve their understanding of ESG. Mandatory participation ensured that all employees benefited equally from this multi-faceted programme. Employees who were unable to attend due to illness or vacation worked through the content independently and confirmed their know-how in an online quiz. Other internal events and training (e.g. internal courses, projects related to the *green. smart. and more.* initiative) and targeted internal communication are designed to create a greater awareness for the importance of ESG. **GRI 2-23, 2-25, 3-3, 404-3**



## 5.2. Diversity and equal opportunities

A working environment free of discrimination and a culture of mutual respect and appreciation throughout the entire workforce – these are the requirements for equal opportunities and diversity in a company. A company that fails to promote diversity and equal opportunities risks damage to its reputation and, in the worst case, could be faced with legal consequences. The EU reached an agreement in 2022 on a gender ratio for corporate management bodies: beginning in 2026, 40% of the supervisory board positions and 33% of the combined management and supervisory board positions must be given to the underrepresented gender.

Poor performance in this area can undermine a company's market position and result in the loss of business partners and customers. Innovation potential is also lost when the personal backgrounds of employees (e.g. migration background, nationality, family constellations) are ignored. The lack of equal opportunities at the workplace (remuneration, etc.) can lead to lower employee motivation and higher turnover, which means additional costs and time for new hiring.

Fair treatment of our employees and a culture of mutual respect and appreciation are obvious at UBM. We treat all employees equally – regardless of their ethnic, national or social background, disabilities, sexual orientation, political or religious conviction, gender, family status or age, economic or other standing. Decisive action is taken against any form of discrimination.

**Specific recruiting instructions give women preference when qualifications and experience are equal.**

### Goals from our sustainability programme:



#### Goals and measures in detail:

- No salary differences between women and men by 2026 (adjusted gender pay gap)
- Increase percentage of women in management positions to over 30% by 2025
- Increase percentage of women in the total workforce to roughly 50% by 2025

Diversity has high priority for UBM. It allows us to utilise the full potential of the labour market and innovation by including people with different backgrounds and viewpoints. The employment of staff with different ages and experience is encouraged (“buddy principle”), and the company is increasing its efforts to raise the percentage of female employees in the organisation.

Activities to sustainably improve equal opportunities include recruiting that specifically addresses the search for suitable female candidates. Women are directly addressed through appropriate wording in job advertisements, and clear guidelines give preference to women when qualifications and experience are equal. In new hiring, there are no salary differences between the genders when the function, qualifications and seniority are equal. We completed our first-time survey of an adjusted gender pay gap for the entire company, which covers 2022 and forms the basis for implementing specific measures in preparation for the EU Pay Transparency Directive. Activities in 2023 concentrated, in particular, on the identification of and assistance for high-potential female employees and the development of actively managed maternity leave. A structured process with checklists and discussion guidelines was developed to improve parental leave. The goal here is to remain in contact during the leave period and to optimise the return process. We also held our first virtual townhall on the subject of “female leadership”, and the

details can be found in UBM's annual report (chapter "Human resources").

In comparison with other companies in the real estate sector, the UBM Group had a positive standing with 24 women in key positions (Supervisory Board, managing directors, authorised signatories and key staff at UBM Development AG and its subsidiaries) as of 31 December 2023 (2022: 22). The percentage of women in management positions equalled roughly 26% and the percentage in the total workforce roughly 49% in 2023. Women represented 73% of the new hires and 100% of the internal promotions (a role with management responsibility) in 2023.

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. Women represent 25% of the positions on the Management Board and 33% on the Supervisory Board.

UBM implemented a guideline for the prevention and handling of discrimination in 2022. Its goal is to create a greater awareness for this issue and ensure professional and cooperative interaction on the job. The guideline was communicated throughout the company, and all employees have received online training on mobbing and harassment at the workplace. New employees are required to read and agree to this guideline. **GRI 2-9, 2-17, 2-23, 2-25**

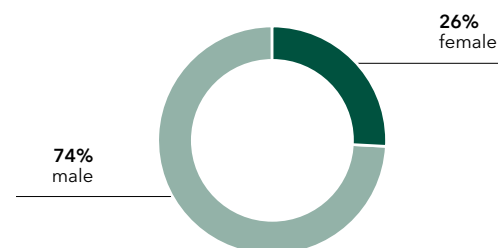
### 5.3. Health and safety

Work absences can result in financial damages, the loss of know-how and lower productivity. In office settings, health and injury risks primarily involve ergonomic and psychological aspects. (Chronic) illnesses due to incorrect or non-existent ergonomics in work equipment can lead to increased sickness rates over the longer term. Construction sites involve health and injury risks, among others through severe or even fatal accidents. These accidents have a direct negative effect on employees, but also mean additional administrative costs, work delays, rising project costs and/or legal consequences for the employer. Our business success is based to a significant degree on the dedication and motivation of our employees. As an employer, we also feel responsible for their physical and psychological health.

**Total workforce 2023 (as a %)**



**Management positions 2023 (as a %)**



**Goals and measures in detail:**

- Hold lost time due to work accidents at a low level - goal: zero work accidents
- Protect and promote employees' health

As a real estate developer, the maintenance and improvement of employees' physical and psychological health in daily office routines plays a central role at UBM (e.g. through stress prevention, an occupational physician, in-house fitness rooms). Our actions in connection with construction sites are related mainly to occupational safety (e.g. accident prevention, acoustic/heat protection including training).

UBM has implemented an integrated management system for occupational health and safety which covers all employees and meets the highest standards. The entire UBM Group is certified via a matrix audit in accordance with the internationally recognised ISO 45001 occupational health and safety management standard. This means that 100% of UBM locations are ISO 45001 certified.

The project companies in all country organisations are responsible for:

- Appointing coordinators to ensure safety and health protection on all projects
- Including these persons in preparations for construction
- Planning and construction site coordination during realisation
- Preparing safety and health protection plans

The operational health and safety managers in the individual countries organise the following in line with work instructions and submit their findings to the reporting officer at UBM Development AG in Vienna:

- The systematic recording and semi-annual control of occupational safety and protection as well as non-medical health services, including the collection of data on injured employees or fatalities and the number of hours worked

- An annual overview of the schedule for on-site inspections and reports
- An annual, recorded overview from the occupational safety committee on outstanding issues related to health and safety
- An analysis of the results and measures implemented for improvement and correction

Occupational safety management includes experts 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 Intranet is used to inform all employees of the fire protection guideline, emergency/alarm plans, evacuation and fire extinguishers. Legal regulations which require posting are displayed at heavily frequented locations. The UBM works agreement requires all employees to comply with applicable legal regulations, in particular the Austrian Labour Protection Act.

The success of these activities is reflected in the number of work accidents, which has been extremely low for many years. There were no reportable work accidents and no accidents with fatal or serious injuries in 2023. Moreover, no work-related illnesses were recorded.

In addition to strict safety standards, UBM places high priority on employee health. The related measures include, among others, ergonomic workplaces and individual use of the in-house fitness rooms. Outdoor athletes can join the "UBM Express" and take part in various running events or play beach volleyball and paddle tennis with their colleagues. This not only helps to improve health but also strengthens team spirit. An occupational physician and an office for psychological health and conflict resolution are available to employees at UBM's Vienna office. **GRI 2-23, 2-25, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10**



## 5.4. Architecture, urban quarter development and social diversity

The coming decades will bring a demographic shift towards an ageing and more multinational society. The growing ecological demands on UBM buildings will, in turn, increase to include social aspects. Today's development projects need to reflect smart, low-barrier/barrier-free and flexible living and working to also meet the demands of tomorrow's users and allow people to lead a self-determined life in their own four walls as long as possible. A carefully thought-out architectural concept for buildings and urban development projects can prevent cost-intensive subsequent refitting to meet the needs of future users.

A balanced social and cultural mix of residents forms the basis for the development of sustainable residential areas. Smart architecture can increase the quality of social benefits as well as the attractiveness and accessibility of buildings for users and neighbouring residents. The creation of recreational and common rooms and shared spaces/activities also improves the quality of life in the surrounding area.

Our many years of experience as a real estate developer have taught us that development means change and interaction. One of our key principles is, consequently, to always consider and integrate the socio-cultural environment in our projects. For us, that means designing projects to minimise the potential negative effects on the local area, for example caused by shading, artificial light, noise, emissions and increased traffic, or to more than offset these effects through positive changes and improvements. The health and well-being of later users represents the heart of socio-cultural aspects in project development. Included here, for example, are room temperature, construction acoustics, noise emissions and optical design.

Our projects create living and working space that influences the health and well-being of future residents and users. UBM therefore places high priority on the ecological assessment of the building materials used and the integration of the demographic shift in its construction projects.

UBM is committed to meeting all applicable legal and normative requirements on its buildings. However, our claim goes far beyond that: we always want to exceed legal requirements whenever this is important to future users. The following key aspects for the functionality of buildings represent the standard for UBM in planning and realising its real estate projects:

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

UBM sees building certification – through its continuous development and adaptation to meet new market demands and trends – as an important tool to make sure its projects are fit for the future. Evaluation is based on the three-pillar principle of sustainability: economy, ecology and society. Many UBM projects have already received appropriate certification (see section 4.1), and our goal is to achieve sustainability certificates for all our projects, also in the residential asset class. Every project is designed to meet the *green. smart. and more.* strategy and is subsequently validated by established certification systems during the planning and construction phase.

**GRI 2-23, 2-25**

## 5.5. Infrastructure und mobility

Modern mobility concepts play a decisive role in real estate planning and the development of urban quarters through their ability to counter the increasing volume of traffic. Sustainable buildings require an integrated view of the usage concept for the specific building or urban quarter. That also includes the surrounding economic and social infrastructure (e.g. shops, schools, workplaces, recreational areas) as well as sustainable mobility concepts (car/bike sharing, e-mobility). Connections to public transportation, in particular, create shorter traffic routes and increase the quality of life for residents, employees and hotel guests.

UBM has set a strategy to advance sustainable mobility solutions, for example through access to public transportation, car sharing, electro-mobility and bicycle/pedestrian infrastructure. The related measures include future-oriented mobility concepts that are tailored-made for the specific project and designed to reduce the use of private combustion vehicles for conventional incoming and outgoing traffic.

For example: the following offering is designed to facilitate the changeover to more environmentally friendly means of transport for the users of our Timber Pioneer project:

- E-charging stations for cars and charging facilities for e-bike batteries
- Car sharing with hybrid and/or e-vehicles
- E-bike hire stations
- Protected bicycle storage areas
- Sophisticated bicycle infrastructure, including showers and changing rooms for users as well as a DIY repair point

Some of these services, for example car sharing, can also be used by the employees in the neighbouring F.A.Z. Tower – which creates excellent and efficient synergies for both buildings.

The LeopoldQuartier in Vienna is a car-free zone above ground. With the motto: “scooters and bikes instead of cars

and vans”, tenants and owners will be able to use e-charging stations in all parking areas as well as a mobility point with e-cars, e-bicycles, e-scooters and a bicycle storage room outfitted with showers. The Timber Peak timber hybrid office building in Mainz has a sophisticated mobility concept that will offer e-auto and e-bike sharing as well as e-charging infrastructure on the underground level.

