

# BUILDING ...

SUSTAINABILITY REPORT 2010

**ECONOMY**

**ENVIRONMENT**

**SOCIAL**



## KEY METRICS

Dec. 31, 2009

Number of properties	77
Number of joint ventures	1
Market value (EUR bn)	1.6
Contractual rent (EUR m/ annum)	97.5
Lettable area (k m <sup>2</sup> )	867
Vacancy (% of lettable area)	5.7%
Average rent/m <sup>2</sup> (EUR/month)	9.9
Number of employees	33
Ratio female/male	175%
Personnel expenses (EUR k)	4,990
Energy consumption (kWh/m <sup>2</sup> )	123
Water consumption (m <sup>3</sup> /m <sup>2</sup> )	0.14
CO <sub>2</sub> emissions (t/m <sup>2</sup> )	0.05



# ... VALUES!

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alstria office REIT-AG is the leading listed Real Estate Investment Trust (REIT) and one of the largest listed property groups in Germany. alstria has been listed on the Frankfurt Stock Exchange since April 3, 2007. The Company, with its headquarters in Hamburg, is focused on owning and developing office space in attractive German cities. alstria's portfolio consists of 72 properties with an aggregate lettable area of around 794,000 m<sup>2</sup>, valued at approx. EUR 1.4 bn.

This is the first sustainability report produced by the Company. We have provided 2007 and 2008 data whenever it was available. As the Company was founded in 2006, no data is available prior to 2007. It is alstria's aim and policy to incorporate sustainability criteria into all its decisions. As a long-term investor in real estate, alstria has a vested interest in improving its environmental and social behaviour towards stakeholders like investors, tenants, employees and the community.

This is the starting point for alstria's continuous reporting to the market on CSR key performance indicators, in order to demonstrate the Company's improvement and commitment to its values over time.



## LADIES AND GENTLEMEN,

It took alstria three years to publish its first CSR report. That is not to say that sustainability was not in the focus of the Company for the first three years of existence. We simply had not reported on it. A sustainable approach to real estate has always been embedded in the DNA of alstria.

We endorse the Brundtland Report's definition of sustainable development as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs." As such, alstria's business strategy involves taking a long-term view of our real estate, focusing on strong tenant relationships and favouring long-term benefits versus short-term profits. In turn, this implies the vested interest of alstria, as a long-term investor, in the positive development, from both an environmental and social perspective, of the communities where our assets are located.

We also endorse the three-pillar approach to sustainability. We do not solely focus our efforts on environmental matters, but consider the economic and social impact of our actions as well. We balance the risk and benefit of the three aspects

before making a decision and adapt our actions to what we feel is the most viable course. The result of this approach is that we might not always take the decision that maximises the short-term benefit for alstria but we are convinced that we always travel the road that will yield the best long-term prospects.

We are also proud to be the first German real estate company to report on CSR matters. This first report has been drafted in accordance with the guidelines of the Global Reporting Initiative and is self-certified C.

CSR communication is always a tricky exercise. The border between marketing and CSR reporting is a thin line. Ultimately, we are no different than any other company. We use sustainability as a marketing tool whenever the business will benefit. As such, we do seek "green building" certification for some of our assets, although the certificate itself does not add anything to the asset. This report to some extent is also part of our sustainable marketing. However, we strive to look beyond the marketing concept. We have tried to provide the reader of this report with a different picture of alstria.



A different view of our P&L and balance sheet and more information about the performance of our assets or the diversity of our team are part of the information we have compiled for this first CSR report. We are conscious that there is still a lot of work to be done at alstria in order to improve our grasp on sustainability. This report is just the starting point of what is going to be a long journey towards improvement of our overall performance. Ultimately it is not only what we do but also what we do not do for which we are accountable.

The signature of Olivier Elamine, written in black ink, is a cursive script that reads "Elamine".

**Olivier Elamine**

Chief Executive Officer (CEO)

The signature of Alexander Dexne, written in black ink, is a cursive script that reads "Dexne".

**Alexander Dexne**

Chief Financial Officer (CFO)

## ALSTRIA'S APPROACH TOWARDS SUSTAINABILITY

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

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

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

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

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

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

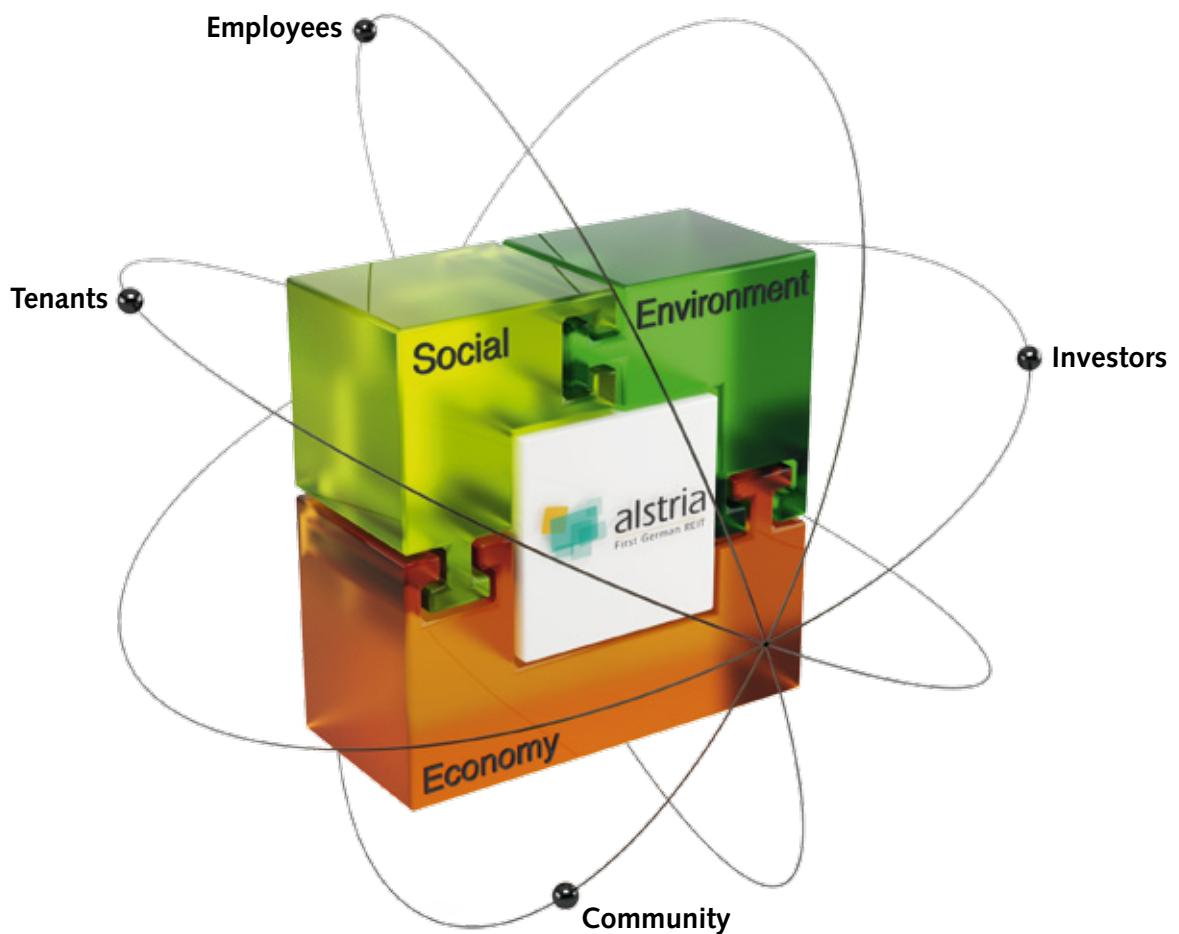
Any decision that will take into consideration the two other elements will enhance the **economics** of alstria's operations over the long term, as it will at worst minimise the risk on the value of our assets and at best improve it by increasing the underlying land value.

As this is alstria's first sustainability report, data collection, some measurement methods and calculations were newly established during this year. We are fully aware of, and would like to draw the reader's attention to, the fact that we do not publish fully developed measurement methods and that we are not able to publish all data for the whole portfolio.

Our aim is not to be perfect at once but to improve our data collection, data measurement and, of course, the sustainability reporting itself on an ongoing basis. We have, however, tried as much as possible to underline the shortcuts which we have taken from time to time. The decision to get approximated data was also driven in a limited number of cases by the three-pillar approach. This is where we felt that the cost/benefit analysis was in favour of the approximation rather than providing more precise figures.

**Sustainability comes as a natural business approach within alstria.**

## SUSTAINABILITY MODEL



alstria's sustainability model is based on the three-pillar approach, taking the impact of business on the following pillars:

- ▶ Economy
- ▶ Environment
- ▶ Social

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

# OUR STAKEHOLDER APPROACH

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

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

## SHAREHOLDER VALUE

Our goal is to create sustainable value. We seek to create long-term value by working hard and responsibly to achieve superior financial results over time. alstria only invests in assets and/or markets which we believe will sustain our growth requirements and deliver attractive returns over a long period of time. We complement our investment approach with a strong commitment to transparency and integrity in our reporting, and to reliability, as it is fundamental to building trust with our investors.

## TENANT ORIENTATION

We aim to have a good relationship to our tenants. This is the key to alstria's long-term success. We are not just renting space; we want to provide efficient and sustainable office space to our tenants to bring additional value which will benefit both parties. Supporting our tenants when they require changes to their rental space or when they need to increase office space efficiency and offering workplace quality are the core of our tenant relationship.

