Sustainability

What we have done so far

**Creation of an organisational and reporting structure**

- Management Board bears overall responsibility
- Top decision-maker: CEO
- Steering Committee for strategic decisions and pooling of the activities includes more than 10 Heads of key divisions/functions
- Sustainability Officers/Data Owners in various departments for monitoring the achievement of goals and for data collection
- Sustainability Manager as interface

**Disclosure and assessments**

- Annual Sustainability Reports 2017 and 2018 based on GRI standard, including EPRA Sustainability Performance Measures (third party assurance: limited assurance by PwC)
- Participation in GRESB Real Estate Assessment
Sustainability

Environmental commitment

LEG set itself measurable and publicly communicated targets for the energetic improvement of the portfolio and reports on their achievement in its sustainability reports.

Environmental targets

- Energy efficient modernisation of more than 15% of our portfolio, i.e., 3% p.a. on average from 2017-2021
- Thereby reducing the number of residential buildings in energy efficiency classes G and H by more than 20%
- Increasing tenants' awareness (consumption transparency through utility and heating cost invoicing; tenants’ manual)

LEG residential portfolio by energy efficiency classes (in %, FY 2018)

In 2018, reduction of >7,300 metric tons of CO₂ achieved.
## Sustainability

### Social commitment

#### Tenants

- Offering attractive housing at affordable rents
- Cooperation with professional partners for housing-related services or offers (multimedia, green electricity at attractive prices)
- Annual inspections of all buildings to ensure tenants' health, safety and well-being
- Socially oriented neighbourhood and integration management
- Numerous tenant events
- Monitoring of tenant satisfaction
- Customer advisory council
- LEG Tenant Foundation for short-term financial assistance
- New €16m foundation for sustainable social work

#### Employees

- Vocational training and professional development
- Charta of Diversity signed (www.charta-der-vielfalt.de)
- Gender equality and reconciliation of work and family (audit certificate, www.berufundfamilie.de)
- Transparent remuneration structures (own collective bargaining agreement)
- Occupational health management (e.g., health and safety checks, preventive measures, training)
- Regular surveys on employee satisfaction (www.greatplacetowork.de)

#### Suppliers

- Suppliers Code of Conduct
Sustainability

Corporate Governance

Corporate Governance Code

- Compliance with the German Corporate Governance Code
- Member of the Corporate Governance Institute of the German Real Estate Association

Board Structure

- Two-tier structure of Management Board and Supervisory Board
- Supervisory Board 100% independent
- Diversity concept for Management and Supervisory Board
- Further information: cf. LEG Annual Report

Compliance Management System

- Certified Compliance Management System
- Focus on fair and responsible business, competition regulation, data protection, tax compliance, capital market and product compliance
- Code of Conduct (as part of employment contracts and supplier contracts)
- Training of all employees, dedicated Intranet page and compliance manual
- Whistleblower system for employees and third parties
- Compliance Officer, Anti-Corruption Officer and external ombudsman

Further information: cf. LEG Annual Report