Consolidated Annual Report

For the year ended December 31

2024

Corinthia / Athens

Paris

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CONSOLIDATED FINANCIAL STATEMENTS

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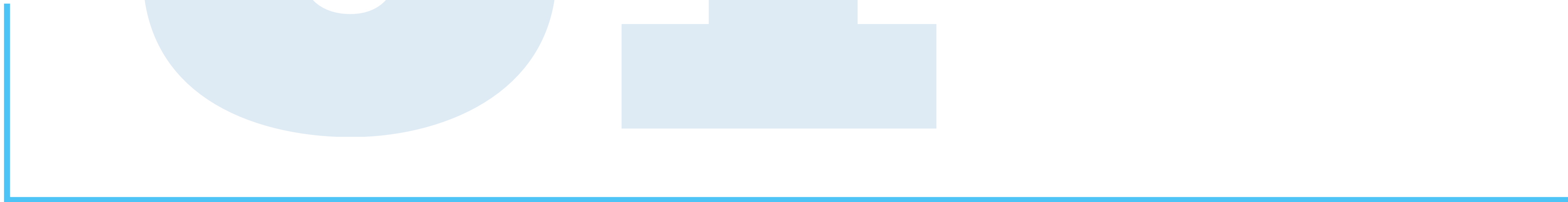
Berlin

Board Of Directors' Report



Financial Position Highlights

in € millions unless otherwise indicated	Dec 2024	Dec 2023
Total Assets	**33,619.9**	33,559.3
Total Equity	**15,009.7**	15,149.7
Investment property	**24,375.3**	24,632.4
Investment property of assets held for sale	**691.8**	408.3
Cash and liquid assets (including those under held for sale)	**3,642.1**	3,026.1
Total financial debt (including those under held for sale)	**14,512.0**	14,242.1
Unencumbered assets ratio (by rent)	**71%**	74%
Equity Ratio	**45%**	45%
Loan-to-Value	**42%**	43%

Key Financials

in € millions unless otherwise indicated	1–12/2024	Change	1–12/2023
Revenue	**1,542.3**	(4%)	1,602.8
Net rental income	**1,180.9**	(1%)	1,192.8
Adjusted EBITDA [1)]	**1,014.4**	1%	1,002.9
FFO I [1)]	**315.5**	(5%)	332.0
FFO I per share (in €) [1)]	**0.29**	(3%)	0.30
FFO II	**393.1**	(12%)	449.1
ICR	**4.0x**	(0.2x)	4.2x
Profit / (loss) for the year	**309.3**	-	(2,426.4)
Basic earnings / (loss) per share (in €)	**0.05**	-	(1.82)

1) including AT's share in companies which AT has significant influence, excluding the contributions from assets held for sale

EPRA Performance measures

In € millions unless otherwise indicated	2024	Change	2023
EPRA NRV	**10,032.3**	1%	9,920.8
EPRA NRV per share (in €)	**9.1**	-	9.1
EPRA NTA	**8,165.4**	1%	8,058.7
EPRA NTA per share (in €)	**7.4**	-	7.4
EPRA NDV	**6,772.7**	(11%)	7,592.1
EPRA NDV per share (in €)	**6.2**	(10%)	6.9
EPRA Earnings (*)	**272.1**	(9%)	298.4
EPRA Earnings per share (*) (in €)	**0.25**	(7%)	0.27
EPRA Earnings (excl. perp) (*)	**459.8**	5%	438.8
EPRA Earnings (excl. perp) per share (*) (in €)	**0.42**	5%	0.40
EPRA LTV	**59.6%**	(1.2%)	60.8%
EPRA LTV (including RETT)	**55.7%**	(1.3%)	57.0%
EPRA Net initial yield (NIY)	**4.0%**	-	4.0%
EPRA 'Topped-up' NIY	**4.1%**	-	4.1%
EPRA Vacancy	**7.5%**	(0.4%)	7.9%
EPRA Vacancy including JV	**7.9%**	(0.2%)	8.1%
EPRA Cost Ratio (including direct vacancy costs)	**20.2%**	(2.8%)	23.0%
EPRA Cost Ratio (excluding direct vacancy costs)	**18.0%**	(2.8%)	20.8%
EPRA Capital Expenditure (**)	**766.9**	40%	546.1

(*) according to the updated EPRA methodology. For more details, refer to the EPRA Performance Measures section of the report, 2023 figures adjusted accordingly
(**) including acquisitions and capex, for more details see the EPRA Performance Measures section of this report

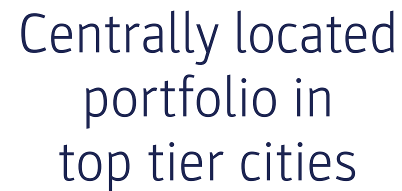
Aroundtown

The Group

The Board of Directors of Aroundtown SA and its investees (the "Company", "Aroundtown", "AT", or the "Group"), hereby submits the consolidated annual report as of December 31, 2024. The figures presented are based on the consolidated financial statements as of December 31, 2024, unless stated otherwise.

Aroundtown SA is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities primarily in Germany, the Netherlands and London. Aroundtown invests in commercial and residential real estate which benefits from strong fundamentals and growth prospects. Aroundtown invests in residential real estate primarily through its subsidiary Grand City Properties S.A. ("GCP"), a publicly traded real estate company that focuses predominantly on the German residential real estate market, as well as on the London residential real estate market. As of December 31, 2024, the Group's holding in GCP is 62%.

The Group's unique business model and experienced management team led the Group to grow since 2004, navigating successfully through all economic cycles.



- Quality assets with a focus on large EU cities primarily in Germany, Netherlands, and in London
- Capital recycling by selling non-core/mature assets
- Attractive acquisitions below market prices and below replacement costs
- Income generating portfolio with value-add potential
- Asset repositioning, increasing cash flow, quality, WALTs and value
- Extracting new building/conversion rights on existing and new land & buildings
- Healthy capital structure with a strong & conservative financial profile

Frankfurt HBF & CBD

Approx. **200,000 SQM**

lettable space in Frankfurt prime centers, main central train station and banking district

01

Continuously strong operational performance

Residential

- Strong fundamentals drive solid like-for-like rental growth and low vacancy

Hotels

- Recovered in 2024, reaching pre-pandemic levels
- Additional upside potential to capture from repositionings

Offices

- Continued like-for-like rental growth

02

Successful return to capital markets and extending the debt maturity profile

- €2.6 billion in perpetual notes issuances
  - Successful exchange on perpetual notes with a high acceptance rate of ca. 85%
  - €300 million nominal reduction in the perpetual notes balance
- €1.15 billion in senior unsecured bond issuances
  - Receiving strong investor demand with the book ca. 7 times oversubscribed
  - Proceeds used for €740 million of bond buybacks and €445 million of bond redemptions

03

Valuations recovery started

- €471 million positive revaluation recorded in H2 2024
- Slightly negative like-for-like revaluation for the year 2024 of -0.5%
- Values supported by robust operational growth
- Improving transaction market, further supporting values

04

Further deleveraging through disposals

- €935 million disposals signed and €740 million disposals closed during 2024, at around book values
- Proving AT's ability to sell throughout the whole market cycle

ATworld launched, to transform the office and hotel portfolio into a connected network of space

- Increasing flexibility, providing additional possibilities for tenants to attract and maintain the best talent regardless of their location
- Unlocking new sources of revenues across hundreds of locations in Europe, all managed through a mobile application
- Adapting to the current needs and continuing to innovate and provide the best experience in real estate

01

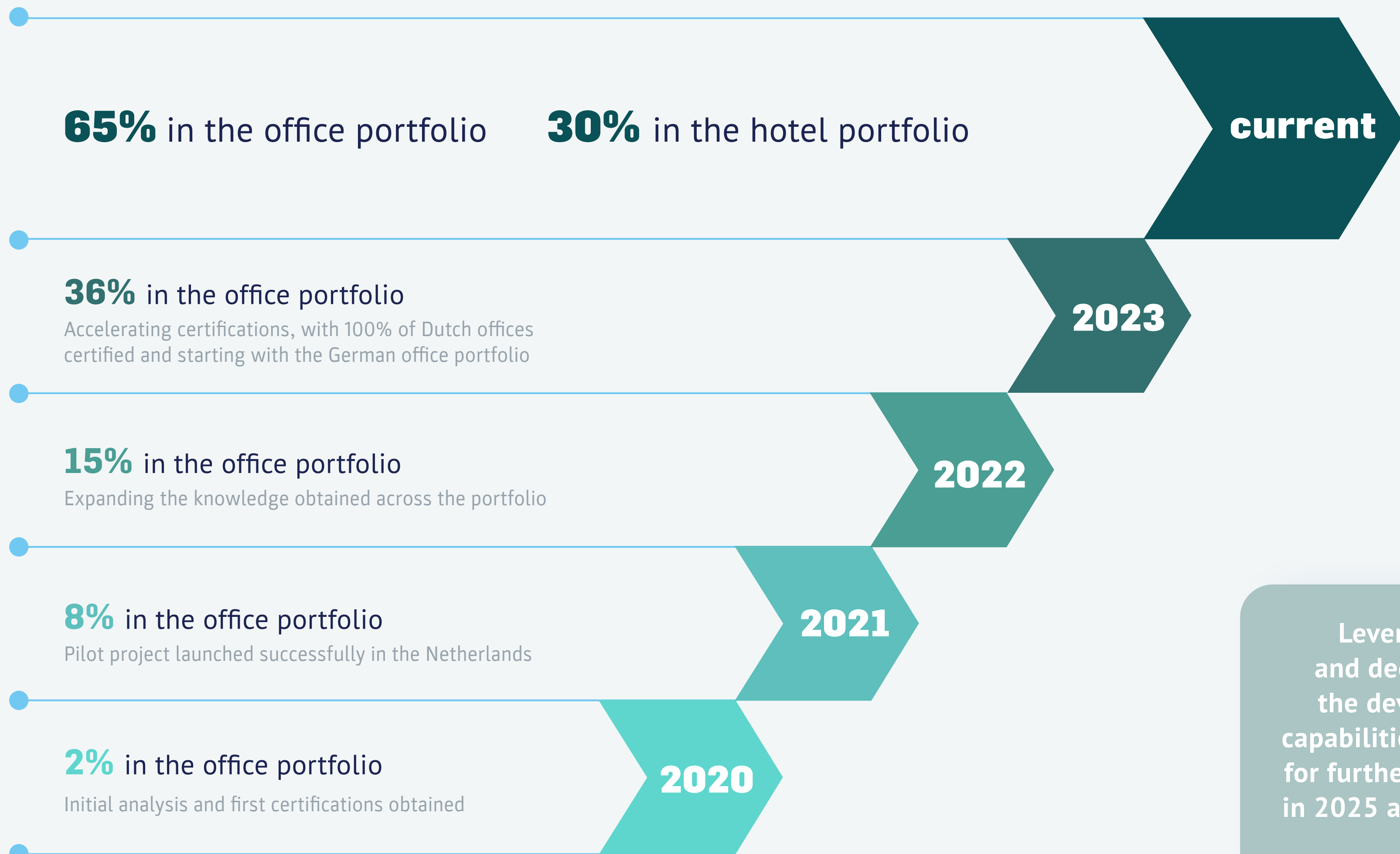
ATechX, our PropTech accelerator

- Together with FifthWall, noa, and Round Hill Capital, prominent global Proptech VCs & RE Investors
- Scaling promising startups, providing them with the ability to expand their solutions, offering a wide range of resources and a network of experienced professionals to propel their growth
- Opening new sources of risk-mitigated investment opportunities