## ALSTRIA'S SUSTAINABILITY FRAMEWORK

### INVESTORS

#### Values

- ▶ Promote transparency
- ▶ Retain reliability
- ▶ Create long-term value

#### Operational impact

- ▶ Optimise cash flow generation
- ▶ Maintain the quality of the portfolio
- ▶ Act pro-actively on the market
- ▶ Optimise risk-return matrix
- ▶ Take tomorrow's needs into consideration
- ▶ Favour long-term view to short-term trade
- ▶ Implement best-in-class reporting
- ▶ Improve corporate governance and transparency

### TENANTS

#### Values

- ▶ Maintain long-term tenant relationship
- ▶ Improve transparency and Property Management
- ▶ Provide efficient and sustainable office space

#### Operational impact

- ▶ Enhance transparency in terms of invoicing and reporting
- ▶ Maintain constant dialogue
- ▶ Understand tenants' needs and deliver solutions
- ▶ Encourage tenants to adopt sustainable behaviours
- ▶ Sustainable certification of assets
- ▶ Optimisation of workspace use
- ▶ Improve knowledge of the assets

## OUR EMPLOYEES MAKE ALSTRIA STRONG

We support entrepreneurship, encourage initiative, reward excellence and create working conditions to enhance and foster quality performance. Everyone at alstria enjoys equal opportunity, regardless of age, gender, race, religion or nationality. We believe everyone should have the opportunity to learn and improve skills while working and we strive to make this happen.

## SOCIAL RESPONSIBILITY

We stand by our social responsibility. Through our operations, corporate and employee contributions, we strive to enhance the quality of life in the communities where we invest and work, and upon which we depend. We are responsible citizens and good corporate neighbours, respecting the interests of those who live and work near our assets. Our business being local, we try as much as we can to support local entrepreneurs in our supply chain. We obey the laws under which we operate. We maintain and, on a regular basis, train all our employees to understand and follow alstria's Code of Conduct, which defines our ethical and legal guidelines and supports our commitment to honesty and integrity.

### EMPLOYEES

#### Values

- ▶ Support entrepreneurship
- ▶ Encourage initiative
- ▶ Promote equal chances

#### Operational impact

- ▶ Fair and balanced HR policy
- ▶ Remuneration package includes share based component
- ▶ Encourage team relationship
- ▶ Non-discrimination policy
- ▶ Support education
- ▶ Take into account employee specific needs

### COMMUNITY

#### Values

- ▶ Be responsible citizens
- ▶ Support local economy
- ▶ Remain fair and open partner

#### Operational impact

- ▶ Support and maintain historical buildings
- ▶ Participate in city redevelopment
- ▶ Engage with local suppliers
- ▶ Improve health, safety and environment
- ▶ Engage in best-in-class corporate governance measures
- ▶ Engage with national and international organisations in order to improve real estate transparency
- ▶ Support fundamental R&D

# GOVERNANCE, COMMITMENTS AND ENGAGEMENT

## CORPORATE GOVERNANCE

Good corporate governance is the basis of good business. It is about creating transparency, accountability and sound business practices.

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

A full description of the structure and the functioning of the Supervisory Board and Management Board, including their purpose, powers, limitations, activities and remuneration policies, is printed in the Annual Report for the financial year ended December 31, 2009 (pages 83 to 91). The Annual Report can also be found at [www.alstria.com/en/investors/reports-events/financial-reports/](http://www.alstria.com/en/investors/reports-events/financial-reports/).

## ETHICS AND COMPLIANCE

alstria's management and its employees are committed to a code of conduct, including guidelines for behaviour and orientation for resolving conflicts (e.g. conflicts of interest), and thereby defining the correct behaviour for all employees of the group. The alstria Code of Conduct is based on the firm conviction that the good reputation of alstria and the trust of its business partners, employees and the public depends crucially on the behaviour of the Company and its

representatives. The Code of Conduct is distributed to all employees, who are asked to confirm their acceptance of its terms in writing. The first training programme was set up in 2009 to reinforce employees' awareness of the requirements of the Compliance Book, containing the Code of Conduct as well as the Company's internal policies.

alstria has set up a compliance organisation in order to further strengthen the implementation of alstria's ethical standards within the Company. The Compliance Officer reports directly to the Chairman of the Management Board. Employees having concerns about compliance or ethics are invited to contact the Compliance Officer directly or via a hotline, through which employees can anonymously report any violations of the Code of Conduct or the Company's internal guidelines (whistle-blower line). No calls were made to this line in 2009.

The Code of Conduct was presented during compliance training in September 2009. 87% of the employees attended this training. A manual containing the Code of Conduct plus all existing Company policies has been delivered to every employee. As a result, our compliance organisation collects all complaints, breaches and actions taken related to the Code of Conduct, all company policies or any unlawful behaviour. No incidents or complaints relating to any unlawful behaviour have been recorded. Hence, no actions have had to be taken and no fines have had to be paid.

With the introduction of the Code of Conduct, our compliance organisation prepared a green list containing all contractors we had already worked with and whom the Company considers trustworthy.

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

### RISKS AND OPPORTUNITIES

alstria has implemented a structured risk management system and an early warning system in accordance with Section 92 (2) of the German Stock Corporation Act (AktG).

For a detailed description of the Company's risk management, please refer to the section "Report on risks and opportunity" in the Annual Report 2009 (pages 29 to 32).

Although we do not monitor climate change as a specific risk in our risk metrics, we do look at potential consequences through a number of underlying factors (increased utility costs, increased regulatory burden and associated conformity costs, flash flooding etc.). More importantly, we believe that climate change, increased energy costs and changes in human behaviour will fundamentally change the way the urban landscape is constructed over time. We, for example,

favour investments which rather provide easy access to public transportation (mainly rail) than to car access.

As part of our effort to better understand and manage this risk, for example, we sponsored a fundamental research study in 2009 which looks at the impact of raising transportation costs on the urban organisation of cities (and more particularly Hamburg) (see page 27 for more details).

### ENGAGEMENT IN SUSTAINABILITY

alstria is engaged at the highest level in industry discussions with regards to sustainability. The Management Board of alstria has been involved in the GRI Construction and Real Estate Sector Supplement group, which is working on GRI-specific reporting guidelines for the industry. alstria is also a founding member of the International Sustainability Alliance ([www.internationalsustainabilityalliance.org](http://www.internationalsustainabilityalliance.org)), and a member of the German Sustainable Building Council ("Deutsche Gesellschaft für Nachhaltiges Bauen", DGNB). We have been involved in several working groups at the European Public Real Estate Association (EPRA), which works on improving financial and CSR reporting in European public real estate.

Finally, we engage with our stakeholders on sustainability issues on our corporate blog ([www.alstria.blogspot.com](http://www.alstria.blogspot.com)).

### ALSTRIA IS A MEMBER OF THE FOLLOWING ORGANISATIONS



**DGNB**

Deutsche Gesellschaft für Nachhaltiges Bauen e.V.  
German Sustainable Building Council



**EPRA**

EUROPEAN PUBLIC  
REAL ESTATE ASSOCIATION

**ISA**

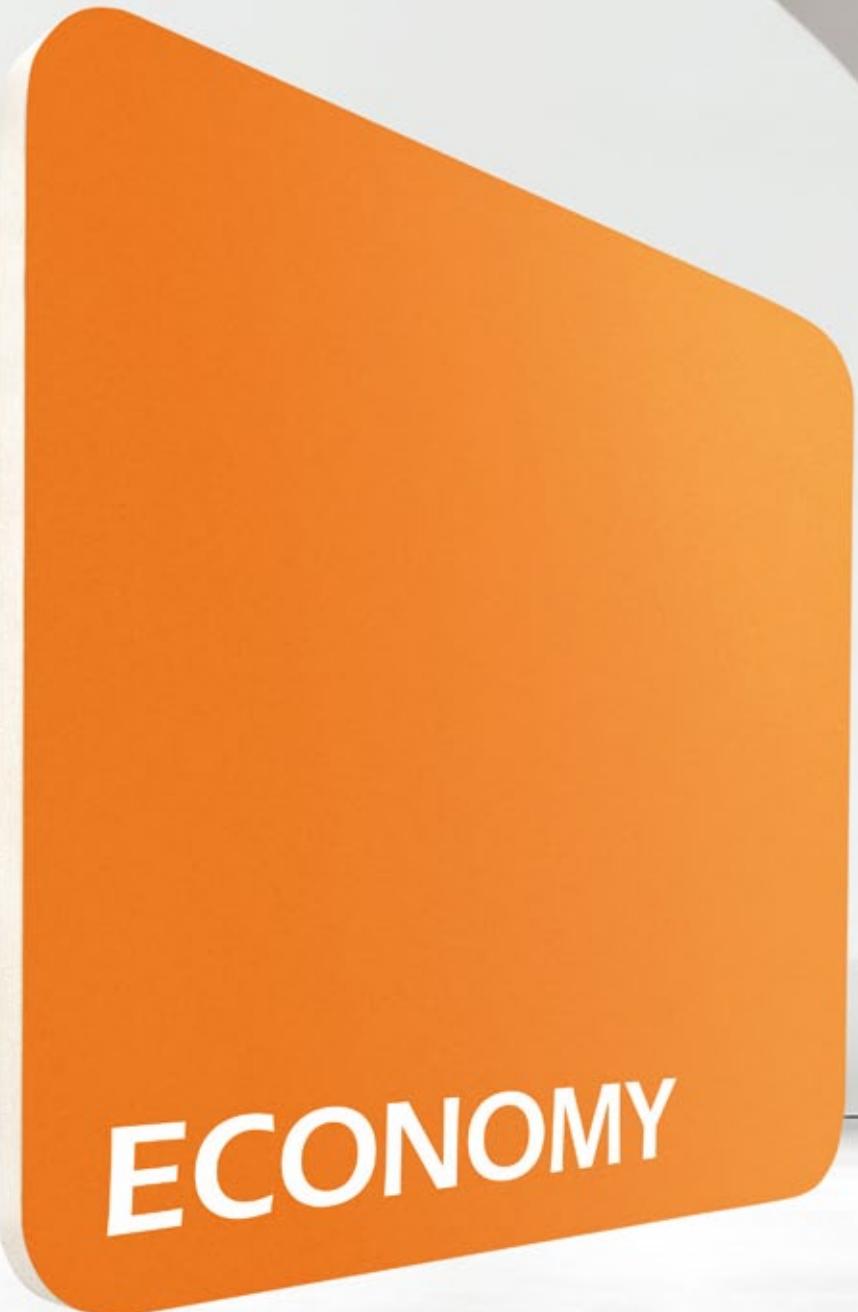
International Sustainability Alliance  
Founding Member



REIT  
NATIONALE

National Association of  
Real Estate Investment Trusts®  
*REITs: Building Dividends and Diversification*

**ZIA**



ECONOMY





As a commercial organisation, alstria has a corporate responsibility to its shareholders. Our aim is to provide them with long-term sustainable returns. We will only be in the position to do so if we can maintain the quality of our properties, answer the needs of our tenants and benefit from positive development in the market in which we have invested.