The Poleczki Business Park, a UBM standing asset in Poland, is currently carrying out a “manage to green” project that involves the addition of parking spaces with e-charging stations in three buildings. If the test phase is successful, e-charging stations will be installed in up to 30% of all parking areas in the business park. **GRI 2-23, 2-25**

## 5.6. Customer orientation and awareness raising

Addressing the needs of (future) residents and users leads to longer satisfaction and can reduce conflicts and complaints. Customer orientation activities can include the early involvement of relevant stakeholders, consideration for important issues raised by different social groups, and conflict management processes. A greater awareness for sustainability issues can also improve users’ sense of well-being. Insufficient or a complete lack of customer orientation can lead to declining revenues, market access problems and lower corporate profitability.

UBM wants to create attractive quarters that contribute to sustainable urban development and create benefits for the general public. These quarters must be resistant to coming climate changes to also allow for a high quality of life in the future. The development of an urban quarter means much more than just planning and constructing buildings. 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. We involve relevant stakeholder groups in our planning and development processes through early information, participation and co-

determination rights. That allows neighbouring residents to express their needs and interests and influence results. This approach has been embedded in UBM's process landscape as the standard since 2021.

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

At the Gmunder Höfe project in Munich, initial reservations concerning a possible increase in the traffic load were successfully dispelled by the involvement of a citizens' initiative. The goal for this project - and for all other UBM developments - is to also create an optimal usage mix for the city. In addition to attractive residential units with parking spaces, day-care centres, green and open areas available for public use, other benefits include the nearby recreational area along the Isar River and good public transportation connections via underground and rapid transit railway.

The LeopoldQuartier in Vienna is another example of successful participative urban development. This area is under development based on specifications set by the city's development commission and the integration of citizens' concerns. Stakeholders were involved at an early stage through information events (town meetings as defined in Section 104c of the Vienna City Constitution) and afternoon neighbourhood meetings. Up-to-date information on the progress of construction is published on a project website, and an ombudsman service is available to deal with wishes, suggestions or complaints. In close cooperation with the representatives of 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 used 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 set a new standard for the creation of added value. In particular, the green zone - an expanded green area in the inner courtyard - is of great importance for the area and will contribute to the quality of life for users and neighbouring residents. Special attention is also given to land re-naturalisation, the preservation of seepage capability and the creation of optimal living conditions for fauna and flora as well as rooftops with semi-intensive biodiverse planting. Photovoltaic elements will be installed on the roofs to create a balance between energy production and climate improvement. The LeopoldQuartier will generate energy on site with wells and depth probes. Heating and cooling supplies for all buildings in the quarter will be produced centrally and carbon neutral.

Local supplies, social networking and mobility offerings are the basic components of this urban quarter development project. In addition to shared spaces, shared mobility and shared activities, the use of a quarter management app is also under evaluation to make the offering and services available to users and neighbours. This will help to create smart and green living space that sustainably increases and improves the value of the area surrounding the LeopoldQuartier.

The LeopoldQuartier represents an important milestone for UBM in the implementation of its *green. smart. and more.* strategy for sustainable urban quarter development. Construction is scheduled to start in the first quarter of 2024, and completion is planned for autumn 2025. **GRI 2-23, 2-25**









A systematically well-run company.

Responsible corporate governance also determines the way our company is perceived by the market and on the stock exchange. Issues like compliance management and sustainable value creation receive our undivided attention and are addressed with sophisticated systems.

## **6. UBM & Governance**

- 6.1. Corporate governance & compliance
- 6.2. Sustainable procurement & regional added value
- 6.3. Innovation & technologies



# Governance.

## Living good management.

In addition to ecological and social issues, good governance has an increasingly important influence on the perception and valuation of companies. For UBM, good governance means being viewed as a trustworthy and reliable partner by our stakeholders. That is the foundation of our business success.

UBM's values - competent. consequent. transparent. - are reflected in our social responsibility: act ethically, accept the consequences, communicate transparently. To ensure that our values are lived throughout the entire company and reflected in our employees' everyday activities, our actions are based on ethical principles, relevant national and international legal norms, and internal guidelines.

As an active part of society, we accept our responsibility and have identified the following major subject areas as part of our materiality analysis:

- Corporate governance & compliance
- Sustainable procurement & regional added value
- Innovation & technologies

### 6.1. Corporate governance & compliance



#### 6.1.1. Importance of the issue

Compliance with regulatory requirements and voluntary standards is an important part of responsible management. The construction and management of properties produce social benefits and can help to improve the quality of life, but also consume natural resources and release hazardous substances into the environment which, in turn, increase the pressure on (local) public authorities.

The relevance of compliance and compliance management systems in the international arena has increased significantly in recent years. The many different reasons include the numerous new legal requirements and related criminal penalties as well as more consequent criminal prosecution by the public authorities.

Violations of legal requirements not only represent a significant risk for companies but are also connected with personal consequences for individuals. Companies can face fines, penalties and civil claims by damaged parties. In many cases, this can lead to exclusion from public tenders and harm the company's reputation.

Key aspects of real estate development include, above all, correct tenders (e.g. for construction services), the fight against corruption and bribery, proper working conditions and taxation behaviour by subcontractors as well as transparent internal guidelines and conduct rules.

Companies that fail to meet environmental standards or ethical norms will be increasingly penalised by the financial markets, with a resulting negative effect on share prices and financial stability. Planned regulations (e.g. the Green Claims Directive) will require companies in the EU not only to meet but also to monitor, comply with and expand on this type of transparency.

The issue of human rights along the entire value chain deserves special attention and has gained momentum in recent years - also in the EU. In addition to various sustainable finance regulations and the proposed Corporate Sustainability Reporting Directive (CSRD), an agreement on the CSDDD (Corporate Sustainability Due Diligence Directive) was reached in 2023 and introduces extensive due diligence requirements along the supply chain. In Germany, this type of law ("Lieferkettensorgfaltspflichtengesetz", LkSG) took effect at the beginning of 2023. **GRI 3-3**



### 6.1.2. Our commitment

Responsible action starts on an individual level but, as a company, we have a duty and responsibility to create the necessary framework. UBM does this, for example, through transparent internal directives and a code of conduct, adherence to various corporate governance guidelines and the UN Global Compact together with an effective internal compliance management system.

Transparent and responsible management has top priority for UBM. Compliance with all applicable rules, regulations, guidelines, standards and norms is guaranteed in the countries where UBM is active. The high demands we place on ourselves also apply to our business partners and employees. Our business model is oriented on ecological, social and ethically correct business practices. In order to strengthen the integration of ecological and social responsibility along the entire value chain, UBM has issued various conduct rules.

## Our internal compliance management system ensures full compliance with legal regulations.

UBM's focus markets are strictly regulated and controlled legal areas with high human rights standards. Nonetheless, violations can still occur in heavily regulated markets, and respect for human rights is therefore anchored in our internal guidelines. We are committed to the ten principles of the UN Global Compact which, for example, prohibit child labour and forced labour. Our codes of conduct (ethics code and code of conduct for business partners) require guarantees for fair compensation, workplace safety, equal opportunities and the freedom of association.

Consequent compliance with applicable national and international legal norms as well as our ethical principles safeguard the trust of our stakeholders. We are non-partisan and do not make any donations to political parties.

UBM Development AG is listed in the Austrian Register of Tenderers in accordance with the provisions of the Austrian Federal Tender Act ("Bundesvergabegesetz", current version) and ÖNORM A 2053:2019-02 as well as the 2014/24/EU and 2014/25/EU guidelines.

**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 the Austrian Code of Corporate Governance, a voluntary guideline for good management and control. The company has also issued rules of conduct in the form of internal guidelines to ensure transparent and exemplary actions.

### Compliance management system

The compliance management system implemented by UBM is intended to minimise the risk of a potential violation of legal regulations and ensure adherence to all framework conditions. The accompanying 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 consider it their responsibility to guarantee the consequent implementation of all compliance principles. Our approach follows the principle of prevention - disclosure - reaction, whereby the emphasis is on the prevention of incorrect behaviour.

The trust of employees, business partners, customers and other stakeholders is strengthened by the high priority given by UBM to transparency, anti-corruption, fair business practices, the prevention of money laundering and data protection. Internal guidelines and work instructions form the framework for the necessary procedures. The UBM website contains further information on these guidelines under the menu item "governance.". Examples are:

### Guideline: Cartel and Competition Law

Agreements and coordinated actions with third-party companies as well as specific connections with suppliers and subcontractors that lead to - or aim to lead to - the restriction

of competition are prohibited and will not be tolerated by UBM. Competition-relevant information may not be passed on to third parties outside the UBM Group. The founding of a joint venture without an antitrust evaluation is viewed as a compliance violation.

**Guideline: Anti-corruption**

For UBM employees, the acceptance of a personal advantage represents a compliance violation (facilitation payments). UBM employees are prohibited, without exception, from accepting or granting monetary gifts (bribes). Granting benefits to employees of private business partners is also prohibited. In addition, material gifts and the granting of advantages to employees of public organisations are prohibited without exception. Small invitations and gifts can represent part of international business customs or cultural practices and are only permitted under strictly regulated circumstances and only in connection with employees of non-public organisations.

**Guideline: Issuer compliance**

UBM is well aware of its responsibility to meet all compliance requirements and attaches particular importance to the observance of all related legal regulations and the internal issuer compliance guideline. Organisational measures have been implemented to ensure the confidentiality of compliance-relevant information and thereby prevent market manipulation and the misuse of insider information (insider trading). The importance of correct compliance behaviour and the prevention of information misuse are regularly communicated to employees by the Management Board and the Compliance department.

**Work instructions: Signatures**

All correspondence with legally or commercially binding content as well as orders for goods or services must, in principle, be signed by two persons (dual control principle) who are specifically authorised or designated.

**Guideline for the prevention of money laundering and terrorism financing and work instructions: Prevention of Money Laundering**

Before a business relationship begins, its purpose and the background as well as the identity of the business partner or ownership structure for legal entities must be precisely identified and, after that, regularly monitored. The principle here is "know your customer". The information supplied by business partners is screened for plausibility.

**Work instructions: Data Maintenance 360°**

Data maintenance and reliable data input are essential for the correct performance of our systems. Further information on the 360° process landscape can be found on page 102.

**Guideline: Conflicts of Interest**

UBM employees must make sure their own interests do not conflict with their professional obligations or contradict UBM's obligations towards its business partners.

**Guideline for the prevention and handling of discrimination, mobbing and sexual harassment**

UBM is committed to creating a working environment that is free of discrimination, mobbing and harassment. This guideline is intended as a preventative step to create a greater awareness and provide information on these issues. It also serves as a parameter for action if discrimination, mobbing or sexual harassment should actually occur.