02

ESG: Continuous progress on Green Certifications

Starting with offices in 2020, we steadily increased the percentage of green certifications and started certifying the hotel portfolio in 2024



Leveraging and deepening the developed capabilities, striving for further progress in 2025 and beyond

Progress on ESG:

Social, Governance, Awards & Indices

Social

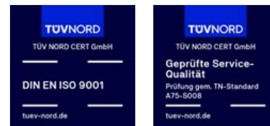
SUPPORTING COMMUNITIES

Over 100 impactful projects supported

- Significant contributions to communities across diverse portfolio locations
- Focused on improving child and youth education and healthcare, fostering job readiness for disadvantaged young individuals, supporting initiatives for underprivileged youth, extending solidarity to ethnic minorities, and more

HIGH QUALITY TENANT SERVICES

TÜV Certified



- Providing support to both commercial and residential tenants.
- Both service centers were TÜV recertified in 2024.
- Further digitalization measures in residential portfolio: improved tenant app and implemented AI to minimize call center waiting times

EMPLOYEE SATISFACTION

- Promoting physical and mental well being through OHS training, encouraging self development among employees through surveys, developing "career pathway" to offer opportunities to our employees, and empowering employees to create their own sustainability projects through the "Activate the Base" program

Governance, Awards & Indices

INCLUSION IN INDICES

- Included in the MDAX and MDAX ESG+
- Included in the DJSI Europe and Bloomberg Gender Equality Index displaying the Group's visibility across key ESG indices and commitment to diversity

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

AWARDS & RATINGS

- Received the 8th consecutive EPRA BPR Gold award & 7th consecutive EPRA sBPR Gold award
- Included in the S&P Global Sustainability Yearbook 2025 which includes 780 Companies out of over 7,690 companies across 62 industries covered by S&P CSA and sets the Company apart from its industry peers
- Included in Sustainalytics' 2025 ESG Top-Rated Companies List
- Strong Sustainalytics rating (Top 4%) and S&P Global CSA rating (Top 5%, real estate incl. REITS)

Letter From the CEO

Dear Stakeholders,

2024 presented a year of stabilization, addressing and overcoming challenges. We started the year with macro uncertainties, elevated inflation levels and peak interest rates, and slowdown in the economy which continued to have an impact on the Group as well as the real estate industry as a whole. However, throughout 2024 we saw the outlook improving, with four interest rate cuts, signs of stabilization of the inflation rate and a better macro-economic outlook. Accordingly, capital markets started to improve in the spring of 2024, allowing us to return to the capital markets after several years again with several successful transactions which had very strong investor demand. The valuation momentum is changing, with recovery starting in the second half of the year, and we saw property values increase again as the positive impact of continued robust operational growth is again creating positive value. While there is still some work to be done to strengthen the Group's financial position, we believe that many of the challenges are behind us. We are pleased to present our accomplishments for the year.

Market & Portfolio Performance

2024 started with continued macro-economic uncertainty. The increased level of interest rates, combined with economic uncertainties and a global economic slowdown negatively impacted business activity throughout the year, particularly in Germany, which also impacted tenant demand, particularly for offices. Although the expectation was that interest rates had peaked in 2023, inflation and interest rates remained volatile through the first few months of the year. The European Central Bank (ECB) started cutting interest rates only in June 2024 as inflation became more under control, and lowered rates four times in 2024, in total by 100 basis points, followed by two more rate cuts in Q1 2025. As a result, interest rate volatility started to reduce, and the outlook for real estate companies turned more positive.

In 2024 our portfolio continued to drive robust operational growth as we benefit from our asset types and geographic diversification, and we recorded 2.9% like-for-like rental growth across our asset types. Despite market headwinds, rental growth in the office portfolio was driven by indexation and reversion on reletting. In the hotel portfolio we recorded strong rental growth, supported by the reopening of several major hotels which were undergoing extensive refurbishment. The residential portfolio continues to benefit from strong fundamentals, resulting in accelerated rental growth and historic low vacancy rates. Looking ahead, we see an improved economic environment that positions the Company well going forward.

Our residential portfolio, held primarily through the 62% stake in Grand City Properties, continues to provide for stable cash generation with strong fundamentals. In 2024, we have seen an improvement in conditions as cost inflation was significantly reduced, driving increased profitability. The residential portfolio, located primarily in metropolitan areas in Germany and London, continued to benefit from strong market fundamentals that we expect to provide mid- and long-term growth drivers. These locations are supported by robust labor markets, driving immigration into these cities. This is further affected by demographic and social shifts taking place, such as the smaller households and demand for more space observable in Germany. Meanwhile, higher construction costs and high regulatory hurdles make it increasingly visible that construction at affordable levels has become exceedingly difficult without larger subsidies. Consequently, the level of completions in Germany and London was well below governments' targets and levels required to meet the increasing demand. Due to the economic pressures, the number of new permits has decreased further in 2024 towards lows not seen since the financial crisis, further driving the divergence between the actual and the required completions in the future. German rental regulation results in a smoothing effect on rental growth, as a result of which the high inflation of recent years is expected to support higher levels of rental growth over the mid-term. As a result, we recorded a like-for-like rental growth of 4.4% in our residential portfolio, driven mostly by in-place rental growth, as vacancy is kept at a low level of 3.5%. In London specifically, where there are fewer rent restrictions, we recorded even stronger like-for-like rental growth of 4.8%.

Looking at our hotel portfolio, we have made considerable progress in 2024, positioning the Company to capture significant rent upside over the next years, which is supported by the strong dynamics of the sector. The hospitality industry has seen another strong year, with increasing demand, exceeding and continuing the recovery from the pandemic. Accordingly, we recorded strong like-for-like rental growth of 2.9%. In 2024, we have worked on finalizing the repositioning of several hotels which lifted the internal growth potential. Particularly, we conducted complete refurbishments of our hotels in Brussels, which is the largest in Belgium, in Paris, which is the largest events and conference hotel in France's capital, and in Rome. Furthermore, we executed measures to extract value upside in several other hotels, such as the conversion of underutilized and back-office space into high-end serviced apartments in the Hilton Berlin, as well as soft refurbishment and re-branding of several hotels to re-align with updated key demand drivers post-pandemic, such as enhanced digital services, serviced apartments, and long stays. Going forward we continue to see strong upside potential which can be lifted from the hotel portfolio, which we aim to extract in the coming years, and we will continue to explore ways in which we can create additional value, such as through the conversion of select office space.

The letting market for offices remained challenging across the year. As was the case in 2023, we saw businesses continue to exercise caution and delaying decisions for relocation and expansion. This caution is reflected in a lower demand for new lettings and a longer leasing process, while we saw more demand for lease extensions as tenants defer making decisions until risks subside. On the other hand, high construction costs and interest rates have resulted in further project cancellations in the market and a significant reduction in development and construction activity, which we expect will result in a reduced level of new supply over the mid-term. Additionally, in 2024 the remote working trend is reversing, and more employers are incentivizing their employees to have a higher presence in the office. The combined effects resulted in market vacancy rates slightly increasing but remaining at healthy levels below historical averages.

Despite the sluggish economy across Germany and the Netherlands, our office portfolio has seen a positive 1.8% like-for-like rental income growth. This was driven by indexations, rent step-ups, and reversion on reletting, while vacancy remained broadly stable. The Company's solid position is reflected in the diverse metrics of its office portfolio, where approximately 75% of our tenants are governments, multi-national and large domestic corporations, with a long lease structure with a 4.3y WALT. The geographical diversification of the portfolio also provides stability against adverse economic conditions, since office markets in the Netherlands and Germany are characterized by higher occupancy rates, a more effective use of space and higher office attendance as compared to counterparts in the US & UK. Trends which are supported by a more diverse demand base for office space and healthier supply and demand conditions.

Looking ahead, we expect demand to pick up again once the positive momentum in business activity starts to pick up. Moreover, in targeted locations, we are exploring office conversions in order to capture the upside from current trends, such as the increasing demands for serviced apartments and long-stays, as well as high demand and a strong opportunity for conversion to data centers in several of our key locations.

Successful Return to Capital Markets and Strengthened Financial Position

Starting early 2022, the financial markets and particularly the real estate sector, were impacted by high market and interest rate volatility. During this time of high uncertainty capital market activity reduced significantly, limiting the access to liquidity. To face these challenges, and reduce financial risk for the Company, we focused on preserving and further strengthening our liquidity, to be able to reduce refinancing risk and to cover several years of debt maturities in advance. Through the execution of several liquidity and balance sheet supportive measures such as disposals, bank financing, decision to not call perpetual notes, and dividend suspension, the Company has been able to preserve liquidity and protect the Company at time of uncertainty.

Starting in April 2024, the Group launched several exchange and tender offers to holders of our perpetual notes which we had not called in the previous periods, as well as those with first call dates in the near future. As we saw conditions in capital markets improve it was our view that it was the appropriate time to launch the transactions. The transactions were highly successful, with a combined acceptance ratio of ca. 85%, and €2.6 billion of new perpetual notes were issued. As a result of which a large share of the perpetual note balance which had lost equity content under S&P's rating methodology in the previous periods regained such equity content, thereby supporting our S&P credit rating. The tender component of the transactions allowed us to reduce the nominal balance of the perpetual notes by ca. €300 million thereby also reducing future coupon payments.