# TENANT AND LANDLORD IS NOT A ZERO SUM GAME

We are constantly improving our assets to maintain the quality of our portfolio, optimise cash flow generation and generate additional value for our shareholders. Our approach is based on the strong belief that there is no contradiction between alstria increasing the value of its assets and our tenants reducing their real estate costs. We do not see the tenant/landlord relationship as a zero sum game but as a triad between the tenant, the landlord and the efficient use of the asset.

## UNDERSTAND TENANTS' NEEDS

For example, we acquired a vacant building in 2009 which perfectly fit the needs of one of our existing tenants. Following the redevelopment of the asset by alstria and its optimisation to the tenant's needs, we moved our tenant in under a long-term contract. The relocation took place in early 2010. By this means, we were able to offer much more efficient workspace for the tenant's special needs at no extra cost per workstation and concurrently secure cash flow generation with a long-term lease agreement.

The future relocation of the famous Ohnsorg Theatre from the "Grosse Bleichen" asset to the Bieberhaus property is another example of how we seek to find a sustainable solution for all stakeholders. This project began in 2008 with the analysis of the needs of this very specific tenant and intensive discussions. The outcome will be a newly refurbished, modern theatre space leased on a long-term basis for our tenant and the creation of a new cultural district for the community. The

long-term lease agreement will generate secure cash flows and upgrading the former theatre space, located in a 1A prime retail location, will mean higher rental revenues for alstria. (For more details on the Ohnsorg Project, please see page 31.)

## TAKE ANOTHER LOOK AT OUR NUMBERS

In 2009, alstria concentrated on strengthening the balance sheet and securing its profitability. The strong focus on operations, selective asset sales and refinancing enabled alstria to successfully navigate through a very challenging environment in 2009. During the year we generated EUR 102.5 m in revenues and EUR 32.7 m in funds from operations (FFO). You can read about all of that and much more in our Annual Report for the year 2009 at [www.alstria.com/en/investors/reports-events/financial-reports/](http://www.alstria.com/en/investors/reports-events/financial-reports/).

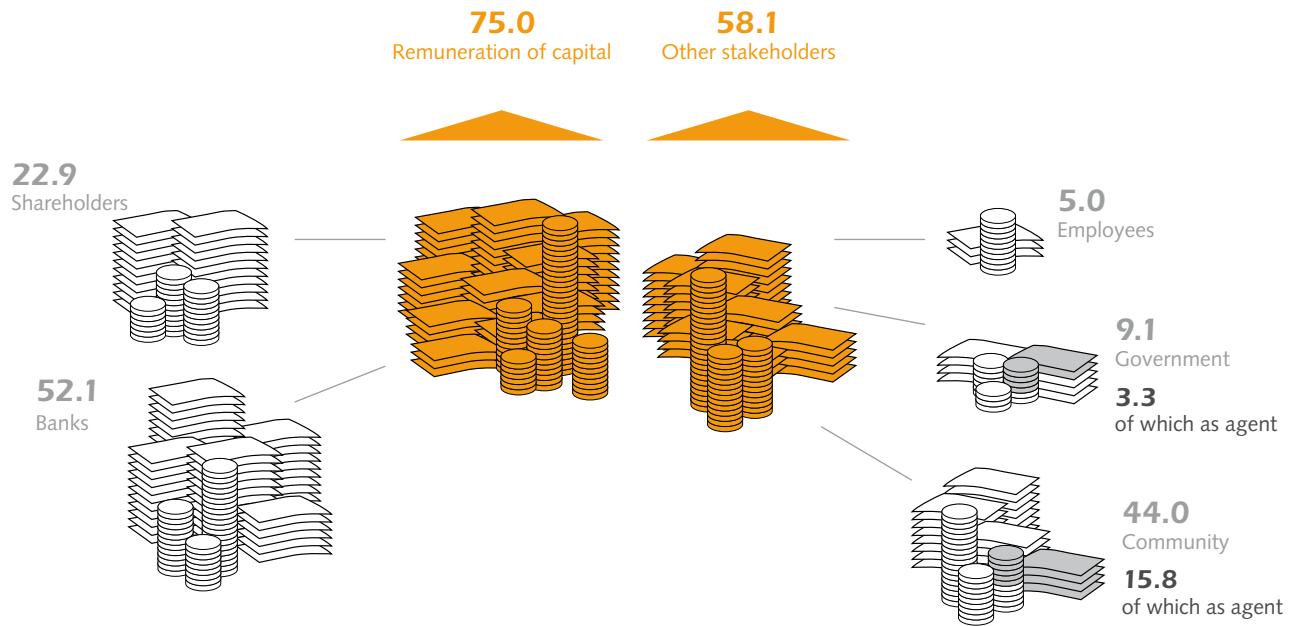
We have tried for the sake of this first CSR report to provide the reader with a different view of our financials. alstria, as a company collecting proceeds from its operations, redistributes most of its financial resources to its different stakeholders. The REIT business model is based on the basic assumption that the Company redistributes most of its financial resources to its shareholders, to its lenders, to the government, to its service providers and the wider community and to its employees. As a REIT, alstria barely keeps any of the proceeds generated for itself. By doing so, alstria remunerates the capital it employs (both debt and equity),



The "Bieberhaus", built in 1909, is located near Hamburg's Central Station and will shortly be the new home of the famous Ohnsorg Theatre.

## WHERE DOES IT GO TO?

EUR m



participates in government finance through taxes and stimulates the underlying economy by spending on its assets and paying wages and salaries.

The chart above provides a breakdown of the financial resources spent by the Company in the year 2009 and of how our spending was distributed among alstria's stakeholders.

In 2009 around half of the proceeds generated was distributed as remuneration of capital (both debt and equity). We paid EUR 22.9 m to our shareholders as cash dividends and

around EUR 52.1 m to the banks through interest and other fees. The remaining half of the cash was distributed to the other stakeholders (such as employees, the government and the community). Our employees received around EUR 5.0 m in salaries and bonus payments. EUR 9.1 m was paid to the government through taxes (of which EUR 3.3 m represented taxes paid as agent through real estate operating expenses) and around EUR 44.0 m (EUR 15.8 m as agent through real estate operating expenses) was distributed to the wider community by e.g. investing in our assets (maintenance, refurbishment etc.).

## 33 EMPLOYEES AND 8 TIMES MORE SUPPORTED

alstria invested approx. EUR 33.7 m in the refurbishment, development and maintenance of its buildings in 2009. This corresponds to the support of around 257 jobs, on top of the 33 employees of alstria. With over 50% of total suppliers and contractors being locally based (2008: 40%), we invested a great part in the local economy (Hamburg and surroundings). We tend to hire suppliers and contractors based in the surroundings of our own business area to support the local economy.

### JOB SUPPORTED BY ALSTRIA<sup>1</sup>



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

<sup>1</sup> Based on the statistics of the German statistical office ([www.destatis.de](http://www.destatis.de)). Turnover per employee in the construction sector: 2009: EUR 131 k; 2008: EUR 142 k.

## HIRED SUPPLIERS

Number of local<sup>1</sup> and non-local<sup>2</sup> suppliers hired in the reporting period.



<sup>1</sup> Local: Hamburg and surroundings.

<sup>2</sup> Non-local: nationwide.

## STRATEGIC APPROACH

A sustainable economic strategy is important to all our Company's stakeholders. Below we have highlighted three operational impacts which we believe will best support the sustainable development of our economic performance.