**Whistleblower system**

UBM operates a whistleblower system as defined in Art. 32 of the EU's Market Abuse Directive ("MAR") and the EU Whistleblower Directive 2019/1937. It allows employees and external persons to report irregularities and (potential) violations of the Issuer Compliance Directive, in particular involving market misuse, insider transactions, other violations connected with issuer compliance, violations of data protection rules, money laundering and terrorism financing, further situations reportable under EU Directive 2019/1937 or other cases related to UBM's ethics code. Reports can be submitted directly to a staff member in the compliance organisation or sent by email to [compliance@ubm-development.com](mailto:compliance@ubm-development.com) or anonymously via the

link <https://secureveal.ubm-development.com> in the respective country language. Reporting potential violations is in the interest of the Management Board as well as the management of the Group companies. In agreement with Art. 32 of the MAR, persons who report violations and persons who are accused of violations as well as their personal data are ensured of receiving appropriate protection. UBM employees receive regular training on compliance, which also covers the whistleblower system.

#### **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 General Data Protection Regulation and related national legislation. Secure handling is guaranteed by a data protection manual that includes rules for internal data processing, work procedures and their monitoring as well as regular training for employees. UBM has distributed data protection work instructions to all employees and taken all necessary steps for the transparent, explicit, understandable and careful collection, processing and use of data. The content and attachments in the previous work instructions were revised and updated in 2023. UBM continues to meet all data protection and labour requirements in the individual countries (Austria, Germany, Poland, Czechia), above all through standardised procedures and documentation.

#### **Ethics code**

Our separate, binding ethics code forms the basis for all business activities and decisions. It serves as the foundation for moral, ethical and legally compliance behaviour by UBM employees and is designed to prevent errors. The values and principles in the code are based on national and international laws and requirements and on agreements like the Universal Declaration of Human Rights, the European Convention on Human Rights, the United Nations Guidelines (above all, the Guiding Principles on Business and Human Rights), the OECD Guidelines for Multinational Enterprises, and the international labour standards set by the International Labour Organisation (in particular, the Fundamental Principles of the IAO).

The subject areas covered by the ethics code include, among others, bribery and corruption, fair competition, fundamental and human rights, compliance with economic sanctions and export controls, working conditions, occupational safety and health, environmental protection, the prevention of money laundering, capital market compliance and data protection. This code has been expressly agreed in writing with all employees in their national language since 2021 and is regularly adapted to reflect developments in the social and regulatory environment as well as ethical values. The last update was completed in 2023. Further information on the ethics code can be found on our website under the menu item “esg.”.

#### **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 commercial and regulatory environment and in fundamental ethical values. The latest update was finalised in 2023 and includes requirements for all business partners to strengthen their ecological and social responsibility along the entire value chain. This code is based on the same principles and regulations as the ethics code and covers issues like bribery and corruption, fair competition, fundamental and human rights, compliance with economic sanctions and export controls, working conditions, occupational safety and health, environmental protection, the prevention of money laundering, capital market compliance and data protection. The code of conduct applies to all business partners with a fee/order volume of €20,000 or more (gross) who sell products or services to UBM.

If a business partner declines to sign the code of conduct, any previously negotiated contracts will not be signed and the compliance officer is immediately informed. He will then decide – together with the Management Board – on further procedures. In the event the code is violated, UBM reserves the right to take the necessary steps at any time which, in the end, can lead to suspension or immediate termination of a contract relationship with the business partner. Tender



management now also includes an administrative tool for subcontractor declarations. Further information on the code of conduct for business partners can be found on our website under the menu item "esg."

### Works Council and social dialogue

UBM AG has a Works Council with five members who are elected every five years. Four of these members are delegated to the Supervisory Board, where they make up one-third of the votes. UBM supports the freedom of association as defined by the respective national frameworks as well as representation on the Supervisory Board. To strengthen social dialogue, workforce meetings are held each year and, since 2023, each employee receives a quarterly Works Council newsletter. The Works Council also takes part in collective negotiations in line with legal regulations and with UBM's approval. The ESG Committee also includes one member from the Works Council. During the 2023 financial year, there were no threats to or violations of the above-mentioned freedoms for UBM's operating locations or suppliers.

### Transparent processes

UBM has implemented a variety of rules and processes that go beyond legal requirements. These processes are operationally standardised through an institutionalised 360° principle. More specifically: as part of the "Next Level" efficiency programme, all core and support processes for project development were reviewed on the basis of defined quality gates and ultimately defined for the entire company. The roles and responsibilities in these processes were clearly assigned, and the control mechanisms were revised and improved. These procedures and rules give employees the corresponding tools to perform their jobs and are an important element of process and control design. 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 internal controls in 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, ensures that management receives the necessary information. Technical controlling oversees project development and monitors schedules, construction costs, construction progress and all processes important for technical realisation.

**GRI 2-15, 2-23, 2-25, 2-26, 3-3, 205-2, 407-1**

### 6.1.3. Organisational structure

Compliance management at UBM is installed in the Legal, Corporate and Compliance department, which is also responsible for the content of the related guidelines. A compliance officer and deputy were appointed by the Management Board of UBM AG. The compliance guidelines are prepared by the compliance officer in coordination with the Management Board and communicated to all employees. All UBM employees have digital access to these guidelines. The compliance officer monitors adherence to the guidelines and is also responsible for regular updates to meet changes in legal regulations. The compliance guidelines are reviewed annually by the compliance officer. Risk analyses, reviews and internal audits form the basis for continuous monitoring of the compliance management system. The compliance officer prepares an annual compliance report for the Management Board which includes any identified compliance violations.

The key positions in the internal data protection organisation are the data protection coordinator and one data protection officer in each country who are appointed by the Management Board. The data protection guideline calls for the installation of a data breach response team for the management and reporting of data protection violations in agreement with the data protection guideline. A money laundering officer was also appointed. As part of KYC reviews ("know your customer"), she compares the data received with sanction lists, entries in the register of economic owners, etc. UBM has prepared an extensive money laundering risk analysis that is updated regularly. Additional information on the KYC reviews can be found on page 105.

The respective organisational units implement the individual internal guidelines and work instructions. For example: the managing directors of the country organisations are responsible for the operational implementation and control of work instructions related to the code of conduct and ethics code. The Quality Management department is responsible for procedural instructions and documents related to the 360° process landscape as well as the coordination and administration of regular audits and confirmation through ISO certification.

**GRI 2-16, 2-23, 2-24, 3-3**

### 6.1.4. Goals and measures

#### Goals from our sustainability programme:



#### Goals and measures in detail:

##### Ensure entrepreneurial compliance and responsible actions

Fair business practices and zero tolerance for any form of corruption – these principles are a fixed part of our business culture. We have implemented the measures described below to demonstrate this conviction and anchored these principles in our company. There were no confirmed cases of corruption, proven money laundering incidents or other violations of rules and regulations that would have led to fines or non-monetary sanctions in 2023 or in the previous years. Furthermore, there were no confirmed cases where contracts with business partners were cancelled or not extended due to violations involving corruption, and no confirmed cases that led to the termination or warning of employees due to corruption. There were no proceedings for anticompetitive behaviour in 2023, and no cases of discrimination or violations reported over the whistleblower system.

##### Supervisory Board self-evaluation

The Supervisory Board carried out a self-evaluation of the efficiency of its activities, above all the organisation and working procedures, during 2023 in accordance with C-Rule 36 of the Austrian Code of Corporate Governance.

##### Quality management system

ISO 9001 certification is intended to make sure the process-oriented quality management system meets the highest standards. The entire UBM Group was certified in accordance with the international quality management standard ISO 9001 via a matrix audit. 100% of the locations were therefore covered in 2023.

*Remuneration model*

The possible integration of ESG in the remuneration model will be examined more closely: ESG KPIs will be integrated in management's variable remuneration over the medium term.

**Implementation of guidelines and avoidance of misconduct through consequent preventive activities***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. New employees receive training from the Compliance department immediately after they join UBM. Regular e-learning programmes cover compliance with various subjects: for example, the anti-corruption guideline, the guideline to prevent and deal with discrimination, 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 abuse.

Compliance training is available both on-site and through e-learning. A total of 164 individual training sessions on issuer compliance and the prevention of money laundering were held in 2023 with employees at the UBM offices in Vienna, Unterpremstätten, Munich and Warsaw. An updated training concept increases the interactive involvement of employees, presents the overall subject of "compliance" in an understandable form, and clearly explains compliant behaviour. The training documents are reworked regularly and, in particular, expanded to include current case examples and country-specific (administrative) court decisions.

The compliance team frequently visits training courses, and there are additional certifications for selected responsibilities. The deputy compliance officer is certified as a compliance officer under the international ISO 19600 norm and under the Austrian ONR 192050 norm. She is also certified as a money laundering compliance expert and compliance officer by Austrian Standards.

Employees are notified separately of any relevant changes in existing guidelines.

*Ethics code*

The ethics code is agreed in writing with all new employees in their national language. It was last adapted in 2023 to meet our sustainability requirements and to strengthen the integration of ecological and social responsibility - for example, by reinforcing the emphasis on human rights, working conditions, occupational safety and health. Increased awareness for the importance of ESG is also reflected in the organisation of company events and training (like the Climate Impact Day, internal courses, projects based on the *green. smart. and more.* initiative) as well as targeted internal communication.

*Sampling controls of insider information*

The compliance team carries out sampling controls (2023: 35 sample controls) to monitor compliance with the rules for the distribution of insider information and confidential and price-sensitive information. The internal rules to prevent the misuse or distribution of insider information and confidential and price-sensitive information are also evaluated regularly. Additional clarification briefings are held if necessary.



### Prevention of money laundering and terrorism financing

#### *KYC review of new business partners*

"Know your customer" is one of the basic principles underlying the guideline for the prevention of money laundering and terrorism financing and the work instructions on money laundering prevention. Full transparency is guaranteed by requiring all UBM contract partners to sign an appropriate disclosure form. Special priority is placed on transactions and the purchase and sale of apartments. More stringent due diligence requirements are connected, among others, with transactions involving a greater inherent risk in the sense of the guideline on the prevention of money laundering and terrorism financing, e.g. for offshore companies, high-risk countries and contracts with politically exposed persons. The money laundering officer uses special procedures to review all transactions with an increased risk of money laundering. Over 360 business partners were extensively reviewed in 2023.

UBM was audited by the anti-money laundering agency (City of Vienna market office) in February 2023. Confirmation was provided that all employees were regularly informed in detail of the dangers of money laundering and terrorism financing, that all necessary risk surveys had been entered in UBM's service portal, and that the registration with the financial intelligence unit (GoAML) was complete and correct. Moreover, the agency was informed that the standardised "know your customer" form was extensively used to identify customers and that UBM met all diligence requirements in full, for example through plausibility checks and comparisons with public sanction lists. The audit was concluded by the agency without any material findings.

#### *Internal risk analysis for the prevention of money laundering and terrorism financing*

UBM Development AG has registered brokerage as one of its commercial lines of business. The related activities are classified internationally as having an increased risk of money laundering, and an internal risk analysis was prepared and is updated regularly to cover the prevention of money laundering and terrorism financing.

The risk survey questionnaire used for risk analysis is also updated on a regular basis for all Austrian subsidiaries licensed for real estate brokerage and filed with the applicable trade authority. **GRI 2-16, 2-23, 2-24, 2-27, 3-3, 205-2, 205-3, 206-1**

## **6.2. Sustainable procurement & regional added value**

Increasing regulations in various European countries require the implementation of corporate due diligence procedures in supply chains and the creation of greater transparency and traceability with regard to origin, demolition and subsequent processing. The regulation is addressed to direct upstream suppliers (general contractors, executing partners) in a first step, but will be successively rolled out to cover the entire upstream supply chain (raw materials extraction, materials producers) and the related working conditions and human rights situation.