As market conditions continued to improve in the second half of the year, the Group issued in July 2024 its first bonds since 2021 across two transactions, a €650 million bond issued by Aroundtown and a €500 million bond by GCP. The issuances attracted strong demand from globally leading bond investors and were ca. 7 times oversubscribed, highlighting strong investor confidence. The proceeds of the bond issuances were used to repay short-term debt and pro-actively manage our debt maturity profile. In 2024 we repaid €1.3 billion of debt, with a further ca. €480 million of redemptions in 2025 year-to-date. Moreover, to further strengthen our liquidity position and diversify funding sources, we signed ca. €360 million of bank debt.

With the objective of continuing to strengthen our balance sheet and reduce leverage, we have also made further progress in disposals, signing €935 million and closing €740 million in 2024. As of December 2024, the Company has signed disposals amounting to €330 million which

had not yet closed as of the reporting period, of which over €120 million has since closed in 2025 year-to-date. The Company has been able to sell across all market cycle conditions, and with the transaction market activity picking up, we expect additional favorable conditions if we were to conduct further disposal activities. Overall, these actions materially strengthened the Company's financial position.

Valuations

In 2024 we see an increasing spread between rental yields, which are increasing due to the strong operational dynamics, and interest rates, which are coming down with the ECB progressing with its rate cut cycle. As a result, we expect to see an increase in transaction activity. Accordingly, the devaluation momentum significantly slowed down in the first half of 2024, and the Group recorded positive revaluation in the second half of the year. As a result, the valuations remained broadly stable reflecting a like-for-like revaluation loss of 0.5% for the year 2024. We benefit from our highly diversified portfolio, without dependence on a single location or asset type. The hotel and residential portfolios registered 4.2% and 1.1% like-for-like value increase respectively for 2024, recovering from the loss in the first half of 2024. Offices recorded a like-for-like value decline of 3.1%, remaining broadly stable since June 2024.

The Group has managed to navigate the uncertain economic environment since the start of the pandemic well, with leverage only rising modestly, and starting to reduce with our year-end 2024 results, thanks to several deleveraging measures such as disposals, dividend suspension and strategic debt buybacks. The improved transaction market and the valuations turning positive are supportive of the balance sheet strength going forward, supporting our aims to reduce leverage further.

New innovative initiatives, ATechX and ATworld

In 2024, we launched ATechX, our PropTech Accelerator which we run together with FifthWall, noa, and Round Hill Capital, prominent global Proptech VCs & RE Investors. We are convinced that Aroundtown is in a unique position to exploit the synergies stemming from the complementarity of ours and the VCs' developed capabilities, and this partnership will unlock new ways to create value and accelerate the growth of promising innovative companies in the PropTech sector through the Company's network, large portfolio, industry expertise and resources. The focus areas of the accelerator will be CO_2 reduction, Building Digitization, Content and Engagement, ESG Optimization, Ancillary Revenue Generation and Cost Efficiencies. We strongly believe this initiative will provide several strategic benefits to Aroundtown, such as the privileged access to these innovative solutions with the potential to increase efficiency that will continue to improve AT's operations, and will open new risk-mitigated investment opportunities with the potential to create outsized financial returns.

We have also launched ATworld, a user experience platform that will improve the experience of existing and new tenants, by transforming Aroundtown's office and hotel spaces into a connected network of space, service and experience locations that will open new possibilities for businesses and people. ATworld allows users to choose and book workspaces all across Europe, as well as offering access to further benefits such as concierge services, hospitality offerings and gyms and spas in hotels. This platform will provide several advantages to tenants, such as the ability to attract the best talent independently of their specific location, increasing flexibility and employee satisfaction. With this initiative, we're improving the tenant experience and responding to their modern needs, furthering Aroundtown's position as an innovation-first company, while also supporting the attractiveness of our assets.

ESG Progress

During 2024 we have continued to make progress on all ESG fronts, and we are pleased to present here some of our key achievements. We have been able to continue to expand our capabilities, continuing to embed the ESG principles into the culture of our company. This progress has been the result of the dedicated effort of our Sustainability team, with the support of all teams across the company. Looking forward, we remain committed to deepen our ESG initiatives and internal capabilities to continue to drive progress and lasting impact in these areas.

Environmental

We are proud to share that in 2024 we have continued to make substantial progress in green building certifications, benefiting from and strengthening our developed competencies that started with the first certifications in 2021. As a result, our office portfolio is now 65% certified, as compared to 36% last year. We also started obtaining certifications in our hotel portfolio, where we have reached a level of 30% and are working on continued strong progress also in 2025.

In addition to our progress in the obtainment of green certifications in our buildings, we have continued to increase the energy efficiency of our assets through targeted capital expenditure measures. We have also strived to make progress in these areas when conducting ongoing refurbishments in our properties, aiming to improve insulation and lighting in order to minimize energy loss, favoring more efficient consumption and further reducing CO_2 tax. These investments, in turn, increase tenant satisfaction and the value of our assets.

We are well on track to achieve our carbon reduction target of 40% by 2030.

Social

In 2024, we have again focused on having a positive impact on our communities, improving tenant services and reinforcing our standing as a preferred employer. Through Aroundtown and GCP foundations, we have collaborated in over a hundred projects in a broad range of areas, collaborating with charities and local associations. For example, through the Aroundtown foundation, we were able to support several food banks, or "Tafels", in Germany, supporting in funding for fleet costs, storage facilities, and specific projects aimed at lifting young people out of poverty. We also continued to provide support for organizations that support children and youths in several forms, such as providing resources for educational institutions and sports organizations, funding programs that organize activities for ill children, etc. Furthermore, in 2024 we had 39 employees provide support to Tafels in several of our locations as part of our social day program.

In light of our ongoing commitment to ensure high tenant satisfaction, the service center for both residential as well as commercial tenants was recertified in 2024. GCP has further integrated customer service functions on its applications, making it easier for tenants to chat with our employees in the service center and track the status of their requests. Furthermore, an AI chatbot has been introduced to further streamline the process and support operational efficiencies.

We understand the importance of all our employees in driving the performance of the Company, and we continuously strive to attract, develop and retain the best talent. To strengthen our position as a preferred employer in the real estate sector, we have launched several impactful programs. Among them is the "Career Pathways" program, set for completion in 2025, designed to offer employees clearer insights into growth and development opportunities. Furthermore, we expanded KPI-based evaluations to a broader group of employees and introduced surveys to promote self-development. We also completed the second round of the "Activate the Base" program, empowering employees to create their own sustainability projects with support from a dedicated coach.

Governance, Indices and Awards

We are committed to maintaining the highest transparency and sustainability standards, and we are proud to have received the EPRA BPR Gold award for the 8th consecutive year and the EPRA sBPR Gold award for the 7th consecutive year. We are also proud to continue to be included in the Bloomberg Gender Equality Index, which reflects our ongoing dedication to promote diversity and anti-discrimination in our Company. Our focus on sustainable practices is further reflected in our presence in prestigious ESG indices, including the Dow Jones Sustainability Index and the MDAX ESG+ Index, as well as Sustainalytics' rating which places us in the low-risk category and among the top 4th percentile globally across all industries, putting us in the 2025 ESG Top-Rated Companies List for the European region. Additionally, we ranked in the top 5th percentile of the whole real estate industry in the Corporate Sustainability Analysis (CSA) conducted by S&P, supporting the inclusion in the mentioned indexes and placing Aroundtown in the S&P Global Sustainability Yearbook of 2025, which contains 780 companies out of the 7,690 assessed in the CSA. These recognitions illustrate our culture and underscore our ongoing commitment to the best ESG practices.

I would like to express my gratitude once again to our exceptional teams for their dedication, proactive mindset, and tireless efforts throughout the past year. While the recent years have presented their share of challenges, Aroundtown has demonstrated resilience in navigating these pressures. While there is still macro-economic uncertainties and volatility in the capital markets, we do see a significantly clearer path going forward and are confident to the company's ability to extract internal growth as well capture opportunities in the market to create and deliver excess value to our stakeholders in 2025 and the years to come.

March 26, 2025

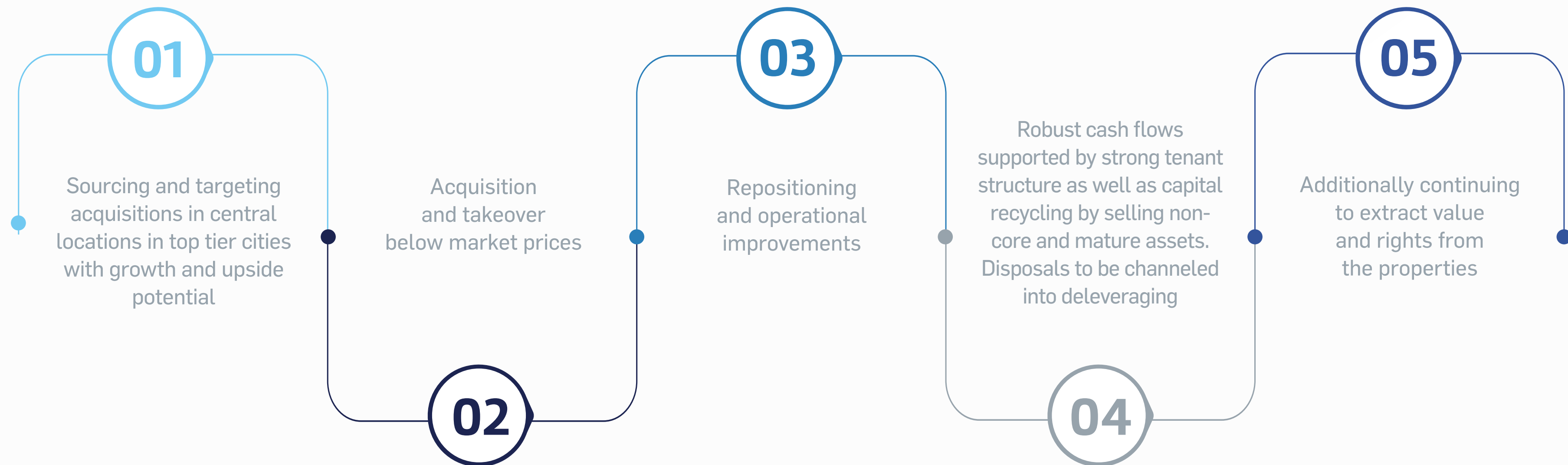
Barak Bar-Hen

The Strategy and Business Model

Value creation

The following section contains information that also covers reporting requirements under the ESRS. Data points: ESRS 2 SBM-1 Paragraph 40 a i, ESRS 2 SBM-1 Paragraph 42.