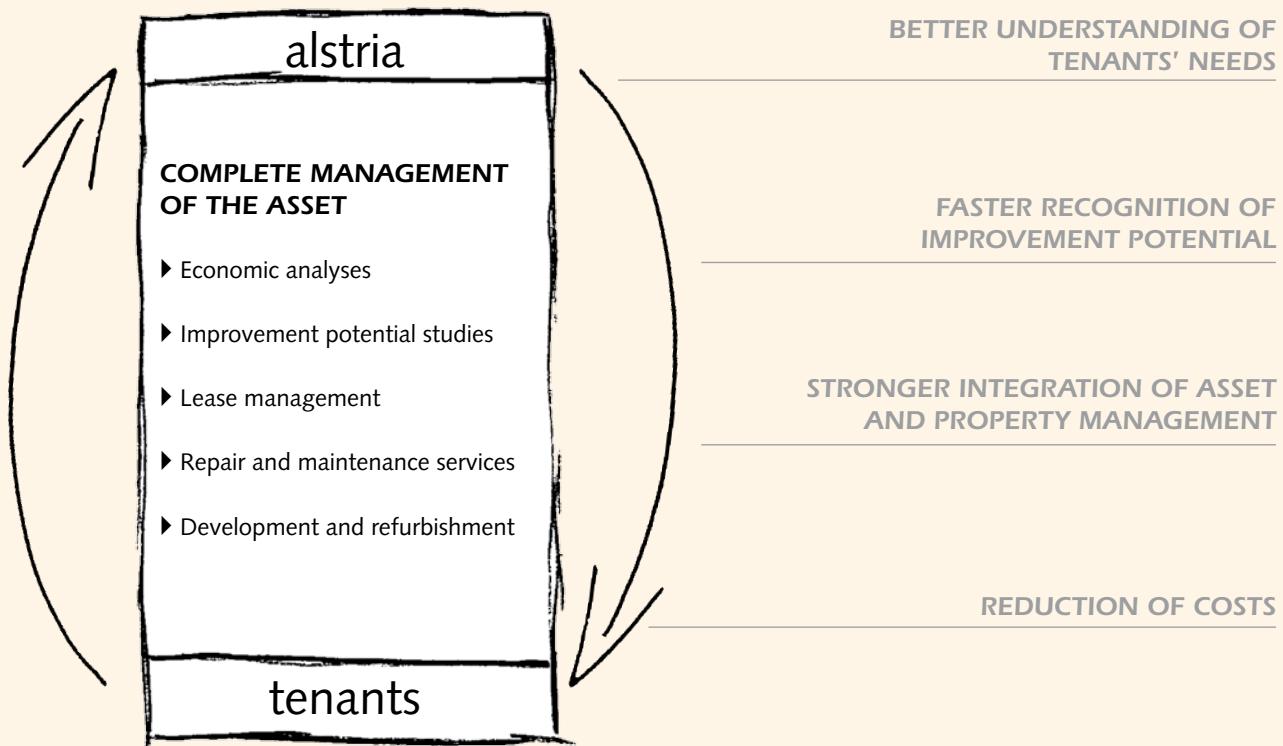
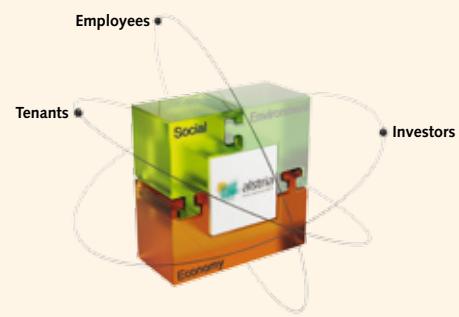
Favour long-term view  
to short-term trade

Understand  
tenants' needs and  
deliver solutions

Optimise  
cash flow generation



# PROPERTY MANAGEMENT



## KNOW BETTER, CONTROL BETTER

In January 2010 we started to incorporate Property Management internally within the Company's structure. Therefore we established the new Property Management department.

Our aim is to better serve our tenants and increase our control over our assets by integrating the team that performs the day-to-day management of the assets. The objective is to expand our direct communication approach to better understand tenants' needs and more quickly be able to deliver adequate solutions, as well as to recognise improvement potential. We also want to shorten communication lines between our assets and decision makers in order to optimise

our management process. We believe that stronger integration between Asset Management and Property Management will lead to better economic, environmental and social performance, benefitting our investors, our tenants and our assets.

Starting with 44 properties at the beginning of 2010, we have expanded in-house Property Management step-by-step. As of today, we have internalised the Property Management for 70% of our properties (65% of the total lettable area) and we are well on the way to reaching our target of 100% in-house management by the end of 2012.



# ENVIRONMENT

alstria's properties host over 32,000 civil servants and corporate employees every day. While these people work and live in our properties, they use electricity, heat, water and other utilities and produce waste and CO<sub>2</sub>.

As a real estate owner, alstria has a corporate responsibility towards the environment in which its properties are embedded and towards the people who live and work in these properties. As a long-term real estate owner, alstria has a direct interest in the sustainable development of its properties, the cities and the environmental surroundings.



# RETROFITTING IS A KEY PART OF OUR SUSTAINABLE STRATEGY

As users of the real estate sector are among the main consumers of energy and among the major producers of total GHG emissions, we are fully aware of the role we and our assets play in creating and maintaining a sustainable healthy environment. With our focus on sustainable Asset Management, we are trying to live up to this role.

In order to better understand the Company's impact on its environment, we have started compiling environmental data with respect to energy and water consumption, CO<sub>2</sub> emissions and waste production. For this first sustainability report, we have focussed our data collection on alstria's assets located in Hamburg and managed by our intern Property Management team. For detailed information of the assets in relation to our global portfolio please see below.

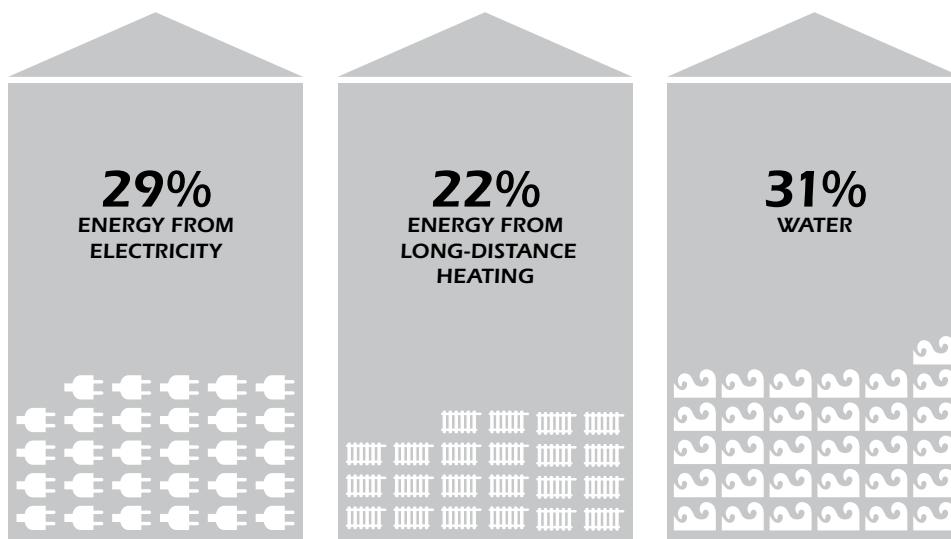
Day-to-day our Asset Management team monitors the status of the assets and the needs of our tenants to bring out the best for all stakeholders and maintain the quality of our portfolio. As a long-term real estate owner, we have a direct interest not only in the refurbishment of our assets but also in the sustainable redevelopment of the cities we invest in.

## IMPROVEMENT THROUGH REGULAR MAINTENANCE

In 2009, expenditures in the environment-friendly improvement of existing assets amounted to EUR 1.93 m, which we mainly invested in projects like the improvement or renewal of windows and facades and the preparation of energy performance certificates. For example, at the end of 2007 we replaced all the wooden windows of one of our assets

### ANALYSED ASSETS

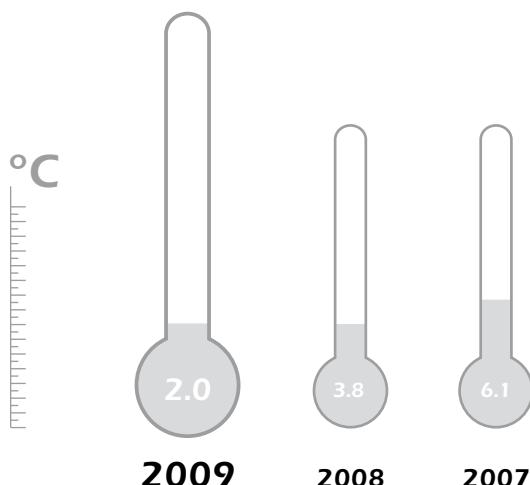
% of the total lettable area



in Hamburg. While heating consumption on the Hamburg portfolio has increased on average between 2007 and 2009 by 2.0% (mainly due to the exceptionally cold winter in 2009), the energy consumption on the assets with new windows shrank in the same period by 1.1%.

### AVERAGE TEMPERATURE FOR THE MONTHS NOVEMBER TO FEBRUARY

Station 10147 Hamburg-Fuhlsbüttel, Germany



Source: German Weather Service (Deutscher Wetterdienst).

### SUSTAINABLE RETROFIT CERTIFIED

In the course of 2009 we launched the retrofitting project for the Mundsburg Office Tower in Hamburg. This building, which was erected in the seventies, had never been upgraded. After our planning and refurbishment, the Mundsburg Office Tower was among the first buildings to receive the German Sustainable Building Council (DGNB) Silver pre-certificate for the new certification standard for the "modernisation of office and administrative building". The main objective of this refurbishment project is to create efficient



#### "DGNB SILVER PRE-CERTIFICATE" MODERNISATION OF OFFICE AND ADMINISTRATIVE BUILDINGS

The German Sustainable Building Council (DGNB) established a system for the assessment and the certification of sustainable buildings.

While certification for new constructions are quite common, alstria's Mundsburg Office Tower is one of the first projects to get a certification for the modernisation of a building – the Silver pre-certificate "modernisation of office and administrative buildings".

office space and reduce energy consumption and occupancy costs for the future tenants. In particular, primary energy consumption will be cut by approx. 80% or 2.5 MWh annually compared to the existing situation, leading to a reduction in CO<sub>2</sub> emission by approx. 875 t p.a.