### Goals and measures in detail:

#### Ensuring ecological & socio-economic compliance in the value chain

Compliance with social and ecological criteria in the supply chain is a key factor for UBM's sustainable procurement. The code of conduct issued by UBM in 2020 (see section 6.1.) is designed to ensure that suppliers are aware of their responsibility along the supply chain and contribute to the sustainable development of the real estate sector. It is adapted regularly to meet changes in the social and regulatory environment and in fundamental ethical values, whereby the last update was made in 2023. All UBM employees receive training on the code of conduct and filing requirements. A technical solution for compliance documentation was implemented throughout the UBM Group, and a central archiving system for the signed codes of conduct now enables the sampling of supplier confirmations of subcontractor documents. This tool will be expanded to include an evaluation function in 2024. In Germany, a subcontractor management system has been in use since 2022.

UBM additionally reviewed the ESG activities of its most important suppliers from 2022 during 2023. These companies were responsible for 43% of UBM's expenditures in 2022. The following information was collected in exchange with the business partners: the availability of an internal code of conduct, the publication of ESG/sustainability reports, the integration of sustainability in the corporate strategy, membership in relevant organisations, etc. These reviews will continue and be expanded in 2024.

A procurement guideline was prepared in 2021 to strengthen ecological and social responsibility along the supply chain. It defines standardised criteria and requirements for the ecologically oriented procurement of office and advertising materials, catering and hospitality. Orders for office supplies are filtered by sustainability aspects, and only refillable and certified products are purchased. The selection of an organic fruit supplier for UBM's headquarters in Vienna ensures deliveries based on seasonal and regional factors, and daily meals for employees are supplied by a delivery service that offers organic foods.

Cooperation with local partner companies (e.g. construction companies, architects, planners) also has an impact on the local economy. As a major customer for regional construction companies, planners and consultants, UBM makes a significant contribution to local added value, in accordance with the motto: "think global, order local". Regional business partners, meaning companies near the respective locations, play an important role in the realisation of projects. These regional contract awards are definitely a win-win situation. On the one hand, local companies receive welcome business and, on the other hand, UBM benefits from shorter delivery routes that reduce costs, save time and facilitate the delivery of larger components. UBM creates jobs and added value with its projects, directly as well as indirectly - which explains the preference for regional suppliers.

UBM covers all dimensions of sustainability in its development projects, meaning we always consider and respect ecological, economic and socio-cultural aspects. For example: the external appraisers/auditors involved in certification processes are asked to confirm the relevant quality level of the building materials. **GRI 2-23, 2-25**

### 6.3. Innovation & technologies

Internal and external research and innovations for sustainable buildings are relevant for the entire added value chain - and include organisational, social and technical issues. The use of smart building technology (e.g. sensors for smart ventilation, intelligent shading), for example, can make an important contribution to energy savings and efficiency improvements and, in this way, reduce the negative impact on people and the environment. An urban quarter that incorporates social aspects, e.g. communication areas and interactive commercial zones (co-working spaces, etc.) contributes to the social structure and interaction in the quarter. *smart.* is UBM's keyword, above all for new optimisation and control technologies as well as digitalisation. These activities are concentrated on the following:

### The green. smart. and more. initiative

In line with the above-mentioned management approach, the *green. smart. and more.* initiative plays a very special role. It is backed by a Group-wide brainstorming campaign from 2020 that covered several months and involved the entire workforce. Seven core issues were defined in a dialogue between the Management Board and Executive Committee: Design & Construction, Energy, Building Operations, Look & Feel, User Services, Technology & Data and Mobility. Ideas and concepts were developed for these core areas as answers to the challenges created by climate change. The prevention of emissions, use of resource-efficient building materials, increase in energy efficiency and the greater integration of technological solutions are only a few of the keywords. The areas of Design & Construction, Energy and Building Operations, in particular, offer "green" starting points. UBM has responded with the following flagship projects:

- Timber Pioneer: Frankfurt's first office building as a timber hybrid construction
- Quarter certification for the LeopoldQuartier: Europe's first urban quarter as a timber construction (Vienna) obtains 100% of its energy from renewable sources
- Arcus City: the first multi-storey timber construction in Czechia

The core issues of User Services, Technology & Data and Mobility are designed to make UBM's real estate development "intelligent" through the use of technological solutions and, as a result, improve and individualise the user experience. As early as the planning stage, UBM ensures that buildings are equipped for future "smart" trends - like the Internet of Things (IoT) or sensors - and can be adapted accordingly. Future-oriented mobility concepts will also play a role in urban quarter development projects through the interaction of e-mobility, shared services and intelligent parking concepts. The needs of users and the local environment can therefore be met with the highest possible level of efficiency and resource protection.

In order to be optimally positioned for the future, UBM established the Smart Building Innovation Foundation (SBIF)

in 2022. This non-profit foundation provides a platform for partners from industry and science to develop technical application solutions for smart buildings. The foundation complements our *green. smart. and more.* strategy and will contribute to greater sustainability in the real estate sector. Its goals include the long-term reduction of emissions and resource consumption as well as the optimisation of economic feasibility for sustainable office and residential concepts. One application case deals with consumption- and capacity-optimised office properties.

### Digitalisation of the UBM working world

The central role played by digitalisation was expanded by the Covid-19 pandemic. UBM has made massive investments in the Group's digitalisation in recent years and plans to continue these efforts in the future. The "Next Level" project was launched in 2017 to digitally map operating and work processes as well as reporting and controlling on a decentralised level. The "newBM" project started in 2020 and is intended to take UBM's digitalisation a great qualitative leap forward, especially in the commercial areas but also in IT and infrastructure.

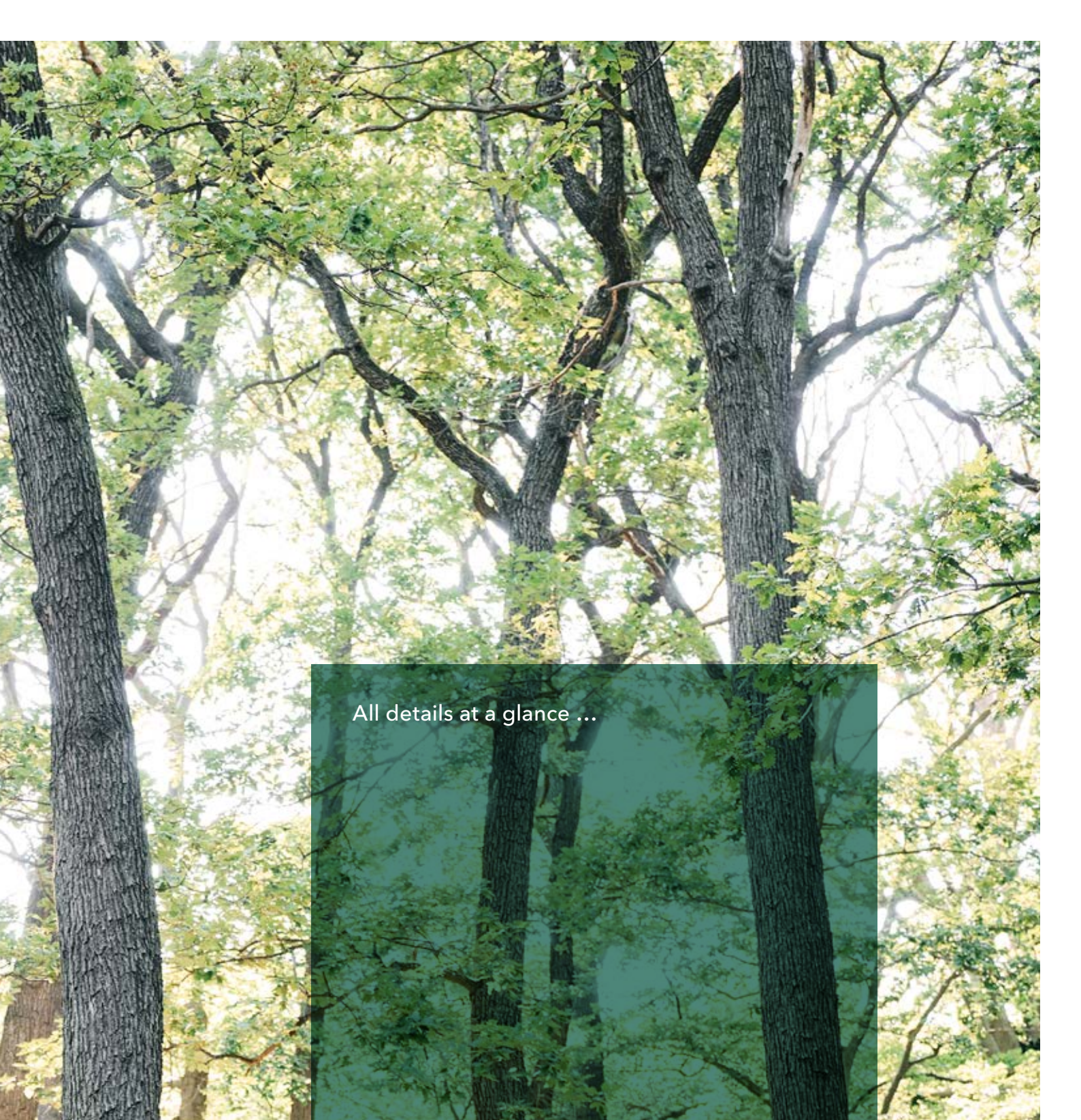
The "newBM" project included the development of an SAP S/4 HANA system based on standard processes and SAP best practices for 250 companies. A modern system makes the full digital management of HR processes possible, and a central treasury system safeguards the encrypted, safe and integrated handling of payment flows throughout the Group. The IT conversion includes the installation of state-of-the-art equipment with additional weighting on productivity, security and flexible working. At the SAP Quality Awards for 2022, UBM was a winner in the category "Rapid Time To Value". A training offensive for IT/cybersecurity also started in 2023. Employees receive modern, interactive information via e-learning courses on current security risks (keywords: phishing/hacker attacks) and their prevention.

**GRI 2-23, 2-25**









All details at a glance ...

## **7. All details at a glance**

- 7.1. About this report
- 7.2. GRI Index
- 7.3. Key indicators
- 7.4. Report on the independent assurance
- 7.5. Imprint



## Also worth knowing

### 7.1. About this report

This report is UBM's fourth ESG report and seventh publication on sustainability issues. It provides information on the 2023 financial year of UBM Development AG. UBM published its first sustainability report in 2017, which was based on the guidelines of the Global Reporting Initiative (GRI). In 2018 and 2019, sustainability issues were handled in a more compact non-financial statement that was part of financial reporting and the annual report. The report for 2020 was prepared in agreement with the GRI standards "Core Option".