▶ AT'S VALUE CREATION STARTS PRIOR TO ACQUISITION



01 Sourcing and targeting acquisitions in central locations in top tier cities with growth and upside potential

Aroundtown's property sourcing success stems from its unique network as well as its reputation as a reliable real estate acquisition partner. The Group focuses on acquiring value-add properties in central locations of top tier cities characterized by below market rent levels, inefficient cost or lease structure and/or vacancy reduction potential. With over two decades of experience in the real estate markets, the Group benefits from a preferred buyer status across its sourcing network. The Group sources deals from a large and diverse deal sourcing base, such as receivers, banks, loan funds, broker networks, distressed owners, private and institutional investors and court auctions. The Group's primary focus is on major cities and metropolitan areas with positive demographic prospects.

The Group follows acquisition criteria which ensure that newly acquired properties align with its business model. These criteria include:

- Focus on central locations in top tier EU cities
- Value-add potential through operational improvements
- Cash flow generating assets
- Rent level per sqm below market level (under-rented properties)
- Purchase price below replacement cost and below market prices
- Potential to reduce operational cost per sqm significantly

Due to the experience and knowledge of its board and management, the Group is able to consider all possible uses for properties that it acquires, including altering the property's primary use in order to target specific supply shortages in the market. The Group believes that its business model provides it with a strong and sustainable competitive advantage.

02 Acquisition and takeover below market prices

After a potential property passes an initial screening, the property is further assessed in order to take into account the specific features of each project while ensuring that the acquisition is in line with the Group's overall business strategy. AT believes that its experience in analyzing properties with value creation potential, and in identifying both the potential risks and the upside potential of each property, results in fast, but thorough and reliable, screening procedures.

Once a property is acquired, the actual takeover occurs swiftly and efficiently. Because liquidity plays a significant role in the acquisition of value-add properties, AT benefits strongly from its solid liquidity position and its ability to acquire properties with existing resources and refinance the acquisition at a later stage. The Group also benefits from a strong and experienced legal department, which, combined with close and longstanding relationships with external law firms, enables AT to complete multiple deals simultaneously.

03 Repositioning and Operational Improvements

As a specific tailored business plan is constructed for each property, and the weaknesses and strengths are identified pre-acquisition, the execution of the repositioning process becomes smoother and faster. The business plan input is integrated into AT's IT/ software platform which enables the management to monitor all operational and financial parameters and fully control the repositioning progress. The success of the repositioning of the properties is the result of the following functions:

Operational and marketing initiatives

The initial repositioning activities aim at minimizing the time until the profitability of the acquired properties is improved. Targeted marketing activities are implemented to increase occupancy and thereby rental income. Vacancy reduction initiatives are tailored to the specific property type. Procedures applied to AT's commercial properties include establishing a network of internal and external, as well as local and nationwide letting brokers, offering promotional features and building a reputation in the market for high service standards. For the Group's hotel assets, optimal operators are selected and a fixed long-term lease contract is entered into once the hotel is repositioned. Initiatives for the Group's residential properties target relationship building with potential tenants and the local community by collaborating with local municipalities, supporting community initiatives and advertising on key real estate platforms, as well as targeted refurbishment of vacant apartments prior to re-letting.

Rent increase and tenant restructuring, assessed during the due diligence process, are executed according to the property's business plan, and the Group continuously screens its portfolio to find additional opportunities for operational improvements. Furthermore, the operational improvements the Group initiates improve the living quality or business environment for existing and future tenants, resulting in increased demand for these repositioned assets.

Having identified areas for operational improvements, the Group drills down on cost saving opportunities on a per unit basis, making use of modern technologies such as consumption-based meters. These efforts, combined with cost savings achieved through vacancy reductions and economies of scale, enable the Group to benefit from a significant improvement of the cost base and therefore higher profitability. AT manages its entire real estate value chain across acquisition, letting, upkeep and refurbishment. This integrated approach brings further efficiency benefits, a preferred landlord status and fast response times to its tenants.

Smart capex investments when required

AT addresses capex needs to keep the properties' high standards and addresses the requirements of its existing and prospective tenants. Capital improvements are discussed in close coordination with committed tenants, allowing an efficient and cost-effective implementation of the investments. The carried-out investments are followed up by AT's experienced construction team.

The financial feasibility of the proposed alterations is balanced against the lease term, rental income and property acquisition cost and bears quick returns over the investment period.

Key stakeholder relationship management considering sustainability matters

Aroundtown's strategy and business model takes into account the diverse interests and perspectives of its stakeholders, including its valued employees, both residential and commercial tenants, municipalities and local communities in which the Group operates, suppliers and business partners, and investors, and forms an important part of the approach to sustainable growth. More details on the Group's value chain is available in the Consolidated Sustainability Statement on p. 63. AT understands that without the support of its stakeholders that the Group would not be able to fully execute on its strategic goals. Understanding and addressing the needs and concerns of these stakeholders requires ongoing communication, active engagement, and a commitment to ethical business practices. Regular feedback mechanisms, community involvement, and a proactive approach to problem-solving contribute to building trust and long-lasting relationships with all stakeholders and have been embedded across AT's business functions to ensure that their interests are represented and addressed. Aroundtown's business strategy takes into account the sustainability matters identified as material during its Double Materiality Assessment. Whether these relate to its own workforce, its supply chain or the energy efficiency of its assets and other environmental matters, the Group adapts its strategy and underlying processes where necessary to reflect the impacts and importance of its material sustainability topics.

Aroundtown puts great emphasis on establishing strong relationships with its tenants to reduce churn rates, to predict as well as strengthen the tenant structure and thereby positively affect its cash flows in the future. The Group aims to offer high quality services for both potential and existing tenants. The Group pays great attention to the industry in which its commercial tenants operate and to their individual success factors. The Group also offers direct support to its tenants through add-on facilities at its rental properties such as space extensions to facilitate growth and smart space redesign to match modern office layouts. The Group supports its tenants through its TÜV- and ISO 9001:2015-certified commercial and residential Service Centers, available via various channels. Furthermore, within its commercial property portfolio the Group aims to establish personal relationships between its tenants and its asset and property managers, providing them with personal contact points, which allows the Group to react promptly to problems and proactively prolonging existing contracts in order to optimize and secure long-term revenues.

04 Robust cash flows supported by strong tenant structure

Aroundtown targets the generation of robust cash flows throughout its operations. This is supported by ongoing cost controls and long-term value creation through repositioning and operational improvements and by extracting the upside potential embedded in the portfolio, continuous optimization of the tenant structure and thereby generating robust internal growth and cash flows.

Capital recycling by selling non-core and mature assets

While the Group's main focus is on extracting the potential of its portfolio, the Group also pursues an accretive capital recycling of non-core and/or mature properties. AT continuously analyzes its portfolio in terms of upside potential to lift and focuses its resources on properties with higher upside. AT seeks to dispose of properties where most of the potential has been achieved or which are not in the core locations of AT. The disposal of such properties enables capital recycling and provides firepower to pursue new opportunities with higher upside potential on one hand and increases the quality of the portfolio on the other. Additionally, proceeds from disposals enable the Company to buy back debt, strengthen the balance sheet and reduce leverage.

05 Extracting building rights from unused or underutilized land or conversion rights from existing properties and new land

As part of the value creation process, Aroundtown identifies and extracts building rights from unused or underutilized existing and new land and buildings and conversion rights, providing an additional internal growth driver. AT assesses internally the best use for the rights and advances on to maintain the discussion with authorities, engineers and architects in order to realize plans into permits. Once the planning and permit phases are completed, Aroundtown analyzes each project individually and decides the best way to realize the value into proceeds. Aroundtown does not intend to fully build and develop all of the rights and estimates that most of the rights will be disposed.

Frankfurt

Key Strengths

Experienced Board and Management

AT's board and management can draw on a wealth of experience in the real estate market and associated sectors. This enables the Group to continuously innovate, make strategic decisions quickly and accurately, and successfully grow. The Group's remarkable growth since inception into one of the largest real estate companies in Europe has created two key benefits in this regard: on one hand, the ability to attract managers and employees that redefine the industry, and on the other hand the internalization of a knowledge and experience pool at a fraction of the cost in relation to its portfolio.

This knowledge is communicated and utilized across the Group and its business units which shapes its processes and operational improvements.

AT's management possesses the knowledge that makes up its main competitive advantage, the ability to extract the operational and value potential from its assets. This includes the ability to execute the business plan successfully, which includes executing vacancy reduction activities, establishing cost efficiency measures, setting rent increase processes, understanding tenant structures, and optimizing rental contracts in terms of lease maturity and income security. Cross-sector experience enables the extraction of the full value of the properties and operational experience improves the monitoring and reduction of costs.

Deal Sourcing and Ability to Create Accretive Growth

The Group's acquisition track record over the past two decades has led it to become a market leader and have a preferred acquirer status, primarily due to its professional approach, fast and high execution rates, and reliability.

The Group has a proven track record of acquiring properties with various value-add drivers and successfully extracting the upside potential. This activity is accompanied by a pipeline and acquisition of attractive properties and the successful transition of the existing properties into mature assets, generating secure long-term cash flows. This large network also enables Aroundtown to dispose properties.

Quality Locations in Top Tier Cities

The Group's assets are primarily located in two of Europe's strongest economies with AAA sovereign ratings: Germany and the Netherlands. Within these countries, the Group focuses on central locations in top tier cities including Germany's capital Berlin, the financial center Frankfurt, the wealthiest cities Munich and Hamburg, the large metropolitan area of North Rhine Westphalia, Netherlands' financial center and capital Amsterdam, Europe's biggest port city and Germany's dynamic metropolitan regions in the east Dresden and Leipzig. The Group's assets are further diversified into other top cities with strong economic fundamentals, such as one of Europe's main financial centers and most popular touristic destination, London.

Conservative Financing Structure

AT's conservative capital structure approach is reflected in an LTV of 42% as of December 31, 2024, below the Board of Directors' guidance of 45%. Aroundtown's management views the conservative debt metrics as vital to secure long-term financial strength. The Company continuously analyzes financing opportunities and aims to take advantage of the optimal source of capital in each market environment. In the current market environment the Company focuses on secured financing at relatively attractive rates.