### REFURBISHMENT PRODUCES WASTE BUT SAVES MATERIAL

In the course of the refurbishment of buildings, construction waste is generated which affects the environment, depending on the type of waste and its treatment. The following construction waste was generated during the refurbishment of two Hamburg assets in 2009:



#### CONSTRUCTION WASTE

	Unit	2009
Bricks	m <sup>3</sup>	1,650
thereof non-recyclable	m <sup>3</sup>	1,499
Mixed construction and demolition wastes	m <sup>3</sup>	908
Bituminous mixture	m <sup>3</sup>	35
Bituminous mixture containing coal tar	t	72
Gypsum-based construction materials	m <sup>3</sup>	516
Wood	t	82
Discarded inorganic chemicals consisting of or containing dangerous substances	units	78
Scrap	t	78
Fire extinguisher	units	20
Other insulation materials consisting of or containing dangerous substances	m <sup>3</sup>	162
Fluorescent tubes and other mercury	units	162

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

### EMISSIONS AND RESOURCE CONSUMPTION

Our assets serve as working and living space in the day-to-day life of over 32,000<sup>1</sup> people all across Germany. Although we have limited control of the emissions, as most of it is produced by the activity of our tenants, we will try to report on the total emissions of our portfolio. Our aim is to benchmark the assets within our own portfolio, but also within the wider market (and thus our implication in the International Sustainability Alliance) to better engage with our tenants. We trust that, by increasing the awareness of our tenants of their actual emissions and consumption, and where they could save costs, we should be able to improve the overall performance of our assets.

<sup>1</sup> Estimation on the basis of 25 m<sup>2</sup>/workstation > ~800,000 m<sup>2</sup>/25 m<sup>2</sup> per workstation = 32,000 workstations or people.

Whereas no direct energy has been consumed by the analysed assets, the indirect energy consumption increased slightly from 117 kWh per m<sup>2</sup> in 2007 to 123 kWh per m<sup>2</sup> in 2009.

On average, water withdrawal of the analysed assets amounted to 39,000 m<sup>3</sup> or 0.14 m<sup>3</sup> per m<sup>2</sup> in 2009. Water for alstria's Hamburg portfolio is distributed by municipal waterworks

(Hamburg Wasser) coming from ground water from the Hamburg region and is discharged in the city sewage system.

CO<sub>2</sub> emissions for the analysed area amounted to 0.05 t per m<sup>2</sup> in 2009.

For further information, please see the tables below.



### ENERGY

	2009	2008	2007
<b>Indirect from heating</b>			
Total (kWh)	14,305,000	14,082,000	14,014,000
Per m <sup>2</sup> (kWh)	77	75	75
Per workstation (kWh)	1,910	1,880	1,870
<b>Indirect from electricity</b>			
Total (kWh)	11,560,000	11,150,000	10,530,000
Per m <sup>2</sup> (kWh)	46	44	42
Per workstation (kWh)	1,150	1,110	1,050



### WATER

	2009	2008	2007
<b>Total (m<sup>3</sup>)</b>			
Total (m <sup>3</sup> )	39,000	38,000	40,000
Per m <sup>2</sup> (m <sup>3</sup> )	0.14	0.14	0.15
Per workstation (m <sup>3</sup> )	3.6	3.5	3.7

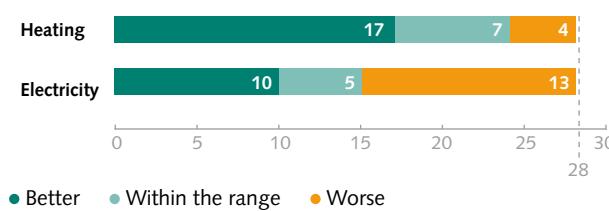


### EMISSIONS

	2009	2008	2007
<b>Indirect CO<sub>2</sub></b>			
Total (t)	9,400	9,200	9,100
Per m <sup>2</sup> (t)	0.05	0.04	0.04
Per workstation (t)	1.13	1.11	1.10

## ENERGY PERFORMANCE CERTIFICATES

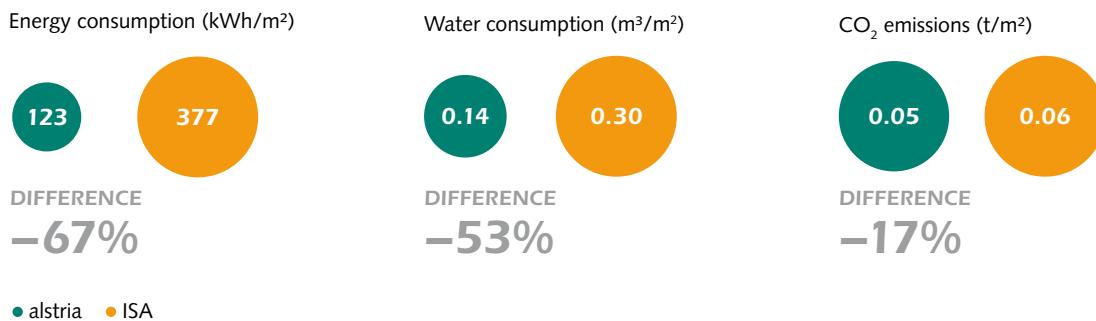
Number of assets



In order to comply with German regulation, we prepared energy performance certificates for 28 of our buildings in 2009. The result of this compilation shows that, on average, these sample assets perform relatively well compared to the average German office building.

The International Sustainability Alliance (ISA), which is a network of real estate companies and organisations dedicated to better measuring and understanding the sustainable performance of buildings, launched preliminary

## ENVIRONMENTAL DATA COMPARED TO PRELIMINARY BENCHMARKING RESULTS OF ISA



Source: ISA preliminary benchmark for pan-European office buildings.

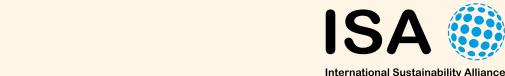
benchmarking results for different building classes in Europe in October 2010. Compared to this preliminary benchmarks, on average alstria's assets perform better.

### SYSTEMATIC APPROACH TO DATA COLLECTION

To increase the number of assets which are monitored and therefore enhance the validity of our approach and results, we will continuously work on the data collection process. Our aim is to approach environmental data collection within our portfolio systemically. This data will help us to monitor the environmental impact of our assets and tenants so that we may more efficiently identify room for improvement and encourage our tenants to adopt sustainable behaviour.

### LEADING BY EXAMPLE

alstria occupies office space for its own operation. As a company working in one of our assets, we took the opportunity of the move into our new headquarters to set a good example and implement a number of the measures that we recommend to our tenants. Hence we used an old storage building which was listed as an historical monument and which we refurbished completely. The refurbishment was the



### "ISA"

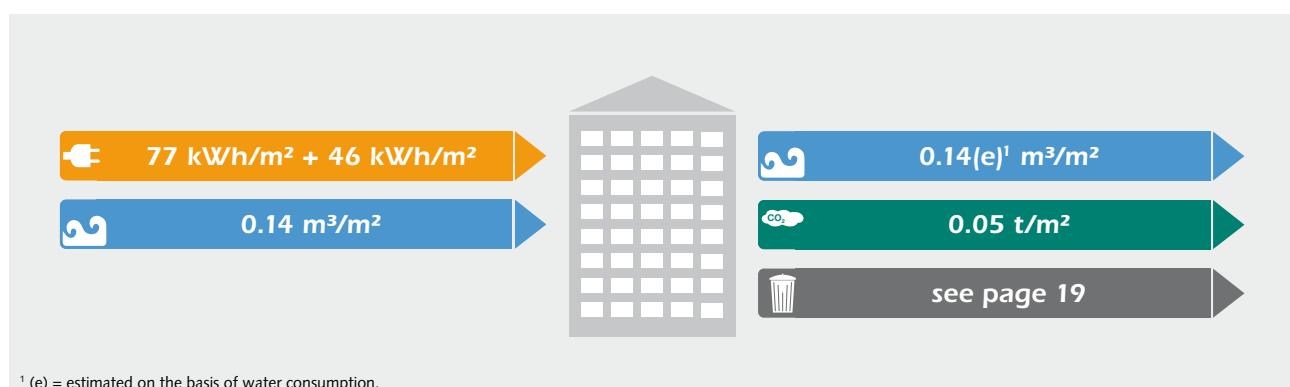
The International Sustainability Alliance (ISA) is a global network of leading real estate organisations – developers, owners, occupiers, investors – who understand the business imperatives in achieving a more sustainable built environment.

ISA's objectives are:

- ▶ to pool, compare and benchmark reliable performance data at building, portfolio, national and international level, across building types and against peer groups,
- ▶ to create and share knowledge and best practice,
- ▶ to collectively influence regulators to improve the quality of environmentally related regulation through good science and reliable data.

## ENVIRONMENTAL FOOTPRINT OF A BUILDING

Average absorption of energy, water and waste per m<sup>2</sup>:



opportunity to implement on-site solar energy generation and rain water harvesting. We also considered social and economic aspects when redeveloping the asset. For further information on this project, please see page 23.

We do not focus solely on the building we are working in, but we are also adapting the way we are running our own business and trying to improve the footprint of alstria's own operations as much as we can. This can be illustrated by the commuting allowance we have offered our employees since 2009, by which we subsidise a local public transport ticket to encourage the use of this environment-friendly means of commuter transportation rather than cars. Another example

is a current project aiming at reducing our reliance on paper documents and increasing the use of electronic documentation by the implementation of a document management system.

We took 537 business trips by plane in 2009 (2008: 564), which represents a cumulative distance of approx. 444,000 km (2008: 484,000 km). On average business trips per employee decreased to 17 or around 14,000 km in 2009 (2008: 21 trips or around 18,000 km per employee). For the CO<sub>2</sub> emissions from business trips, please see chart below.



#### TOTAL CO<sub>2</sub> EMISSIONS FROM EMPLOYEE TRANSPORTATION

	2009	2008
<b>Company cars</b>		
Total direct CO <sub>2</sub> emissions (t)	33	33
Total direct CO <sub>2</sub> emissions per employee (t) <sup>1</sup>	1.1	1.2
<b>Business travel</b>		
Total indirect CO <sub>2</sub> emissions (t)	81	85
Total indirect CO <sub>2</sub> emissions per employee (t) <sup>1</sup>	2.7	3.1
<b>Total CO<sub>2</sub> emissions per employee (t)<sup>1</sup></b>	<b>3.8</b>	<b>4.3</b>

<sup>1</sup> Divided by average number of employees in the reporting period.