This report on the 2023 financial year – similar to the report on the 2021 and 2022 financial years – was prepared in accordance with § 267a of the Austrian Commercial Code ("Unternehmensgesetzbuch") and the GRI Universal Standards 2021. The financial year of UBM Development AG is based on the calendar year and covers the period from 1 January to 31 December. The next report is planned for 2025 and will include information on the 2024 financial year.

The report contents reflect the major thematic areas relevant for UBM, whereby there were no changes in comparison with 2021. Any new presentation of information from previous reports is documented in the footnotes beginning on page 118. The reported indicators, where available, also cover 2022 and 2021. The management of UBM Development AG is responsible for preparation of the report content. An external review with limited assurance was carried out by PwC (see page 135). If you have any questions or suggestions on this report, please feel free to contact UBM at [esg@ubm-development.com](mailto:esg@ubm-development.com). Current information on sustainability can also be found on our website under the menu item "esg".

Gender-neutral language was used in the report, where possible, to improve readability and the flow of the text, and no distinction was made between the genders. In the sense of equal opportunities, corresponding terms generally apply to all genders.

### Scope of consolidation

This report covers the corporate locations, standing assets and development projects of UBM Development in Austria, Germany, Poland, Czechia and other markets.

In the hotel business, which was a focal point before the strategic reorientation, UBM assumed the role of the lessee in selected cases following the sale of the respective properties. The hotel leasing business was bundled under UBM hotels Management GmbH in 2016, and UBM holds an interest of 50% in this company today. Large, international hotel chains have been engaged for the operational management of these houses, whereby preference is given to partners who are aware of their ecological and social responsibility and have appropriate certification. This report does not deal with environmental issues related to the hotel operating company, which represents an equity-accounted investment, because UBM is unable to control the related measures and guidelines.

The indicators in the section on the environment cover all standing assets with a Group investment of more than 50%, all Group locations with more than 5% of the total workforce, and all projects. ESG reporting will be continuously advanced and improved. In this connection, the ESG cockpit was introduced in 2022. It includes the CO<sub>2</sub>e factors from the ecoinvent database which form the basis for the calculation of emissions starting in 2022.

Where actual consumption figures are not available, estimates are used (mainly for project development, where the energy consumption is calculated as per certificates). Details are provided in the footnotes starting on page 118. **GRI 2-2, 2-3, 2-4, 2-5, 2-14, 3-2**



## 7.2. GRI index

Statement of use	UBM Development has reported in accordance with the GRI Standards for the period 01.01.2023-31.12.2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	none apply

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD
<b>General disclosures</b>				
GRI 2: General Disclosures 2021	2-1	Organisational details	6, 10	
	2-2	Entities included in the organisation's sustainability reporting	10, 110	
	2-3	Reporting period, frequency and contact point	61, 110	
	2-4	Restatements of information	110	
	2-5	External assurance	61, 110, 135-137	
	2-6	Activities, value chain and other business relationships	6, 8-10, 12-13	UNGC 1-7
	2-7	Employees	126-127	UNGC 6
	2-8	Workers who are not employees	126-127	UNGC 6
	2-9	Governance structure and composition	10-11, 38-42, 90-91	TCFD Governance
	2-10	Nomination and selection of the highest governance body	38-42	
	2-11	Chair of the highest governance body	38-42	
	2-12	Role of the highest governance body in overseeing the management of impacts	38-42, 44-45	TCFD Governance, Risk Management, KPIs & Targets
	2-13	Delegation of responsibility for managing impacts	10-11, 38-42	TCFD Governance
	2-14	Role of the highest governance body in sustainability reporting	61, 110	TCFD Governance

IMPORTANT INFORMATION

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD	
GRI 2: General Disclosures 2021	2-15	Conflicts of interest	38-42, 99-103	UBM does not hold any shares in other companies.	
	2-16	Communication of critical concerns	103-105		
	2-17	Collective knowledge of the highest governance body	38-42, 90-91		TCFD Governance
	2-18	Evaluation of the performance of the highest governance body	38-42		
	2-19	Remuneration policies	10-11, 38-42		
	2-20	Process to determine remuneration	38-42		
	2-21	Annual total compensation ratio	126-127		
	2-22	Statement on sustainable development strategy	2-3, 10-11		TCFD Strategy
	2-23	Policy commitments	36, 68-69, 76-81, 86-95, 99-107		UNGC 1-7, 10
	2-24	Embedding policy commitments	36, 38-42, 69, 87, 103-105		
	2-25	Processes to remediate negative impacts	68-69, 76-81, 86-95, 99-103, 105-107		
	2-26	Mechanisms for seeking advice and raising concerns	99-103		UNGC 10
	2-27	Compliance with laws and regulations	103-105, 132-133		UNGC 8
	2-28	Membership associations	63		
	2-29	Approach to stakeholder engagement	42-45		
2-30	Collective bargaining agreements	126-127		UNGC 3	

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD
<b>Material topics</b>				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	44-45	
	3-2	List of material topics	44-45, 110	
<b>Corporate governance &amp; compliance</b>				
<b>Anti-corruption</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	98-105	
	205-1	Operations assessed for risks related to corruption	60	SDG 16.5 UNGC 10
GRI 205: Anti- corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	99-105, 132-133	205-2 d: a breakdown of training by employee category is not available for the reporting period. All members of the Board participated in internal compliance and anti-money laundering training courses. SDG 16.5 UNGC 10
	205-3	Confirmed incidents of corruption and actions taken	103-105, 132-133	
<b>Anti-competitive behaviour</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	98-105	
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	103-105, 132-133	SDG 16.3 UNGC 10
<b>Freedom of association and collective bargaining</b>				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	99-103	SDG 8.8, UNGC 3



GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD
<b>Energy efficiency, renewable energies &amp; CO2 emissions</b>				
<b>Energy</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	67-74	TCFD KPIs & Targets
	302-1	Energy consumption within the organisation	118-119, 122-123	302-1 d: n/a (not relevant for UBM's business activities)
	302-2	Energy consumption outside of the organisation	118-119, 124	
GRI 302: Energy 2016	302-3	Energy intensity	118-119, 122-124	SDG 7.2, 7.3, 8.4, 12.2, 13.1, UNGC 7, 8
	302-4	Reduction of energy consumption	118-119, 122-123	SDG 7.3, 8.4, 12.2, 13.1, UNGC 8
	302-5	Reduction in energy requirements of products and services	124	
<b>Emissions</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	67-74	TCFD Governance, Risk Management, KPIs & Targets
	305-1	Direct (Scope 1) GHG emissions	120-124	SDG 3.9, 12.4, 13.1, 14.3, 15.2, UNGC 7, 8
	305-2	Indirect (Scope 2) GHG emissions	120-124	
	305-3	Other indirect (Scope 3) GHG emissions	120-124	
GRI 305: Emissions 2016	305-4	GHG emissions intensity	124	SDG 13.1, 14.3, 15.2, UNGC 8
	305-5	Reduction of GHG emissions	122-124	
	305-6	Emissions of ozone-depleting substances (ODS)		n/a (not relevant for UBM's business activities)
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD
<b>Attractive employer &amp; training and education</b>				
<b>Employment</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	85-89	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	128-129	SDG 5.1, 8.5, 8.6, 10.3, UNGC 6
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	86-87	SDG 3.2, 5.4, 8.5
	401-3	Parental leave	128-129	SDG 5.1, 5.4, 8.5, UNGC 6
<b>Training and education</b>				
GRI 3: Material Topics 2021	3-3	Management of material topics	85-89	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	128-129	SDG 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3, UNGC 6
	404-2	Programmes for upgrading employee skills and transition assistance programs	86-87	404-2 b: with the exception of partial retirement, no transitional assistance programs.
	404-3	Percentage of employees receiving regular performance and career development reviews	87-89	SDG 5.1, 8.5, 10.3, UNGC 6

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD	
<b>Further disclosures</b>					
<b>Water and effluents</b>					
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	80-84	303-1 b, c, d: n/a (not relevant for UBM's business activities)	SDG 6.3, 6.4, 6.a, 6.b, 12.4, UNGC 7, 8, 9, 19
	303-2	Management of water discharge-related impacts		n/a (not relevant for UBM's business activities)	
	303-3	Water withdrawal			
	303-4	Water discharge			
	303-5	Water consumption	118-119, 122-123	303-5 c: n/a (not relevant for UBM's business activities)	
<b>Waste</b>					
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	80-81		SDG 3.9, 6.3, 12.4, 12.5, 15.1, UNGC 7, 8, 9
	306-2	Management of significant waste-related impacts	80-81	306-2 b: n/a (not relevant for UBM's business activities)	
	306-3	Waste generated	118-119, 122-123		
	306-4	Waste diverted from disposal	118-119, 122-123	Only recycling offsite of non-hazardous waste is relevant for UBM's business activities.	
	306-5	Waste directed to disposal	118-119, 122-123	Only landfilling offsite of non-hazardous waste is relevant for UBM's business activities.	
<b>Occupational health and safety</b>					
GRI 403: Occupational health and safety	403-1	Occupational health and safety management system	91-93		SDG 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 8.8, 16.1, 16.7, UNGC 3, 8
	403-2	Hazard identification, risk assessment, and incident investigation	91-93		
	403-3	Occupational health services	91-93		
	403-4	Worker participation, consultation, and communication on occupational health and safety	91-93		



IMPORTANT INFORMATION

GRI Standard	Disclosure	Page	Omission, Reason	UNGC, TCFD	
GRI 403: Occupational health and safety	403-5	Worker training on occupational health and safety	91-93		SDG 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 8.8, 16.1, 16.7, UNGC 3, 8
	403-6	Promotion of worker health	91-93		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	91-93		
	403-8	Workers covered by an occupational health and safety management system	91-93		
	403-9	Work-related injuries	91-93, 130-131		
	403-10	Work-related ill health	91-93, 130-131		
<b>Diversity and equal opportunities</b>					
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity of governance bodies and employees	130-131	405-1 a ii. and b ii.: not available in current data structure	SDG 5.1, 5.5, 8.5, 10.3, UNGC 6
	405-2	Ratio of basic salary and remuneration of women to men	130-131		
<b>Non-discrimination</b>					
GRI 406: Non-discrimi- nation 2016	406-1	Incidents of discrimination and corrective actions taken	132-133		SDG 5.1, 8.8, UNGC 6

# Key indicators

## 7.3. Key indicators

### Environmental indicators - Group locations

ENERGY CONSUMPTION <sup>1</sup>	
<b>Total energy consumption business operations</b>	
<b>GRI 302-1</b> Energy consumption within the organisation	Energy from renewable sources
	Energy from non-renewable sources
	Electricity
	Natural gas
<b>GRI 302-3</b> Energy intensity	District heating & cooling energy consumption
	Energy intensity business operations
<b>Total fuel consumption</b>	
<b>GRI 302-1</b> Energy consumption within the organisation	Energy consumption company cars diesel
	Energy consumption company cars petrol
<b>GRI 302-2</b> Energy consumption outside of the organisation	Energy consumption diesel (leasing)
	Energy consumption petrol (leasing)
	Business travel - car
	Rail travel
	Air travel
<b>WASTE &amp; WATER</b>	
<b>GRI 303-5</b> Water consumption	<b>Total water consumption from all areas</b>
	Total water consumption from area with water stress
<b>GRI 306-3</b> Waste generated	<b>Total weight of waste generated</b>
	Total weight of hazardous waste generated
	Total weight of non-hazardous waste generated
<b>GRI 306-4</b> Waste diverted from disposal	Non-hazardous waste diverted from disposal - recycling offsite
<b>GRI 306-5</b> Waste directed to disposal	Non-hazardous waste directed to disposal - landfilling offsite
	Non-hazardous waste directed to disposal - incineration

<sup>1</sup> Calculation of renewable energy: 2023: Information on energy suppliers, 2022: information on energy suppliers (estimate for CZ), 2021: information on energy suppliers (AT, DE, PL) or internal data (CZ). Energy consumption 2021 DE: extrapolations from available previous years. Decrease in energy consumption due to a lower number of locations and employees compared to 2022 (GRI 302-4) and increase in emissions due to an expanded and improved data situation in 2023 (GRI 305-5). Note: all locations with >5% of total employees included. Miscellaneous other locations are not included because they are responsible for only minimal consumption or because the consumption is calculated as a flat rate. Restatement: office location Frankfurt (incorrect electricity consumption data), waste (2022 estimate for sites without sufficient data availability).