Financial Policy

Aroundtown has set a financial policy to improve its capital structure further:

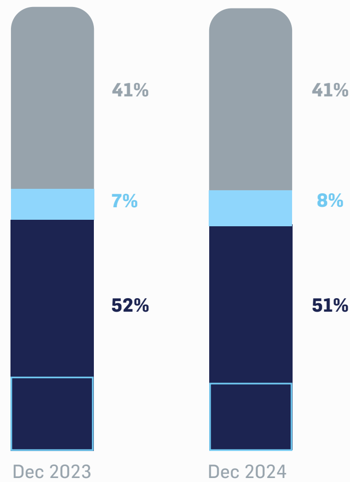
- LTV guidance below 45% on a sustainable basis
- Debt to debt-plus-equity ratio at 45% (or lower) on a sustainable basis
- Maintaining conservative financial ratios with a strong ICR
- Unencumbered assets above 50% of total assets
- Long debt maturity profile
- Good mix of long-term unsecured bonds & bank loans
- Dividend distribution of 75% of FFO I per share*

Aroundtown's conservative capital structure, strong track record in accessing capital markets and its strong relationships to mortgage banks enable the Group to finance its funding needs. The Group maintains a robust liquidity position through a mix of operational cash flow generation and balance of cash and liquid assets which as of December 31, 2024 amounted to €3.6 billion. Additionally, undrawn RCF's of which €0.8 billion have been extended in 2024 and a high ratio of unencumbered investment properties of 71% by rent (€16.9 billion in total value) as of December 31, 2024 provide for additional financial flexibility.

*The decision is subject to market conditions and AGM approval

Hamburg

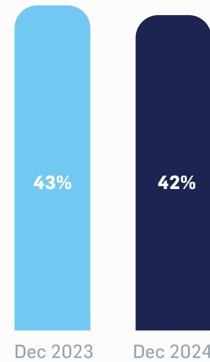
FINANCIAL POSITION HIGHLIGHTS



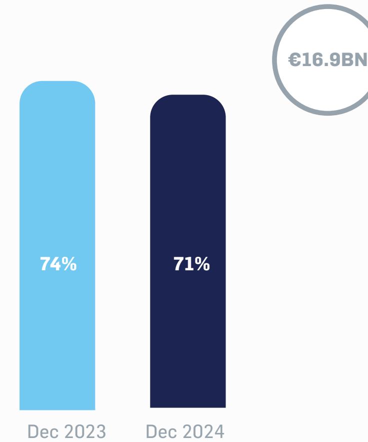
- Straight bonds
- Loans & borrowings
- Total Equity
  - of which Perpetual Notes

LOAN-TO-VALUE

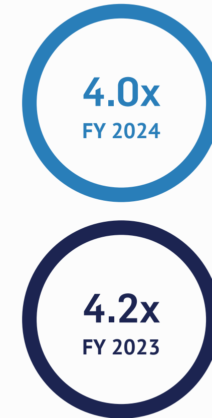
Board of Directors' guidance of 45%



HIGH UNENCUMBERED ASSETS RATIO



MAINTAINING HIGH INTEREST COVER RATIO (ICR)



DEBT KPI'S

3.8 years
Average debt maturity

2%
Average cost of debt

INVESTMENT GRADE CREDIT RATING

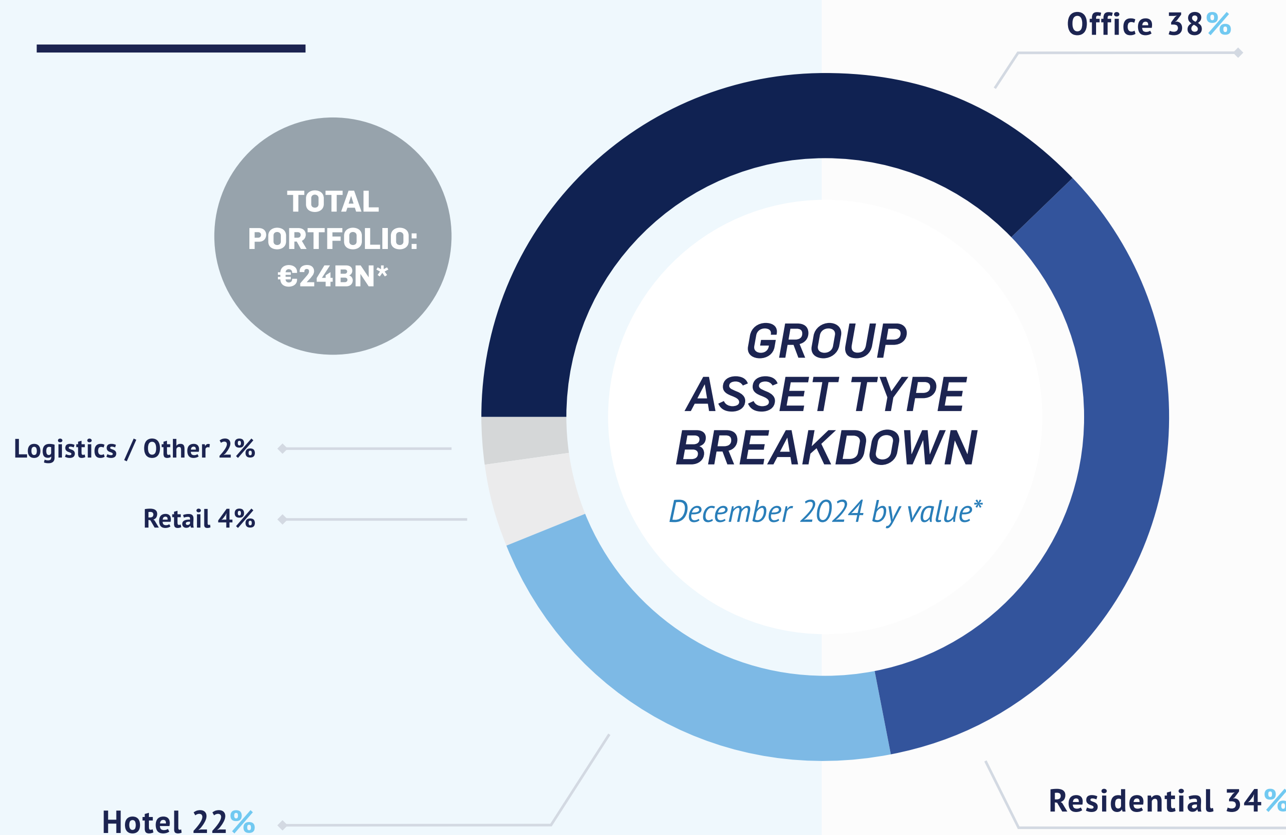
AT has a BBB+ (outlook negative) rating by Standard & Poor's ratings services ("S&P"). S&P acknowledges AT's strong business profile and large portfolio with great scale and diversification, well balanced across multiple asset types and regions with no dependency on a single asset type or region, together with a large and diverse tenant base and long lease structures. Since the initial credit rating of 'BBB-' received from S&P in December 2015, AT's rating was upgraded twice to the 'BBB+' rating. AT's S&P credit rating was last affirmed in December 2024.

Affirmed in Dec 2024

Berlin

Aroundtown's Quality Portfolio

Well-Diversified Group Portfolio with Focus on Strong Value Drivers



*including development rights & invest and excluding properties held for sale

Asset Type

Strongly diversified portfolio with a focus in offices, residential and hotels.

Tenant

High tenant diversification with no material tenant or industry dependency.

Commercial portfolio with over 3,000 tenants and residential portfolio with very granular tenant base.

Location

The portfolio is focused on the strongest economies in Europe: 80% of the Group's portfolio is in Germany and the Netherlands, both AAA rated countries.

Focus on top tier cities of Germany and the Netherlands and on London.

Well-distributed across multiple regions with a large footprint in top tier cities such as Berlin, Munich, and Frankfurt.

Industry

Each location has different key industries and fundamentals driving the demand.

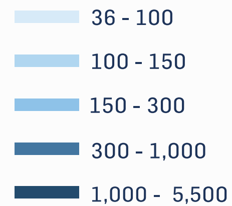
Therefore, the Group's tenants are diversified into distinct sectors, eliminating the dependency on a single industry.

Group Portfolio Overview

Germany & The Netherlands: 80% of the portfolio

Hamburg
Bremen
Berlin
Hannover
Amsterdam
Utrecht
Rotterdam
NRW
Halle
Leipzig
Dresden
Wiesbaden
Frankfurt
Mainz
Mannheim
Nuremberg-Fuerth
Stuttgart
Munich