### 2009 WE SAVED ONE TRIP AROUND THE WORLD



One trip = approx. 44,000 km

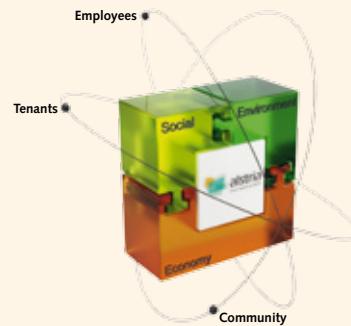
### STRATEGIC APPROACH

alstria's sustainability approach towards the environment includes all our stakeholders. The three operational impacts mentioned below exemplify how we work on the sustainable development of the environment for the sake of our different stakeholders.

- Participate in city redevelopment
- Maintain the quality of the portfolio
- Encourage tenants to adopt sustainable behaviour

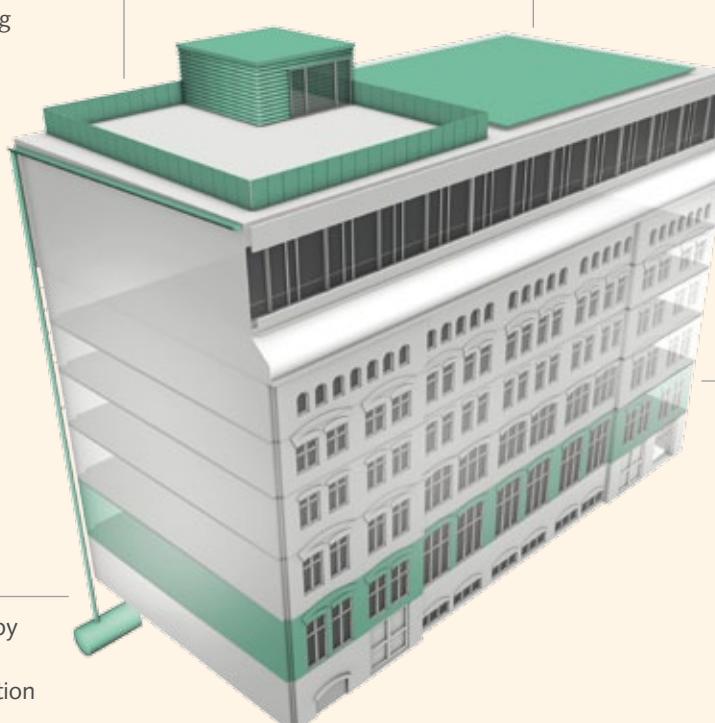


# BÄCKERBREITERGANG – THE NEW ALSTRIA OFFICE



## ROOF DECK

Providing a quiet and relaxing area for lunch breaks with a unique view of Hamburg.



## RAINWATER TANK

Reducing water withdrawal by recycling rain water into the non-drinkable water distribution system.

## SOLAR CELLS

Protecting the environment by using renewable energy from solar cells embedded into the roof cover.

## ART GALLERY

Accommodating one of the best-known street art galleries in Hamburg.

## AN ASSET WITH A SOUL

In 2009, we started the refurbishment of the asset at Bäckerbreitergang 75 in Hamburg. alstria occupies around half of the asset as its headquarters, while the rest of the asset is or will be rented out to other tenants. Our aim was to convert this old lost-and-found storage facility into a modern office building, while safeguarding the character and spirit of this listed historical building.

We have used the opportunity of the refurbishment to install for the first time in our portfolio the new technology of a solar energy producing roof. Solar panels are embedded into the roof cover. This technique does not affect the attractiveness of the asset. We have also installed a rain water harvesting system, which recycles the rain water into the nondrinkable water distribution system, thus reducing the water withdrawal needs to operate the building.

Within the office space, we kept most of the formal architecture of the building and historical arches while implementing open space and glass interior design, which increases transparency in the workspace environment. Our offices are equipped with shower facilities and lockers, as well as a secure cycle storage, which facilitates bicycle commuting.

The building includes a shared roof terrace, which provides a quiet and relaxing area for lunch breaks with a unique view of Hamburg's roof tops and the Elbe-Philharmonics.

Other tenants in the building include one of the best-known street art galleries in Hamburg, a public relations agency as well as a consulting group and tenant representative. From an economic perspective, the development project has a yield on cost of 7.5%.

# SOCIAL

alstria's assets form an integral part of the social network in which they are embedded. alstria's actions and decisions as a landlord and employer have a long lasting effect on the daily life of thousands of investors, tenants, employees, fellow citizens and neighbours.



# BEING A RESPONSIBLE LANDLORD, EMPLOYER AND CORPORATE CITIZEN

As Asset Management is our core business, a good relationship to our tenants is an essential part of our work. We want to understand the special needs of our key tenants and deliver appropriate solutions. Therefore we strive to maintain direct dialogue with them. When developing new buildings we take into consideration the future quality of the workspace environment, the quality of indoor air, the visual comfort of the occupier, etc. Reaching our aim of improving efficiency in the use of space should not come at the expense of the quality of the workspace environment.

## SUPPORTING LOCAL INITIATIVES – NO COST FOR US, STRONG BENEFIT FOR THE RECIPIENT

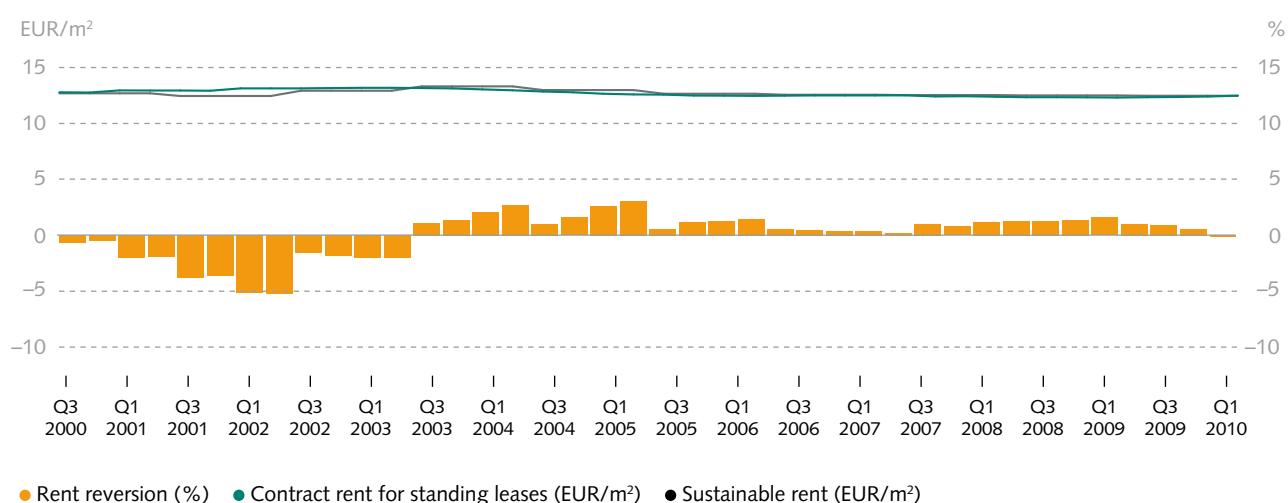
Being part of the community, we feel responsible for supporting projects which improve our social and cultural environment. The easiest way for us to support the local community in a sustainable fashion is to make vacant office/retail space available for a limited amount of time to organisations which need it. As a real estate company, we always have vacant space which can be offered on a temporary basis while it is being marketed. We have done this over the last few years, offering our support and rent-free space to cultural events in Hamburg like the "Hamburger Architektur sommer" and the "Filmfest", as well as for research events like "Kultur.Forscher!", an event related to the topics youth-education-culture.

## IMPROVING TRANSPARENCY

Improving transparency in the real estate markets ultimately benefits alstria and its shareholders. We are engaged in a number of national and international initiatives where we actively participate in industry discussions and positioning in regards to issues ranging from accounting, regulation and investor relations to sustainable reporting. A few organisations we are a member of include the German Sustainable Building Council (DGNB), EPRA (European Public Real Estate Association), ZIA (Zentraler Immobilienausschuss), the Real Estate Share Initiative, NAREIT (National Association of Real Estate Investment Trusts) and DDIRK (Deutscher Investor Relations Verband e.V.). For an explanation of these initiatives please see the glossary on page 38 to 39. We are an active participant in the GRI sector supplement for real estate and construction (CRESS) working group and are a founding member of the International Sustainability Alliance (ISA). In 2009 we spent over EUR 130 k (2008: EUR 21 k) to support and participate in such associations.

We have also designed and initiated with IPD the German Office Rent Reversion Index (DMX), which has been published every year since 2007 and shows the reversion potential of the main German office markets. This indication can help companies and investors to make better educated investment decisions and provide the market with a new key indicator. The complete DMX results are available from IPD free of charge at [www.ipd.com/germany](http://www.ipd.com/germany) or by sending an email to [germany@ipd.com](mailto:germany@ipd.com).

## GERMAN OFFICE RENT REVERSION INDEX



## "DMX" GERMAN OFFICE RENT REVERSION INDEX

The DMX is a real estate index published by IPD once a year. This index has been launched and is sponsored by alstria. DMX stands for "Deutscher Büro Mietpotential Index" or "German Office Rent Reversion Index" in English. It provides the real estate market with a measure of the potential reversion in the German office market. In May 2009 the DMX stood at 1.52%, in May 2010 at -0.08%. The index thus shows that the currently existing contractual rent in Germany on average offers no upside potential.