IMPORTANT INFORMATION

Unit	2023					2022	2021
	Total	AT	DE	PL	CZ	Total	Total
<b>kWh</b>	<b>572,935</b>	<b>260,230</b>	<b>140,214</b>	<b>130,482</b>	<b>42,009</b>	<b>697,384</b>	<b>985,326</b>
kWh	172,850	79,729	32,717	58,410	1,994	184,521	161,726
kWh	400,086	180,501	107,497	72,072	40,015	512,864	823,600
kWh	197,046	71,827	41,164	67,810	16,245	236,402	246,608
kWh	0	0	0	0	0	-	20,869
kWh	375,889	188,403	99,050	62,672	25,764	460,982	717,849
kWh/m <sup>2</sup>	83	75	84	142	50	96	102
m <sup>2</sup>	6,890	3,449	1,674	919	848	7,260	9,619
<b>kWh</b>	<b>1,828,011</b>	<b>920,107</b>	<b>359,941</b>	<b>361,762</b>	<b>186,201</b>	<b>1,904,346</b>	<b>2,099,238</b>
kWh	510,987	467,093	0	43,894.4	0	387,155	225,898
kWh	144,782	143,673	1,109	0	0	105,936	46,372
kWh	405,217	122,658	25,405	113,545	143,609	653,957	998,830
kWh	538,544	0	325,125	191,111	22,308	504,439	734,420
kWh	63,356	36,869	6,403	0	20,083		
kWh	2,272	1,284	786	0	201		
kWh	162,853	148,529	1,113	13,212	0	252,860	195,161
<b>MI</b>	<b>1.2</b>	<b>0.5</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	
MI	0	0	0	0	0	0	
<b>t</b>	<b>229.5</b>	<b>135.2</b>	<b>89.5</b>	<b>3.3</b>	<b>1.5</b>	<b>94.9</b>	
t	0	0	0	0	0	0	
t	229.5	135.2	89.5	3.3	1.5	94.9	
t	90.7	55.7	32.8	2.0	0.2	52.7	
t	138.7	79.5	56.6	1.3	1.3	1.2	
t	0	0	0	0	0	41.0	



**EMISSIONS**

<b>GRI 305 - 1 Direct emissions (Scope 1)</b>	Natural gas
	Energy consumption diesel & petrol
<b>GRI 305 - 2 Indirect emissions (Scope 2)</b>	Electricity, location-based
	Electricity, market-based
	District heating & cooling
<b>GRI 305 - 3 Other indirect emissions (Scope 3)</b>	Energy not included in scope 1 or 2
	Electricity
	District heating & cooling
	Waste generated in operations
	Energy consumption diesel & petrol (leasing)
	Business travel - car
	Rail travel
	Air travel
<b>Scope 1+2+3</b>	<b>Total emissions (market-based)</b>

Classification of emissions according to the Greenhouse Gas Protocol, Operational Control Approach (GWP: AR5), base year: 2020. CO<sub>2</sub>e = CO<sub>2</sub> equivalents.

Greenhouse gases included in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, biogenic CO<sub>2</sub> emissions.

Operational control approach: in Scope 1 and 2, the emissions over which UBM has operational control (i.e. can make operational decisions) are reported, in Scope 3, the emissions over which UBM has no operational control (i.e. the business partner of UBM, e.g. the landlord or tenant, can make operational decisions). Information on the operational control approach for the CCF can be found in chapter 4.1.

Sources of emission factors:

2023: AT, PL, DE, CZ ecoinvent (automatic calculation in the ESG Cockpit).

2022: AT, PL, DE, CZ ecoinvent (automatic calculation in the ESG Cockpit); without ALBA (sold). Correction of emissions allocation (operational control approach, see above) and correction of energy-related emissions (in line with the new allocation) and waste from operations (estimate for sites without sufficient data availability).

2021: AT, PL, DE information from energy suppliers/Sphera GaBi v14; CZ Sphera GaBi v14.

PL 2023 and 2022: Guarantees of Origin were purchased for the corporate site in Poland to neutralise emissions from electricity consumption.

Vehicles: manufacturer data; air travel: airline tickets (evaluation by travel management provider through which flight bookings are made); train travel: travel expense report.

Note: all locations with >5% of total employees included. Miscellaneous other locations are not included because they are responsible for only minimal consumption or because the consumption is calculated as a flat rate.

Restatement: office location Frankfurt (incorrect electricity consumption data), waste (2022 estimate for sites without sufficient data availability).

IMPORTANT INFORMATION

Unit	2023					2022	2021
	Total	AT	DE	PL	CZ	Total	Total
t CO <sub>2</sub> e	0	0	0	0	0	-	4
t CO <sub>2</sub> e	168.6	157.3	0.3	11	0	101	56
t CO <sub>2</sub> e	83.0	16.8	16	50.2	0	43	121
t CO <sub>2</sub> e	17.1	0.5	16.0	0.6	0	43	121
t CO <sub>2</sub> e	25.1	-	19.0	6.1	0	19	108
t CO <sub>2</sub> e	44.7	41.7	0.1	2.9	-	28	
t CO <sub>2</sub> e	3.9	-	-	1.1	2.8	35	
t CO <sub>2</sub> e	8.4	6.5	-	0.7	1.2	51	
t CO <sub>2</sub> e	148.3	88	58	1.3	0.8	64	
t CO <sub>2</sub> e	319.0	38.9	123.0	103.6	53.5	222	421
t CO <sub>2</sub> e	8.2	4.8	0.8	-	2.6		
t CO <sub>2</sub> e	1.3	0.8	0.3	-	0.1		
t CO <sub>2</sub> e	117.1	106.8	0.8	9.5	0	182	140
<b>t CO<sub>2</sub>e</b>	<b>861.7</b>	<b>445.4</b>	<b>218.4</b>	<b>136.8</b>	<b>61.0</b>	<b>744</b>	<b>850</b>

**Environmental indicators - Standing assets**

**ENERGY CONSUMPTION<sup>1</sup>**

<b>GRI 302 - 1</b> Energy consumption within the organisation	Space
	<b>Total energy consumption</b>
	Energy from renewable sources
	Energy from non-renewable sources
	External electricity procurement
	Electricity production (photovoltaics) <sup>6</sup>
	Natural gas
	District heating
	Cooling energy consumption
<b>GRI 302 - 3</b> Energy intensity	Energy intensity

**WASTE & WATER**

<b>GRI 303 - 5</b> Water consumption	<b>Total water consumption from all areas</b>
	Total water consumption from area with water stress
<b>GRI 306 - 3</b> Waste generated	<b>Total weight of waste generated</b>
	Total weight of hazardous waste generated
	Total weight of non-hazardous waste generated
<b>GRI 306 - 4</b> Waste diverted from disposal	Non-hazardous waste diverted from disposal - recycling offsite
<b>GRI 306 - 5</b> Waste directed to disposal	Non-hazardous waste directed to disposal - landfilling offsite

**EMISSIONS<sup>2</sup>**

<b>GRI 305 - 1</b> Direct emissions (Scope 1)	Electricity production (photovoltaics)
	Natural gas
<b>GRI 305 - 2</b> Indirect emissions (Scope 2)	Electricity - location-based
	Electricity - market-based
	District heating & cooling
<b>GRI 305 - 3</b> Other indirect emissions (Scope 3)	Electricity
	District heating & cooling
	Natural gas
	Refrigerants and other gases
	Waste generated in operations
<b>Scope 1+2+3</b>	Total emissions (market-based)

<sup>1</sup> Key for calculation of renewable energy: 2023 & 2022: according to information provided by the energy supplier, 2021: according to information provided by the energy supplier (AT, PL) and according to internal data (CZ, HR, DE)

In 2023, the logic was adjusted and therefore all energy consumption is retroactively assigned to GRI 302 - 1.

<sup>2</sup> Classification of emissions based on the Greenhouse Gas Protocol, operational control approach (GWP: AR5). Base year: 2020 (base year for target regarding CO<sub>2</sub> intensity). CO<sub>2</sub>e = CO<sub>2</sub> equivalents. Greenhouse gases included in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC, SF<sub>6</sub>, NF<sub>3</sub>, biogenic CO<sub>2</sub> emissions. Operational control approach: In Scope 1 and 2, the emissions over which UBM has operational control (i.e. can make operational decisions) are reported, in Scope 3, the emissions over which UBM has no operational control (i.e. the business partner of UBM, e.g. the landlord or tenant, can make operational decisions).

For Poleczki Park in Poland, Guarantees of Origin were purchased for 2021 through 2023 to neutralise emissions from electricity consumption, due to the lack of availability of green electricity.

Source of emission factors: 2023 & 2022 ecoinvent, 2021 Sphera GaBi v14 and information provided by the energy supplier



IMPORTANT INFORMATION

Unit	2023 <sup>5</sup>				2022 <sup>4</sup>	2021 <sup>3</sup>
	Total	AT	PL	Other	Total	Total
m <sup>2</sup>	158,003	21,325	110,032	26,646	131,476	130,920
kWh	<b>29,032,316</b>	<b>3,440,478</b>	<b>18,946,046</b>	<b>6,645,793</b>	<b>24,925,381</b>	<b>23,573,428</b>
kWh	12,126,476	1,183,574	8,672,557	2,270,345	12,739,780	5,380,691
kWh	16,905,840	2,256,904	10,273,488	4,375,448	12,185,602	18,192,736
kWh	16,811,723	1,126,108	12,623,464	3,062,151	15,662,192	14,334,961
kWh	115,907	-	115,907	-		
kWh	1,934,504	197,088	-	1,737,416	168,927	446,948
kWh	8,574,289	1,334,488	6,206,675	1,033,126	8,450,686	8,791,519
kWh	1,595,894	782,794	-	813,100	643,576	-
kWh/m <sup>2</sup>	184	161	172	249	190	180
<b>MI</b>	<b>69.5</b>	<b>10.1</b>	<b>30.3</b>	<b>29.2</b>	<b>40</b>	
MI	0	0	0	0	0	
<b>t</b>	<b>892.3</b>	<b>276.1</b>	<b>437.7</b>	<b>178.5</b>	<b>417</b>	
t	0	0	0	0	0	
t	892.3	276.1	437.7	178.5	417	
t	485.6	205.6	238.8	41.2	417	
t	406.6	70.5	198.8	137.3	0	
t CO <sub>2</sub> e	8.5	0	8.5	0		
t CO <sub>2</sub> e	361.9	36.9	0	325		
t CO <sub>2</sub> e	10,309.7	0	10,309.7	0	1,320	14
t CO <sub>2</sub> e	3,058.8	0	3,058.8	0	1,320	14
t CO <sub>2</sub> e	1,184.1	394.4	789.7	0	966	0
t CO <sub>2</sub> e	206.1	89.5	0	116.6	533	1,606
t CO <sub>2</sub> e	7.3	0	0	7.3	0	251
t CO <sub>2</sub> e	96.0	0	0	96	0	9
t CO <sub>2</sub> e	0.2	0	0	0.2		
t CO <sub>2</sub> e	378.1	83	198.6	96.5	191	
t CO <sub>2</sub> e	5,301.0	603.8	4,055.6	641.6	3,011	1,879.4

<sup>3</sup> Standing assets in CZ have been sold.