POPULATION DENSITY IN GERMANY AND THE NETHERLANDS

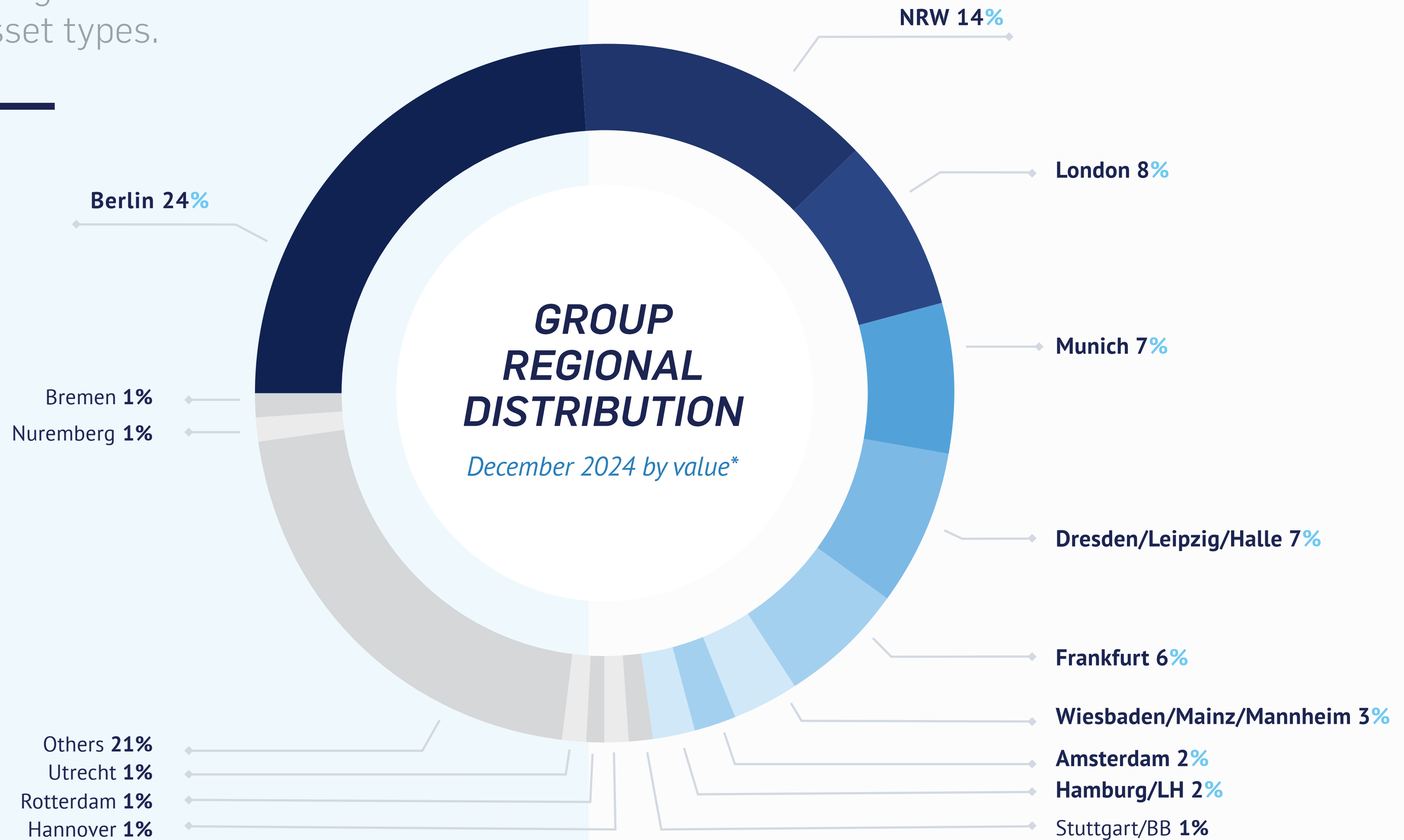


inhabitants per sqkm (Destatis & CBS)

- **Two of the strongest economies in Europe with AAA credit rating**
- **Among the lowest unemployment levels in Europe**
- **Low debt/GDP levels compared to European average**
- **7 of the 15 largest metropolitan areas by GDP in the EU are in Germany & The NL**
- **Together making up more than a quarter of the EU's economy**

High Geographical Diversification

Berlin is the single largest location.
AT is a leading landlord in Berlin across multiple asset types.



*including development rights & invest and excluding properties held for sale

Brussels

Berlin Alexanderplatz

Approx.

130,000 SQM

lettable space in the prime commercial and tourist center Alexanderplatz

Best-in-class Berlin portfolio

Central locations within top tier cities: A Berlin example

Map representing approx. 95% of the portfolio

85%

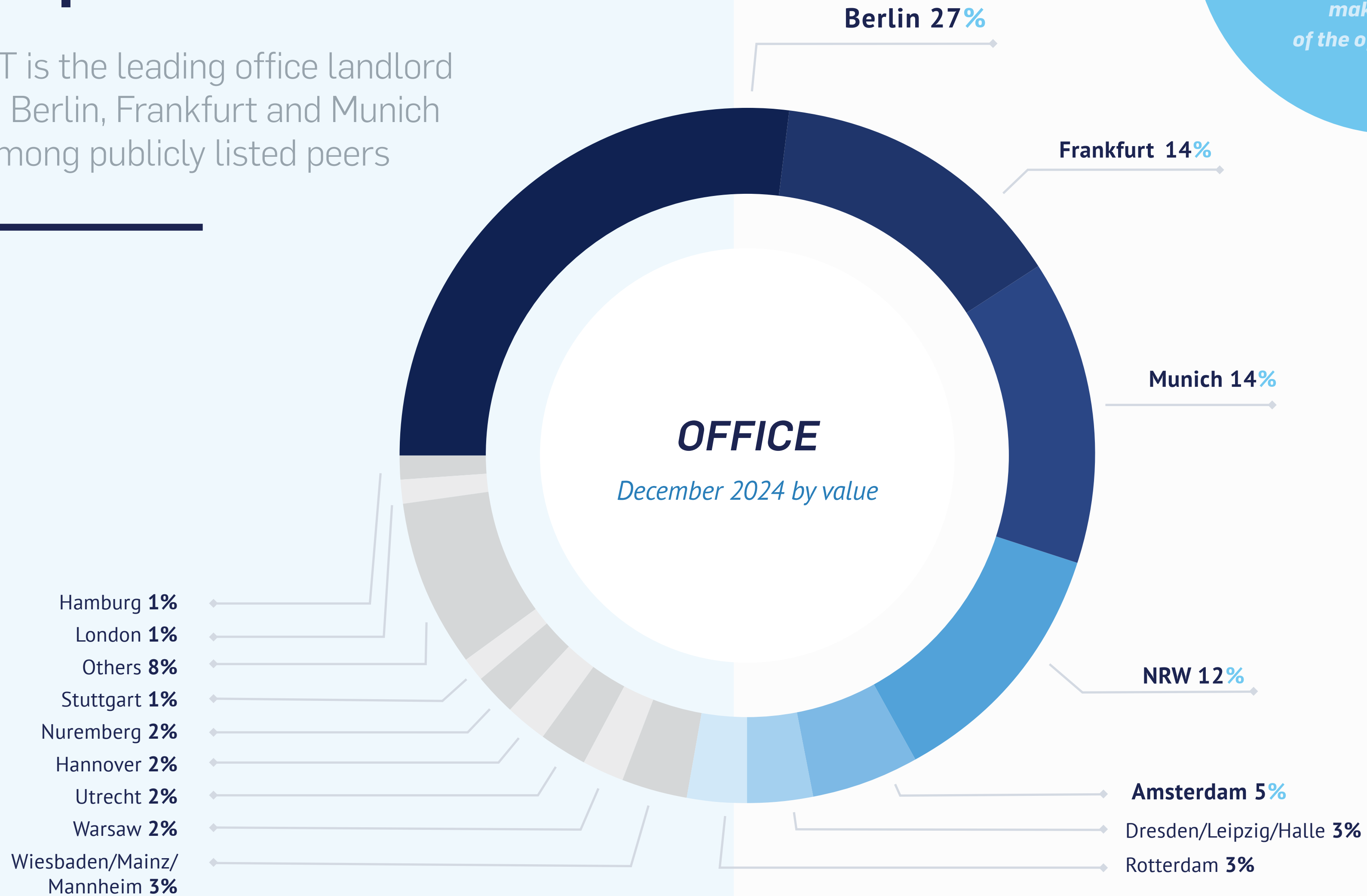
of the portfolio is located in top tier neighborhoods including Charlottenburg, Wilmersdorf, Mitte, Kreuzberg, Friedrichshain, Lichtenberg, Schöneberg, Neukölln, Steglitz and Potsdam

15%

of the portfolio is well located primarily in Reinickendorf, Spandau, Treptow, Köpenick and Marzahn-Hellersdorf

Office: High Quality Offices in Top Tier Cities

AT is the leading office landlord in Berlin, Frankfurt and Munich among publicly listed peers



TOP 4 OFFICE CITIES:

Berlin, Munich, Frankfurt and Amsterdam make up 60% of the office portfolio.

Cologne

Utrecht

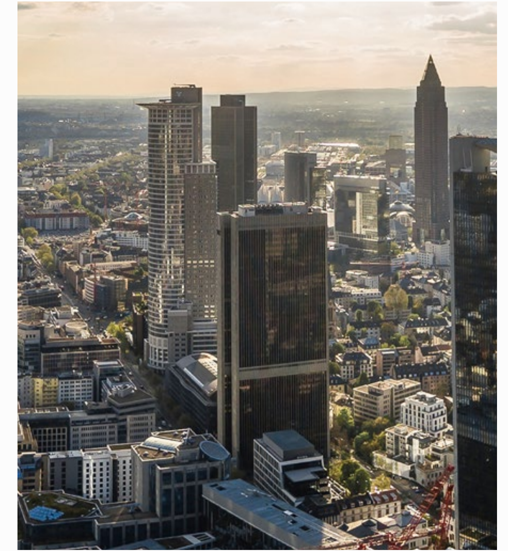
Berlin

Rotterdam

Mannheim

Leipzig

Berlin

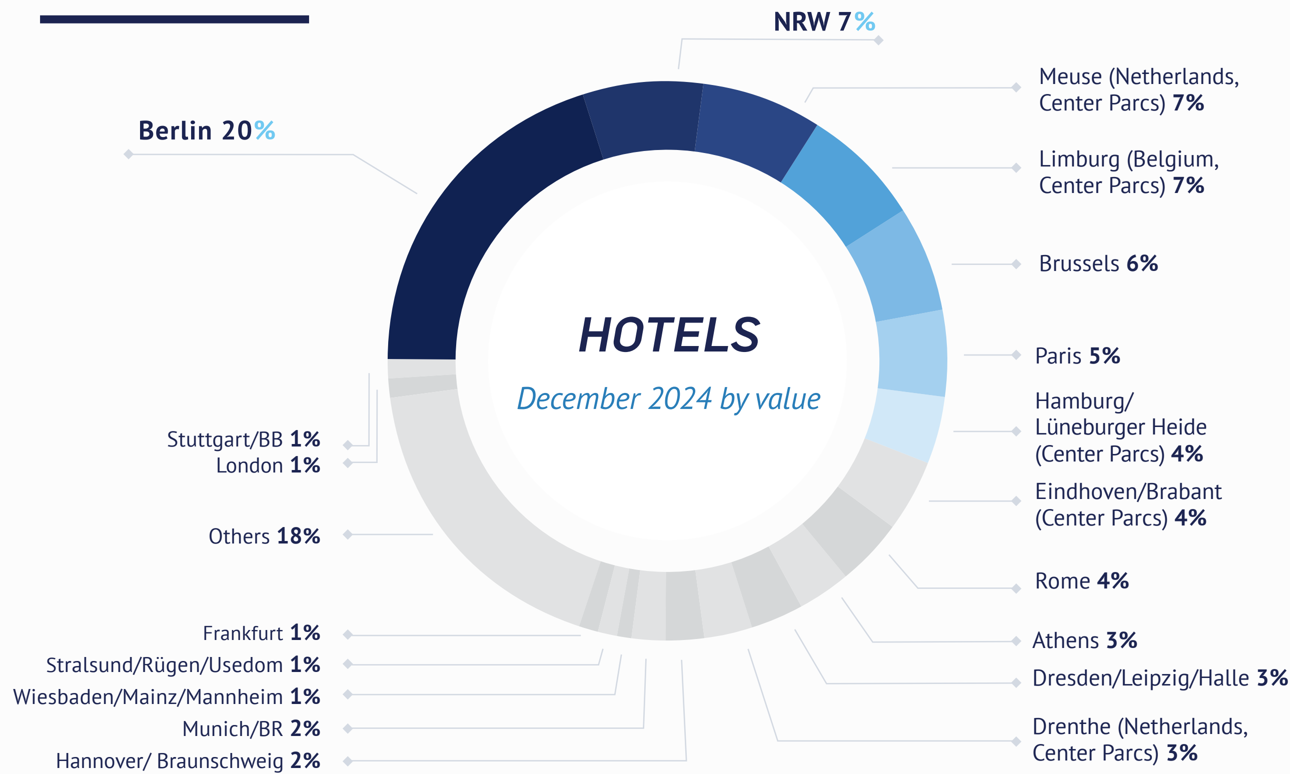

Frankfurt

Dresden

Stuttgart

HOTELS: Focus on Central Locations, Quality and Operators with Brand Recognition

Over 150 hotels across top locations with fixed long-term leases with third party hotel operators