## LONG-TERM VIEW NEEDS PERSPECTIVE

In partnership with the Hamburg Institute of International Economics (HWWI), we considered the impact of rising energy and transportation costs for the future development of urban landscapes. The studies start with a macro view, and zoom deeper into the local situation of Hamburg. The

result of the studies was presented publicly to the main decision makers of the city. This allowed us and the HWWI to engage with a number of policy makers through a working group which drew up a list of policy recommendations for the future of Hamburg. The studies can be found online at [www.hwwi.org](http://www.hwwi.org).

## HELPING MONUMENT PRESERVATION

Our assets form an integral part of the urban living space. Being a part of that community goes together with supporting its development. With our day-to-day management of the assets, we support and maintain historical buildings to preserve places of cultural interest. With some of our refurbishment projects, we give new life to several of these places while keeping the initial spirit intact. One of our main refurbishment projects has been the relocation of Hamburg's famous Ohnsorg Theatre, which started in 2009. In summer 2011, the theatre will open its doors in a new space, refurbished to its needs with the aim of improving the audience experience, for this 100-year-old Hamburg cultural institution. For further details to this projects, please see also page 31.



The "Grosse Bleichen" asset is situated in the centre of Hamburg, in a prime A retail street. Since 1936 the building is the home of the Ohnsorg Theatre.

## EQUAL OPPORTUNITIES IN A GROWING COMPANY

alstria is a constantly growing company with a total number of 33 employees as of December 31, 2009. alstria employs twelve men and 21 women, showing a female to male ratio of 175%. As one would expect, more than half of our employees are dedicated to the management, the acquisition and the development of the real estate (19 employees). The remainder of alstria's workforce is spread between supportive departments like finance reporting and controlling, legal and compliance and administration (14 employees). Over 30% of the management positions are filled by female employees. For further information about our workforce and the employee turnover, see charts on page 28 and 29.

## WORK DEPARTMENTS

Number of employees



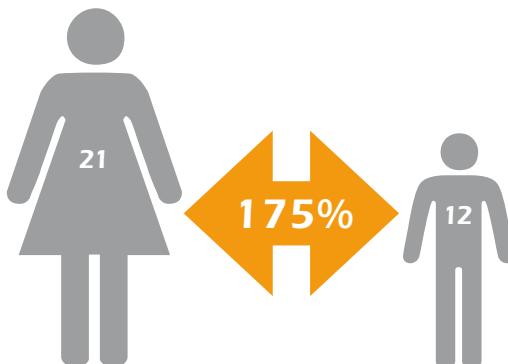
Finance	12
Acquisition	2
Asset Management	14
Development	3
Administration	2

## TOTAL NUMBER OF EMPLOYEES 2009



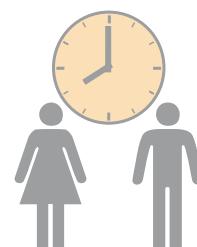
Age group: 21–30	12
Age group: 31–40	19
Age group: 41–50	2

## FEMALE TO MALE RATIO 2009



On average a female employee at alstria earns 25% less base salary than a male employee. This general figure needs to be understood on a relative basis, however, as it does not compare equal responsibilities and qualifications. At the same level of job qualification within our Asset Management team, female employees earn on average 10% more than male employees.

alstria has a policy to help new mothers to come back to work after their maternity leave by providing them with flexible working time. As such, all the part-time workers of alstria are mothers, for which we have adapted working hours so they can best combine motherhood and a professional career.



**31**  
Total number of employees  
who work full-time

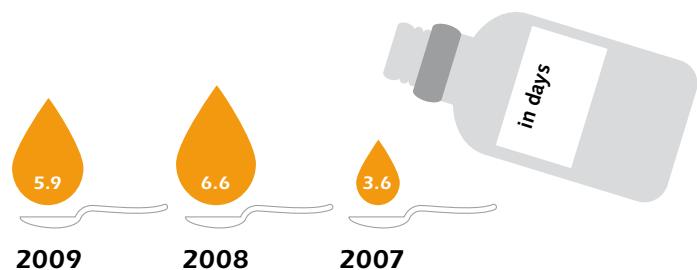


**2**  
Total number of employees  
who work part-time

We strive to reduce the risk of absent days of our employees. The number of absent days per employee was 6.6 in 2008 and 5.9 in 2009, which equates to an absentee rate of 2.3%<sup>1</sup> in 2009, i.e. 2.3% of alstria's total workforce during the year could not operate due to illness.

On average employees in German companies were absent 17 days due to illness in 2009. Compared to the German average, alstria's rate shows eleven days less sick days per employee.<sup>2</sup> Among the actions taken by alstria in order to limit the risk of sick days, the Company offers its employees a free vaccine against influenza. In 2009, over 50% of alstria's employees used this opportunity.

### AVERAGE ABSENT DAYS PER EMPLOYEE

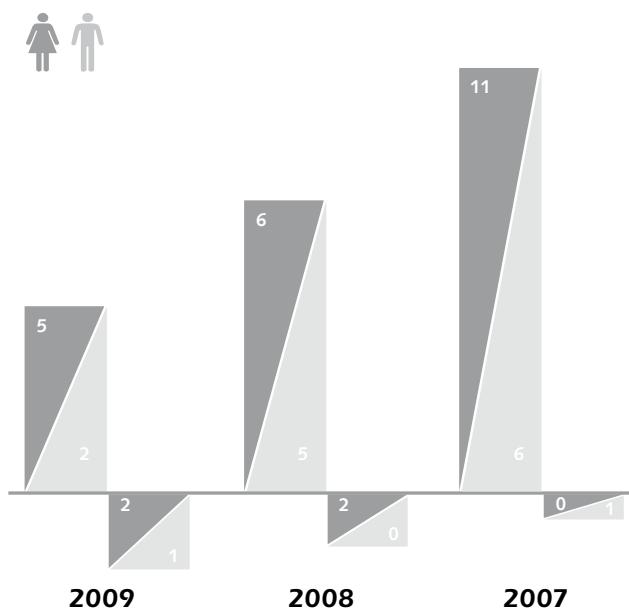


In 2010 we introduced a retirement provisions program funding retirement provisions for our employees.

### NEW AND LEAVING EMPLOYEES BY AGE GROUPS

	2009	2008	2007
Total number of new employees in the period	7	11	17
thereof:			
Total number of new employees (aged 21–30) in the period	3	4	8
Total number of new employees (aged 31–40) in the period	3	5	8
Total number of new employees (aged 41–50) in the period	1	2	1
Total number of leaving employees in the period	3	2	1
thereof:			
Total number of leaving employees (aged 21–30) in the period	0	0	0
Total number of leaving employees (aged 31–40) in the period	1	1	1
Total number of leaving employees (aged 41–50) in the period	2	1	0

### NEW AND LEAVING EMPLOYEES BY GENDER



<sup>1</sup> Calculation: absent days / (total working days during the year x average number of employees during the year).

<sup>2</sup> According to "Fehlzeiten-Report 2010", [www.aok-bv.de](http://www.aok-bv.de).

## INTERNAL KNOW-HOW

To sustain a high level of know-how, our employees are trained on a regular basis. For this purpose we spent around EUR 60 k in 2009. Each employee received an average of 25 hours of training during the same year. One of our aims is not only to maintain but to increase the internal know-how by supporting education where it is needed.

In 2009 one of our major training programmes related to the introduction of alstria's Code of Conduct, containing policies on anti-corruption, anti-discrimination and further lawful behaviour.

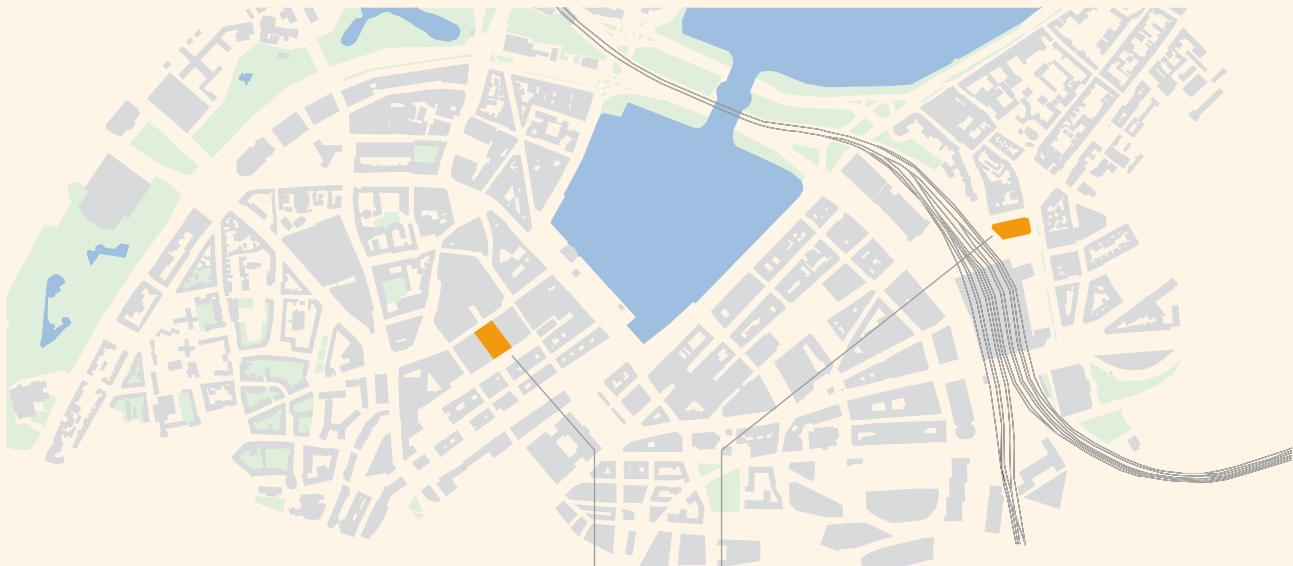
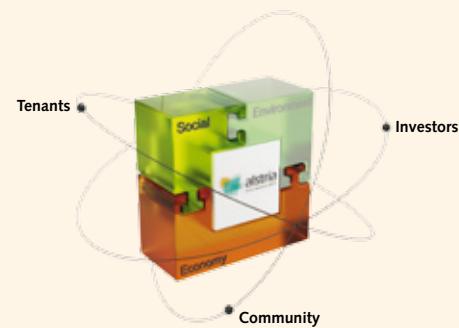


## STRATEGIC APPROACH

Being part of the community, we feel responsible for its players and their environment. Operationally, alstria strives to integrate social responsibility into its daily business life. We have underlined three operational impacts which best show alstria's approach towards sustainable development of the social community.