<sup>4</sup> Standing asset in HR has been sold.

<sup>5</sup> 2023 Other: two hotels in Czechia and the Netherlands intended for sale - one reason for the increase in energy consumption and emissions (GRI 302-4 and GRI 305-5).

<sup>6</sup> The external electricity procurement figures for previous years already included unknown PV electricity shares, which have been reported separately since 2023.

Note: all standing assets (with physical real estate) in which UBM holds an investment of more than 50%, and which are not in ongoing sales processes, are included.

**Environmental indicators - Project development**

	Unit	2023 Total	2022 Total	2021 Total
<b>ENERGY CONSUMPTION</b>				
<b>GRI 302-2</b> Energy consumption outside the organisation - energy consumption as per certificate	kWh	4,395,872	11,499,695	11,165,679
<b>GRI 302-2</b> Energy consumption from renewable sources	kWh	665,785	1,717,273	
<b>GRI 302-3</b> Energy intensity	kWh/m <sup>3</sup>	75	115	95
<b>Number of projects</b>	Number	4	9	10
<b>Gross floor area of projects</b>	m <sup>2</sup>	58,420	99,633	118,104
<b>EMISSIONS<sup>1</sup></b>				
<b>GRI 305-1</b> Direct emissions (Scope 1)	t CO <sub>2</sub> e			
<b>GRI 305-2</b> Indirect emissions (Scope 2)	t CO <sub>2</sub> e			
<b>GRI 305-3</b> Other indirect emissions (Scope 3)	t CO <sub>2</sub> e	1,136.1	3,517.5	3,132.0
<b>GRI 305-4</b> Intensity of GHG emissions (yearly)	kg/m <sup>2</sup> GFA	34	46	27
<b>GHG Protocol:</b> Other indirect emissions (Scope 3) - total use phase <sup>2</sup>	t CO <sub>2</sub> e	8,038.2	15,123.8	

<sup>1</sup> The decline in energy and GHG intensity is due in particular to the specifics of the asset classes (2023: only residential, 2022: including a hotel) (GRI 302-5, 305-5). Classification of emissions based on the Greenhouse Gas Protocols, Operational Control Approach (GWP: AR5). In cases of less than 100% ownership, emissions are proportionally calculated (according to % ownership) since 2022. CO<sub>2</sub>e = CO<sub>2</sub> equivalents. Greenhouse gases included in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, biogenic CO<sub>2</sub> emissions. Base year: 2020.

2023: all projects completed in 2023. Source of emission factors: 2023 & 2022 ecoinvent, 2021 Sphera GaBi v14, disclosed emissions according to national energy certificates.

Restatement 2022: calculation of GHG intensity based on pro rata emissions and pro rata m<sup>2</sup> GFA (UBM share).

<sup>2</sup> Emissions from the use of sold products = Scope 3.11

Emissions from the operation of the projects/buildings sold (no renovations) are calculated over the life cycle in accordance with energy certificates (assumption: linear decrease in annual emissions due to the achievement of climate neutrality by 2050).

Note: energy consumption in project development is reported based on energy certificates.

IMPORTANT INFORMATION

	Unit	2021 - 2025	2023	2022	2021
<b>BIODIVERSITY &amp; GROUND SEALING</b>					
<b>Total projects</b>	<b>Number</b>	<b>45</b>	<b>4</b>	<b>9</b>	<b>10</b>
Greenfield developments	Number	9	1	2	3
Brownfield developments	Number	36	3	7	7
Land area - total	m <sup>2</sup> of total area	258,781	40,069	33,685	45,678
Greenfield developments	m <sup>2</sup> of total area	70,301	22,079	9,617	11,038
Brownfield developments	m <sup>2</sup> of total area	188,480	17,990	24,068	34,640
Greenfield developments	%	27	55	29	24
Brownfield developments	%	73	45	71	76

2021 - 2025: according to time horizon of target regarding greenfield/brownfield. Projects that are composed of different phases or building sites are shown separately.

Project	Type of property	GFA total	Status
<b>RENOVATION &amp; REVITALISATION</b>			
Noble Residence, Krakow	Residential	7,906	completed
<b>Total</b>		<b>7,906</b>	
GFA of renovation & revitalisation projects as a % of the pipeline 2023-2027		1.4%	

Projects that are composed of different phases or building sites are shown separately.



**Social indicators - Employees**

**INFORMATION ON EMPLOYEES<sup>1</sup>**

<b>GRI 2 - 7</b> Information on employees	<b>Employees - total</b>
	thereof female
	thereof male
	Permanent contract
	thereof female
	thereof male
	Temporary contract
	thereof female
	thereof male
	Non-guaranteed hours employees
	Full-time
	thereof female
	thereof male
	Part-time
	thereof female
	thereof male
	Leave <sup>3</sup>
	Executives < 30 years
	Executives 30 - 50 years
	Executives > 50 years
	Employees without management responsibility < 30 years
Employees without management responsibility 30 - 50 years	
Employees without management responsibility > 50 years	
<b>GRI 2 - 8</b> Workers who are not employees	Workers who are not employees
<b>GRI 2 - 21</b> Annual total compensation ratio <sup>4</sup>	Ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees
	Ratio of the percentage increase in annual total compensation for the highest-paid individual to the median percentage increase in annual total compensation for all employees
<b>GRI 2 - 30</b> Tariff contracts	Percentage of salaried employees covered by tariff contracts <sup>5</sup>

<sup>1</sup> Headcount as of 31 December. Executives = managers with employee responsibility

<sup>2</sup> 2022: decrease in the number of employees compared with 2021 due to the sale of alba Bau | Projekt Management GmbH (sold as of 30 June 2022).

<sup>3</sup> All types of leave (parental leave, time off for partial retirement)

<sup>4</sup> The ratio was calculated for UBM in Austria and not yet for the other countries.

<sup>5</sup> Employees in Austria are covered by a collective bargaining agreement. In addition, 6 employees in Germany were classified and paid according to collective agreements in 2022. Corresponding agreements with other employees (DE, PL, CZ, Other) are included in the employment contracts.

IMPORTANT INFORMATION

2023							2022 <sup>2</sup>	2021
Total	AT	DE	PL	CZ	Other	Total	Total	
<b>268</b>	<b>135</b>	<b>53</b>	<b>37</b>	<b>42</b>	<b>1</b>	<b>292</b>	<b>355</b>	
130	63	22	23	22	0	142	160	
138	72	31	14	20	1	150	195	
255	129	52	35	38	1	278	348	
125	62	22	21	20	0	134	157	
130	67	30	14	18	1	144	191	
13	6	1	2	4	0	14	7	
5	1	0	2	2	0	8	3	
8	5	1	0	2	0	6	4	
0	0	0	0	0	0	0	0	
218	106	45	33	33	1	242	296	
88	41	15	19	13	0	100	107	
130	65	30	14	20	1	142	189	
38	23	7	3	5	0	40	45	
31	17	6	3	5	0	33	39	
7	6	1	0	0	0	7	6	
12	6	1	1	4	0	10	14	
1	1	0	0	0	0			
33	17	4	6	6	0			
29	19	6	2	1	1			
20	8	7	2	3	0			
131	64	23	22	22	0			
54	26	13	5	10	0			
0						0	1	
10.1						10.3		
1.8						-0.4		
50%						51%	39%	

**ATTRACTIVE EMPLOYER<sup>1, 2</sup>**

**GRI 401 - 1**

**New employee hires and salaried employee turnover**

**New hiring - total**

thereof female

thereof male

thereof <30

thereof 30 - 50

thereof >50

**Turnover - total**

thereof female

thereof male

thereof <30

thereof 30 - 50

thereof >50

Turnover rate<sup>3</sup>

**GRI 401 - 3**

**Parental leave<sup>4</sup>**

Employees on parental leave

thereof female

thereof male

Employees that returned to work in the reporting period after parental leave ended

thereof female

thereof male

Return to work rate

Return to work rate females

Return to work rate males

Employees that returned after parental leave and were still employed 12 months after

thereof female

thereof male

Retention rate

Retention rate females

Retention rate males

**TRAINING AND EDUCATION<sup>5</sup>**

**GRI 404 - 1**

**Average hours of training and education per employee**

**Average hours by employee**

Average hours - female employees

Average hours - male employees

Average hours - employees without executive function

Average hours - executives

Rate of employees with participation in training and education (%)

Average training and education costs per employee in €

<sup>1</sup> Headcount as of 31 December

<sup>2</sup> Turnover of employees who had their last working day on the last day of the year are recorded for the following year.

<sup>3</sup> Turnover rate = Turnover/(Total employees + New hires) x 100, adjusted for strategic divestments and closures (alba and other markets)

<sup>4</sup> All employees are legally entitled to parental leave.

<sup>5</sup> Education and training of all employees who were employed in the respective year and have recorded their education and training in the newly implemented tool.

<sup>6</sup> Decrease in average training and education costs per employee compared with 2021 mainly due to a higher number of internal training courses and a significantly higher proportion of training participants.