AT's hotel portfolio, valued at €5.2 billion as of December 2024, is well diversified and covers a total of 1.6m sqm. The hotels are branded under a range of globally leading branding partners which offer key advantages such as worldwide reservation systems, global recognition, strong loyalty programs, quality perception and benefits from economies of scale. The hotel assets are let to hotel operators which are selected according to their capabilities, track record and experience. AT's management participates in the branding decision of the hotel, applying its expertise in selecting the optimal brand.

Hotels leased to third party operators and franchised with various strong brands and a large scale of categories which provides high flexibility for the branding of its assets

High Geographical Diversification

Diverse European Metropolitan Footprint

Fixed long term leases with third party hotel operators

Aroundtown's hotel assets are well-diversified and well-located across major European metropolitans, with a focus on Germany. The locations of AT's hotel assets benefit from a strong tourism industry since they are some of Europe's most visited cities as well as top business locations such as Berlin, Frankfurt, Munich, Cologne, Paris, Rome and Brussels.

Cologne

Berlin

Rome

Hamburg/ Lüneburger Heide (Center Parcs)

Eindhoven/Brabant (Netherlands, Center Parcs)

Berlin

Brussels

Bad Saarow (Brandenburg/Berlin)

Davos

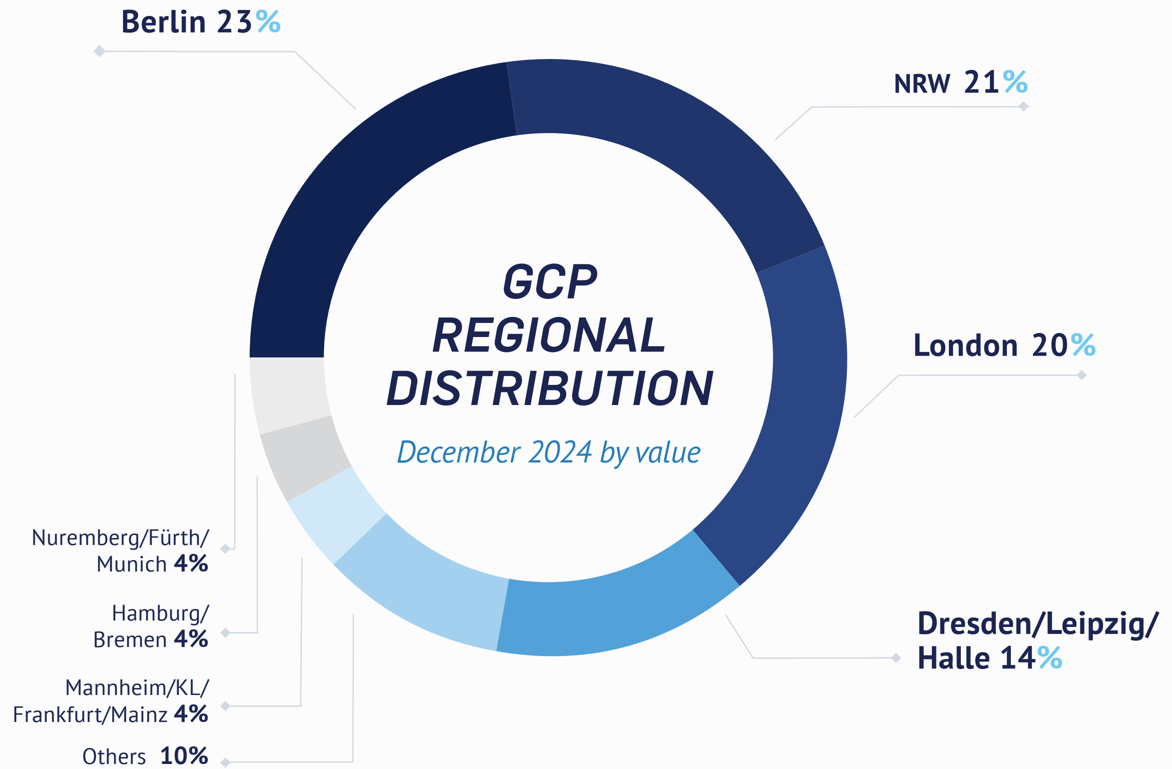
Cologne

Berlin

Grand City Properties

Residential portfolio

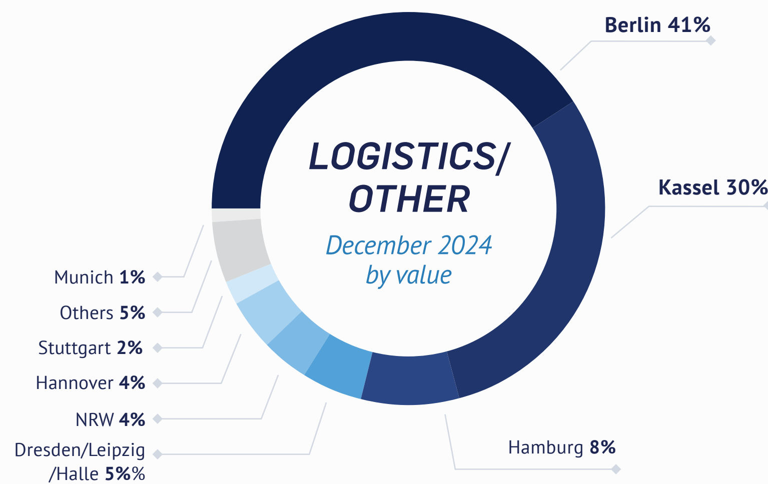
The residential portfolio is primarily held through a 62% stake in Grand City Properties ("GCP") as of December 31, 2024. GCP is a leading market player in the German residential market and a specialist in value-add opportunities in densely populated areas, predominantly in Germany, as well as in London. GCP is a publicly listed real estate company, traded on the Frankfurt Stock Exchange. Since July 1, 2021, GCP is consolidated in AT's financial accounts, providing the Group with a well-balanced portfolio breakdown. GCP holds 61k units in its portfolio with the properties spread across densely populated areas in Germany, with a focus on Berlin, North Rhine-Westphalia and the metropolitan regions of Dresden, Leipzig and Halle, as well as London. GCP includes a relatively small share of commercial properties which AT reclassifies into their relevant asset class. GCP puts a strong emphasis on growing relevant skills in-house to improve responsiveness and generate innovation across processes and departments. Through its Service Center and by supporting local community initiatives, GCP established industry-leading service standards and lasting relationships with its tenants. For more information, please visit GCP's website.

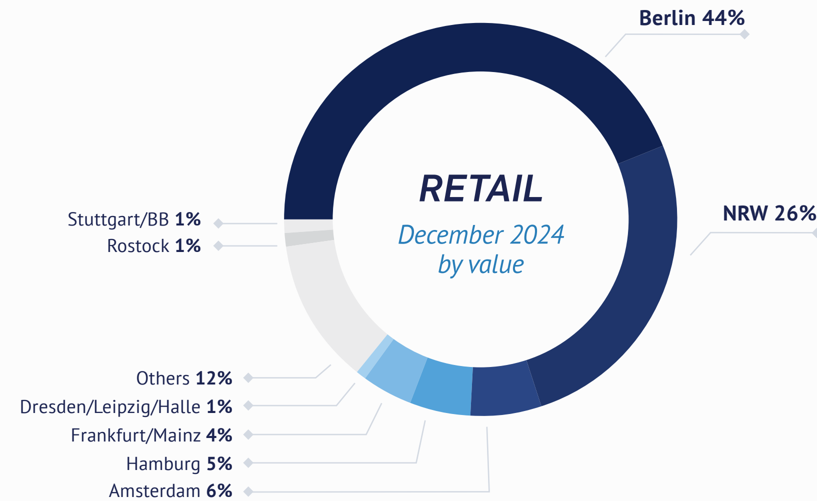


S&P Global
BBB+
OUTLOOK
NEGATIVE

Further Portfolio Diversification through Logistics/Other and Retail

Retail: Largest focus is on resilient essential goods tenants and grocery-anchored properties catering strong and stable demand from local residential neighborhoods





Kassel

Berlin

Asset type overview

December 2024	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield	WALT (in years)
Office	8,268	2,993	12.7%	431	13.3	2,763	5.2%	4.3
Residential	7,802	3,506	3.5%	383	9.3	2,225	4.9%	NA
Hotel	5,164	1,565	2.6%	254	13.5	3,299	4.9%	14.2
Logistics/Other	400	433	6.7%	26	5.2	925	6.4%	4.8
Retail	1,024	493	13.5%	52	10.0	2,077	5.1%	4.5
Development rights & Invest	1,717							
Total	**24,375**	**8,990**	**7.5%**	**1,146**	**11.2**	**2,521**	**5.1%**	**7.6**
Total (GCP at relative consolidation)	**21,093**	**7,530**	**8.1%**	**989**	**11.6**	**2,583**	**5.1%**	**7.7**