# OHNSORG THEATRE



## FROM GROSSE BLEICHEN

Located in a prime A retail area, this asset accommodated the stage of the Ohnsorg Theatre since 1936. But it does not meet the requirements of the theatre any longer.



## TO BIEBERHAUS

Located next to the Central Station and the "Schauspielhaus", the future stage of the Ohnsorg Theatre will share a role in creating a new cultural district in the heart of Hamburg.

### "PLATTDEUTSCHE KULTUR"

The Ohnsorg Theatre was founded in 1902 and is one of the oldest cultural institutions in Hamburg. With its unique plays in Plattdeutsch, it reaches around 400 viewers every night. Its plays are aired on a regular basis on the NDR TV channel. Since the theatre moved into its current location in 1936, the area has developed as a prime A retail street. In the same time, what used to be a great space for a theatre has trouble adapting to new technology and audience demands. There was a common interest shared by alstria and the Ohnsorg Theatre.

Moving the theatre out of its current location to the vicinity of the Central Station achieves the most sustainable result for all stakeholders involved. The Ohnsorg Theatre will get access to a new modern facility, which it will rent on a long-term basis, thus securing its future for the coming years.

alstria will be able to create a significant value for its shareholders. The financial benefit of the refurbishment will overtake by far the costs of moving the theatre to its new location.

Hamburg as a city will see one of its oldest cultural institutions safeguarded for the long run and many Hamburg citizens will still have the chance to see plays in Plattdeutsch. The move will also enhance the whole area around the Central Station by creating additional cultural life in the neighbourhood.

alstria is very proud of having initiated this project. There is no contradiction between safeguarding culture, creating value for shareholders and improving the living environment. All it takes to be able to marry these three goals is a long-term perspective.





By setting up our sustainability framework, we have integrated sustainability into our daily life. We have filled up one empty room with economic, environmental and social criteria. But this is only a starting point ...



# GRI CONTENT INDEX

## REPORT PARAMETERS

This is alstria's first published sustainability report. It is the starting point of an annual update of where we stand and what we intend to achieve with respect to the Company's sustainability practices and targets.

It covers the operations and employer practices of alstria. Sustainability figures for the Governance, Economic, Social and Environmental section refer to the financial year 2009 (January 1, 2009 to December 31, 2009) unless otherwise stated. alstria's sustainability report follows the Global Reporting Initiative (GRI) G3 framework covering economic, environmental and social performance. The GRI contains globally applicable guidelines for sustainability reporting.

For more information on GRI, visit [www.globalreporting.org](http://www.globalreporting.org). If you have any questions relating to this report or our sustainability activities, please contact us via email at [sustainability@alstria.de](mailto:sustainability@alstria.de) or visit [www.alstria.com/en/sustainability/](http://www.alstria.com/en/sustainability/).

A big challenge during the process of sustainability reporting is data collection and measurement. Within our first sustainability report, we concentrated on the figures and calculations from our nearest environment. Our aim is to increase the number of analysed assets, figures and calculations constantly in order to strengthen the validity of our disclosures.

Data for the Economy part relate to the alstria Group excluding joint ventures as presented in the Annual Report 2009. Environmental data apply to Hamburg assets only. For detailed information on special measurement and calculation techniques, we refer to the notes on page 37.

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

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- N** Notes
- P** Page
- S** Status
- Not covered
- Partially covered
- Completely covered
- n.r. Not relevant
- \* Additional indicators
- [X] See notes on page 37

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- N** Notes
- P** Page
- S** Status
- Not covered
- Partially covered
- Completely covered
- n.r. Not relevant
- \* Additional indicators
- [X] See notes on page 37

## GRI NOTES

- [1] See also chapter "Corporate Governance" in the Annual Report for the financial year 2009 (pages 83 to 91) and on alstria's website.
- [2] Chair of highest governance body is no executive.
- [3] At the Annual General Meeting all shareholders have the opportunity to provide recommendations to the highest governance body. See Remuneration Report in the Annual Report for the financial year 2009.
- [4] See Remuneration Report in the Annual Report for the financial year 2009 (pages 90 to 91).
- [5] See Remuneration Report in the Annual Report for the financial year 2009 (pages 90 to 91).
- [6] See also the Annual Report for the financial year 2009.
- [7] As a REIT alstria is tax-exempt effective as of January 1, 2007.
- [8] Boundaries electricity: 23 assets in Hamburg; 29% of the total lettable area; 32% of the total value. Boundaries heating: 12 assets in Hamburg; 22% of the total lettable area; 25% of the total value.
- [9] Only indirect secondary energy. Boundaries electricity: 23 assets in Hamburg; 29% of the total lettable area; 32% of the total value. Boundaries heating: 12 assets in Hamburg; 22% of the total lettable area; 25% of the total value.
- [10] Boundaries: 27 assets in Hamburg; 31% of the total lettable area; 39% of the total value.
- [11] Boundaries: 27 assets in Hamburg; 31% of the total lettable area; 39% of the total value.
- [12] alstria does not own any assets in protected areas.
- [13] alstria does not own any assets in protected areas.
- [14] Calculated with the help of a software tool from the GHG Initiative, available on [www.ghgprotocol.org](http://www.ghgprotocol.org); Boundaries electricity: 23 assets in Hamburg; 29% of the total lettable area; 32% of the total value. Boundaries heating: 12 assets in Hamburg; 22% of the total lettable area; 25% of the total value.
- [15] Calculated with the help of a software tool from the GHG Initiative, available on [www.ghgprotocol.org](http://www.ghgprotocol.org); Boundaries electricity: 23 assets in Hamburg; 29% of the total lettable area; 32% of the total value. Boundaries heating: 12 assets in Hamburg; 22% of the total lettable area; 25% of the total value.
- [16] Boundaries: 27 assets in Hamburg; 31% of the total lettable area; 39% of the total value. See also EN8 and EN9.
- [17] Construction waste. Exemplary for two refurbishment projects in Hamburg. Boundaries: 2 assets in Hamburg; 5% of the total lettable area; 6% of the total value.
- [18] No incidents known.
- [19] Absentee rate:  $182 \text{ lost days} / (264 \text{ total working days per year} \times 31 \text{ average number of employees during the period}) \times 200,000 = 4,660$ .
- [20] See also the "Corporate Governance Statement" (pages 86 to 89) in the Annual Report for the financial year 2009 and LA1 and LA2 of this report.
- [21] No incidents known.
- [22] No incidents known.
- [23] No incidents known.
- [24] No incidents known.
- [25] No incidents known.
- [26] No incidents known.
- [27] No incidents known.
- [28] No incidents known.
- [29] Energy performance certificates.
- [30] No incidents known.

# GLOSSARY

## **Climate change**

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

## **CO<sub>2</sub>**

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

## **Code of Conduct**

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

## **Compensation package**

The total array of money (wages, salary, commissions), incentives, benefits, perquisites and awards provided to an employee by an organisation.

## **Corporate citizenship**

The management of the totality of relationships between a company and its host communities, locally, nationally and globally.

## **Corporate governance**

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

## **CRESS (Construction and Real Estate Sector Supplement)**

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

## **CSR (Corporate Social Responsibility)**

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

## **DGNB (Deutsche Gesellschaft für nachhaltiges Bauen)**

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

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

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

## **EPRA (European Public Real Estate Association)**

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

## **Equal opportunities**

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

## **FFO (funds from operations)**

Operating result from real estate management. alstria's FFO represents the operating result, excluding valuation effects and other non-cash items.

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

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

## **GHG Protocol**

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

## **gif (Gesellschaft für immobilienwirtschaftliche Forschung)**

An association specialised in research in the real estate sector in order to combine theory with practice.

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

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

**HWI (Hamburger WeltWirtschaftsInstitut)**

The Hamburg Institute of International Economics specialises in the early recognition and interdisciplinary analysis of key economic, societal and political trends.

**IPD (Investment Property Database)**

An organisation which analyses the performance of real estate.

**ISA (International Sustainability Alliance)**

A global network of leading corporate occupiers, property investors, developers and owners, dedicated to achieving a more sustainable building environment through better measurement and understanding of the sustainable performance of buildings.

**kWh (kilowatt hour)**

A unit of energy.

**NAREIT (National Association of Real Estate****Investment Trusts)**

Organisation acting as representative for REITs and publicly traded real estate companies with an interest in U.S. real estate and capital markets.

**P&L**

Profit and Loss statement.

**REIT (Real Estate Investment Trust)**

Real estate investment trusts are public listed companies, fully tax transparent, which solely invest in properties.

**Risk**

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

**Risk Management**

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

**R&D**

Research and development.

**Stakeholder**

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

**Sustainability**

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

**Transparency**

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

**Values**

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

**ZIA (Zentraler Immobilienausschuss)**

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



... there are still rooms to fill. There is still work to do. We will work continuously on integrating our sustainability framework into our daily business by building sustainable values step-by-step.

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As we would like to improve continuously, we are happy to receive your comment on this report. Please feel free to fill in the feedback form on our website:

[www.alstria.com/en/sustainability/feedback/](http://www.alstria.com/en/sustainability/feedback/)  
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## EDITORIAL COMMENT

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

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

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

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

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

This CSR Report is also available in German.

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