IMPORTANT INFORMATION

2023						2022	2021	
Total	AT	DE	PL	CZ	Other	Total	Total	
<b>22</b>	<b>11</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>65</b>	<b>65</b>	
16	9	3	0	4	0	40	38	
6	2	3	0	1	0	25	27	
10	6	4	0	0	0	27	11	
6	2	1	0	3	0	32	40	
6	3	1	0	2	0	6	14	
<b>46</b>	<b>19</b>	<b>14</b>	<b>4</b>	<b>9</b>	<b>0</b>	<b>58</b>	<b>52</b>	
28	10	8	3	7	0	27	25	
18	9	6	1	2	0	31	27	
8	4	2	0	2	0	11	6	
27	8	10	3	6	0	34	30	
11	7	2	1	1	0	10	16	
14.6%	12.3%	20.9%	9.8%	17.6%	0.0%	15.6%	12.9%	
9	3	1	1	4	0	9	14	
9	3	1	1	4	0	8	14	
0	0	0	0	0	0	1	0	
6	3	1	1	1	0	10		
3	2	0	0	1	0	5		
3	1	1	1	0	0	5		
86%	100%	50%	100%	100%		77%		
75%	100%	0%		100%		63%		
100%	100%	100%	100%			100%		
9	4	4	1	0		3		
5	3	2	0	0		3		
4	1	2	1	0		0		
100%	100%	100%	100%	100%		100%		
100%	100%	100%		100%		100%		
100%	100%	100%	100%			0%		
<b>25</b>	<b>33</b>	<b>20</b>	<b>18</b>	<b>16</b>	<b>0</b>	<b>20</b>		<b>17</b>
21	27	19	20	10		21		19
29	38	20	15	24	0	20		15
25	32	20	19	15		17	15	
28	36	18	15	20	0	35	26	
86%	84%	88%	93%	88%	0%	82%	35%	
791	840	1,281	212	491	0	364 <sup>e</sup>	1,425	

**OCCUPATIONAL HEALTH & SAFETY**

**GRI 403 - 9**  
Work-related injuries

Work-related injuries  
Commuting incidents  
Absence in days  
Lost Time Injury Rate<sup>1</sup>  
Absence rate after injuries  
Work-related fatalities  
Reported close calls  
Number of hours worked

**GRI 403 - 10**  
Work-related ill health

Documentable work-related ill health  
Absence as a result of work-related ill health  
Fatalities as a result of work-related ill health

**DIVERSITY & EQUAL OPPORTUNITY<sup>2</sup>**

**GRI 405 - 1**  
Diversity of governance bodies and employees

**Management positions - total**  
thereof female  
thereof male  
Supervisory Board - female  
Supervisory Board - male  
Managing Directors - female  
Managing Directors - male  
Authorised signatories - female  
Authorised signatories - male  
Executives - female  
Executives - male

**GRI 405 - 2**  
Ratio of basic salary and remuneration of women to men<sup>3</sup>

Employees - support  
Employees - specialist  
Division Manager  
Management Board (excluding Chairman of the Board)

<sup>1</sup> Number of lost time accidents per 200,000 hours worked: number of lost time accidents x 200,000/hours worked (LTIR - Lost Time Injury Rate).

<sup>2</sup> Headcount as of 31 December

<sup>3</sup> Calculation currently only available for Austria. 2023: no male "Employee - support".

Note: definition of "work-related injury or illness" according to GRI (beyond first aid).

IMPORTANT INFORMATION

2023						2022	2021
Total	AT	DE	PL	CZ	Other	Total	Total
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
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
426,757	211,413	87,637	61,418	66,290	n/a	465,677	n/a
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2023 total						2022 total	2021 total
<b>93</b>						<b>89</b>	<b>94</b>
24						22	25
69						67	69
4						4	4
8						8	8
5						6	5
36						33	39
2						3	9
14						17	15
13						9	7
11						9	7
n/a						0%	
21%						19%	
14%						13%	
0%						0%	



**Economic indicators - Governance**

<b>Size of the organisation</b>	Revenue (in €m)
	Total assets (in €m)
	Market capitalisation (in €m)

**ETHICS & COMPLIANCE**

<b>GRI 2-27</b> <b>Compliance with laws and regulations</b>	Instances of non-compliance with laws & regulations for which fines or non-monetary sanctions were incurred
	Monetary value of fines for instances of non-compliance with laws & regulations
<b>GRI 205-2</b> <b>Anti-corruption communication &amp; training</b>	Training on anti-corruption <sup>1</sup>
	Share of trained employees
<b>GRI 205-3</b> <b>Anti-corruption</b>	Whistleblowing reports
	Confirmed corruption incidents
	Employees dismissed/disciplined for corruption
	Contracts terminated/not renewed due to corruption
	Proven money laundering incidents
	Number of KYC checks performed
<b>GRI 206-1</b> <b>Fair business practices</b>	Legal actions for anti-competitive behaviour
<b>GRI 406-1</b> <b>Non-discrimination</b>	Discrimination incidents

<sup>1</sup> A total of 164 individual training sessions on issuer compliance and the prevention of money laundering were held in 2023 with employees at the UBM locations in Vienna, Unterpremstätten, Munich and Warsaw. An updated training concept increases the interactive involvement of employees, presents the overall subject of "compliance" in an understandable form and clearly explains compliant behaviour.

IMPORTANT INFORMATION

2023		2022	2021
Total		Total	Total
85.3		133.9	183.3
1,253.8		1,451.8	1,467.8
157.7		170.4	267.5

2023					2022	2021
Total	AT	DE	PL	CZ	Total	Total
0	0	0	0	0	0	0
0	0	0	0	0	0	0
164	114	28	22	0	162	174
61%	84%	53%	59%	0%	55%	49%
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	0	0	0
>360					>200	>250
0	0	0	0	0	0	0
0	0	0	0	0	0	0

## Management's responsibility

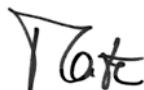
The management of UBM Development AG is responsible for preparation of the report content in agreement with the reporting criteria and for the management of and compliance with ESG issues. The disclosures in the report were prepared in accordance with § 267a UGB and the GRI Standards 2021.

Vienna, 2 April 2024

The Management Board



**Thomas G. Winkler**  
CEO, Chairman



**Patric Thate**  
CFO



**Martina Maly-Gärtner**  
COO



**Peter Schaller**  
CTO

# Report on the independent assurance of non-financial reporting

## Independent Limited Assurance Report on the Non-financial Report as at 31 December 2023 Pursuant to Section 267a UGB

We performed a limited assurance engagement on the non-financial report pursuant to section 267a UGB (Austrian Company Code) and in accordance with GRI Standards 2021 (also referred to as "ESG report") of UBM Development AG (the "Company"), Vienna, for the financial year ending on 31 December 2023.

### Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Company's non-financial report is not prepared, in all material aspects, in accordance with the requirements of section 267a UGB and the GRI Standards 2021.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Responsibility of Management and the Supervisory Board

Management is responsible for the preparation of the non-financial report in accordance with the requirements of section 267a UGB and the GRI Standards 2021.

Management's responsibility includes the selection and application of appropriate methods to prepare the non-financial reporting (in particular the selection of key issues) as well as making assumptions and estimates related to individual sustainability disclosures which are reasonable in the circumstances, and for such internal control as management determines is necessary to enable the preparation of a consolidated non-financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a limited assurance conclusion based on our procedures performed and evidence obtained as to whether anything has come to our attention that causes us to believe that the Company's non-financial report is not prepared, in all material aspects, in accordance with the legal requirements of section 267a UGB and the GRI Standards 2021.

We performed our engagement in accordance with the professional standards applicable in Austria with regard to other assurance engagements (KFS/PG 13) and with regard to selected issues in connection with the assurance of non-financial statements and non-financial reports pursuant to sections 243b UGB and 267a UGB as well as the expert opinion on assurance with regard to sustainability reports (KFS/PE 28) and the International Standards on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information". These standards require that we comply with our ethical requirements, including rules on independence, and that we plan and perform our procedures by considering the principle of materiality to be able to express a limited assurance conclusion based on the assurance obtained.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



The selection of the procedures lies in the sole discretion of the auditor and comprised, in particular, the following:

- Critical assessment of the Company's analysis of materiality considering the concerns of external stakeholders
- Analysis of risks regarding the essential non-financial matters / disclosures
- Updating the overview of the policies pursued by the Company, including due diligence processes implemented as well as the processes used to ensure an accurate presentation in the consolidated non-financial report
- Updating the understanding of reporting process by interviewing the relevant employees and inspecting selected documentations
- Evaluating the reported disclosures by performing analytical tests of details regarding non-financial performance indicators, interviewing relevant employees and inspecting selected documentations
- Examining the non-financial report regarding its completeness in accordance with the requirements of section 267a UGB as well as the GRI Standards 2021
- Evaluating the overall presentation of the disclosures and non-financial information

The following is not part of our engagement:

- Examining the processes and internal controls particularly regarding their design, implementation and effectiveness
- Performing procedures at individual locations as well as measurements or individual evaluations to check the reliability and accuracy of data received
- Examining the prior-year figures, forward-looking information or data from external surveys
- Examining the correct transfer of data and references from the (consolidated) financial statements to the non-financial reporting
- Examining the information and disclosures on the website or further references on the internet; and
- Examining other information that is not part of the legal requirements pursuant to section 267a UGB and the GRI Standards 2021, in particular:
  - Green Lease Framework
  - Green Finance Framework

Neither an audit nor a review of financial statements is objective of our engagement. Furthermore, neither the disclosure and solution of fraud, such as e.g., embezzlement or other kinds of fraudulent acts and wrongful doings, nor the assessment of the effectiveness and profitability of the management are objectives of our engagement.

**Restriction of Use**

Because our report is prepared solely for and on behalf of the client, it does not constitute a basis for any reliance on its contents by other third parties. Therefore, no claims of other third parties can be derived from it. Consequently, this report may not - be it in whole or in part - be transmitted to third parties without our express consent.

**General Conditions of Contract**

Our report is issued based on the engagement agreed upon with you and is governed by the General Conditions of Contract for the Public Accounting Professions (AAB 2018) enclosed to this report, which also apply to third parties.

Vienna  
2 April 2024

A handwritten signature in blue ink is positioned to the left of a square QR code. The signature appears to be 'M. Richter'.

Qualifizierte elektronische Signatur · EU-Recht

PwC Wirtschaftsprüfung GmbH

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Austrian Certified Public Accountant

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**Disclaimer**

This ESG report includes forward-looking statements which are based on current assumptions and estimates made to the best of their knowledge by the management of UBM Development AG. These forward-looking statements can be identified by words like “expectation”, “goal” or similar terms and expressions. Forward-looking statements, by definition, include risks and uncertainties. The forecasts concerning the future development of the company represent estimates which are based on the information available to UBM Development AG at the time the ESG report was prepared. If the assumptions underlying these forecasts do not materialise or if unexpected risks occur at an amount not quantified or quantifiable, the actual future (business) development and actual future results can differ from these estimates, assumptions and forecasts. Significant factors for these types of deviations can include, for example, changes in the general economic environment or the political, legal and regulatory framework in Austria, the EU and other relevant economic areas as well as changes in the real estate sector. UBM Development AG will not guarantee or assume any liability for the agreement of future (business) development and future results with the estimates and assumptions made in this ESG report. UBM Development AG will not update these forward-looking statements to reflect actual events or changes in assumptions and expectations.

The ESG report as of 31 December 2023 was prepared with the greatest possible care to ensure the accuracy and completeness of the information in all sections. The amounts were rounded based on the compensated summation method. However, rounding, typesetting and printing errors cannot be excluded. To improve readability, separate feminine and masculine pronouns are not used in this report and the masculine form, or where possible, a gender-neutral form is used. In any event, all genders are always considered to be included. This ESG report is published in English and German and is available in both languages on the website of UBM Development AG. In the event of a discrepancy or deviation, the German language version of the ESG report takes precedence.





IMPORTANT INFORMATION