Regional overview

December 2024	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield
Berlin	5,145	1,370	8.4%	210	13.4	3,756	4.1%
NRW	3,236	1,839	7.5%	177	8.3	1,760	5.5%
London	1,978	235	3.7%	104	39.8	8,430	5.2%
Dresden/Leipzig/Halle	1,635	1,044	4.4%	86	7.1	1,567	5.3%
Munich	1,438	486	8.8%	54	9.6	2,961	3.8%
Frankfurt	1,252	406	16.8%	61	15.2	3,088	4.9%
Wiesbaden/Mainz/Mannheim	592	237	7.6%	33	11.9	2,503	5.5%
Amsterdam	543	159	7.8%	29	15.7	3,420	5.4%
Hamburg/LH	467	180	3.8%	28	12.9	2,590	6.0%
Hannover	259	156	17.1%	14	9.3	1,660	5.5%
Rotterdam	198	83	5.0%	15	14.7	2,381	7.6%
Utrecht	180	70	6.9%	12	13.9	2,593	6.6%
Stuttgart/BB	161	82	9.2%	10	11.1	1,957	6.4%
Other	5,574	2,643	6.7%	313	10.4	2,108	5.6%
Development rights & Invest	1,717						
Total	**24,375**	**8,990**	**7.5%**	**1,146**	**11.2**	**2,521**	**5.1%**

Capital Markets

Key Index Inclusions

Aroundtown's share is a constituent of several major indices such as **MDAX, MDAX ESG+, FTSE EPRA/NAREIT Index Series, MSCI World Small Cap, DJSI Europe** as well as **GPR 100 & 250, and GPR Global Top 100 ESG**.

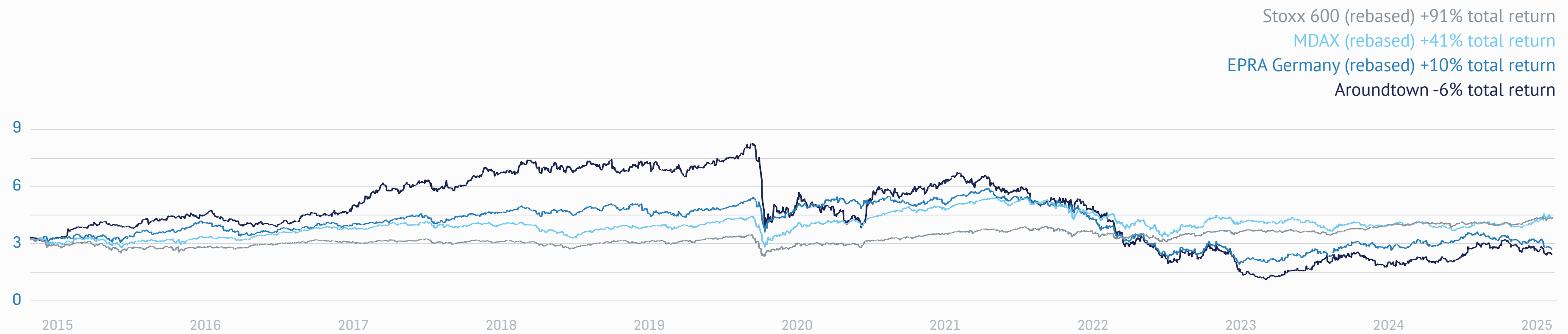
Investor Relations Activities

The Group is proactively approaching a large investor audience in order to present its business strategy, provide insight into its progress and create awareness of its overall activities to enhance its perception in the market. AT participates in a vast amount of various national and international conferences, roadshows, one-on-one presentations and in virtual video conferences in order to present a platform for open dialogue. Explaining its unique business strategy in detail and presenting the daily operations allow investors to gain a full overview about the Group's successful business approach. The most recent information is provided on its website and open channels for communication are always provided. Currently, AT is covered by 19 different research analysts on an ongoing basis, with reports updated and published regularly.

TRADING DATA	
Placement	Frankfurt Stock Exchange
Market segment	Prime Standard
Trading ticker	AT1
Initial placement of capital	13.07.2015
Key index memberships	MDAX MDAX ESG+ FTSE EPRA / NAREIT: – Global – Developed Europe – Eurozone – Germany – Green Indexes DJSI Europe MSCI World Small Cap GPR 100 & 250 GPR Global Top 100 ESG
AS OF DECEMBER 31, 2024	
Number of shares	1,537,025,609
Number of shares, base for share KPI calculations[1]	1,093,593,546
AS AT MARCH 25, 2025:	
Shareholder Structure	Freefloat: 46% Shares held in treasury [i]: 29% Avisco Group/Vergepoint [ii]: 15% Stumpf Capital GmbH [iii]: 10% [i] 12% are held held through TLG Immobilien AG, voting rights suspended [ii] controlled by Yakir Gabay [iii] controlled by Georg Stumpf
Market cap	€3.6 bn / €2.6 bn (excl. treasury shares)

[1] excluding suspended voting rights

Share price performance and total return since initial placement of capital (13.07.2015)



Bad Saarow (Brandenburg/Berlin)

Amsterdam

Corporate Governance Statement

The Group places a strong emphasis on corporate governance, which is executed responsibly by the Board of Directors and the management teams. The Group is proud of the high degree of confidence of its investors, which is reflected in the impressive placement of funds by major global investment banks. Among the Group's shareholders and bondholders are large international leading institutional investors and major global investment and sovereign funds.

Aroundtown follows very strict Codes of Conduct which apply to its employees and business partners respectively and include references to policies and rules in respect of Anti-Corruption (inclusive of anti-bribery guidelines), Anti-Discrimination, conflicts of interest and others.

Aroundtown is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. In particular, Aroundtown SA is not required to adhere to the "Ten Principles of Corporate Governance" of the Luxembourg Stock Exchange or to the German Corporate Governance Code, which are only applicable to domestic issuers, save for recommendations C.10 (with sole reference to its applicability to the Chair of the Audit Committee) D.8 and D.9 of the German Corporate Governance Code (Deutscher Corporate Governance Kodex). Aroundtown issues an annual declaration that it does not deviate from the aforementioned recommendations of the German Corporate Governance Code. In general, Aroundtown already complies with most of these principles and continues to take steps to implement environmental, social and corporate governance best practices throughout its business. The Group's efforts support the United Nations Sustainable Development Goals, particularly those relating to Peace, Justice and Strong Institutions (#16) and Partnerships for the Goals (#17).

The Group is a founding member of the United Nations Global Compact Network Germany, one of the largest corporate sustainability initiatives, signaling the Group's commitment to strong corporate governance through adherence the Ten Principles of the UN Global Compact.

Board of Directors

The Group is administered by a Board of Directors that is vested with the broadest powers to perform and manage in the Group's interests. All powers not expressly reserved by the Luxembourg Law of 10 August 1915 on commercial companies, as amended, ("Luxembourg Companies Act") or by the articles of association of Aroundtown SA ("Articles of Association") to the general meeting of the shareholders, fall within the competence of the Board of Directors.

On a regular basis, the Board of Directors evaluates the effective fulfilment of its remit and compliance with corporate governance procedures implemented by the Group. Evaluations are also performed by the Audit and Risk Committees on related aspects. The Board of Directors currently consists of a total of seven members, of which four members are independent, and one member is non-executive. The members are elected by the general meeting of shareholders and resolve on matters on the basis of a simple majority, in accordance with the Articles of Association. The number of directors, their term and their remuneration are determined by the general meeting of shareholders and the maximum term of directors' appointment at each election is six years according to Luxembourg law, however directors may be re-appointed after such term.

The members of the Board of Directors undertake regular training on topics such as regulatory and legal updates, sector-specific and capital markets subjects and ESG matters.

Annual General Meeting

The Annual General Meeting of the shareholders of Aroundtown SA ("AGM") was held on June 26, 2024 in Luxembourg. All items on the agenda were carried by a majority, including the approval of the statutory annual accounts of the Company and the consolidated financial statements of the Group for the year ended December 31, 2023.

The next Annual General Meeting of the shareholders is intended to take place on June 24, 2025 in Luxembourg.

Members of the Board of Directors

Name	Position
Mr. Frank Roseen	Executive Director
Ms. Jelena Afxentiou	Executive Director
Mr. Ran Laufer	Non-Executive Director
Mr. Markus Leininger	Independent Director
Ms. Simone Runge-Brandner	Independent Director
Mr. Markus Kreuter	Independent Director
Mr. Daniel Malkin	Independent Director

The Annual General Meeting in 2023 approved the renewal of the mandates of all the directors until the Annual General Meeting 2025.

Senior and Key Management

Name	Position
Mr. Barak Bar-Hen	Co-CEO and COO
Mr. Eyal Ben David	CFO
Mr. Oschrie Massatschi	CCMO (Chief Capital Markets Officer) (until December 31, 2024)
Ms. Limor Bermann	CSO (Chief Sustainability Officer)

Advisory Board

The Board of Directors has established an Advisory Board to provide expert advice and assistance. The Board of Directors decides on the composition, tasks and term of the Advisory Board as well as the appointment and dismissal of its members. The Advisory Board has no statutory powers under the Luxembourg Companies Act or the Articles of Association, but applies rules adopted by the Board of Directors. The Advisory Board and its members are an important source of guidance for the Company when making strategic decisions.

Name	Position
Dr. Gerhard Cromme	Chairperson of the Advisory Board
Mr. Yakir Gabay	Advisory Board Deputy Chairperson
Mr. Claudio Jarczyk	Advisory Board Member
Mr. David Maimon	Advisory Board Member

Audit Committee

The Board of Directors has established an Audit Committee in order to maintain high corporate governance and transparency standards as well as to provide guidance to the Board in fulfilling the Board's responsibilities to the Company and its shareholders regarding the integrity of the accounting and financial process, internal control and risk management. The responsibilities of the Audit Committee include monitoring the integrity of the financial statements, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes andthe accounting processes, including reviewing accounting standards. The Audit Committee recommends to the Board of Directors the appointment and replacement of the approved independent auditor and provides guidance to the Board of Directors on the approval of the annual financial statements of the Group and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The Audit Committee consists of the independent directors, Mr. Markus Kreuter (Chairperson), Mr. Markus Leininger, Mr. Daniel Malkin and Ms. Simone Runge-Brandner.

Risk Committee and Risk Officer

The Board of Directors has established a Risk Committee to maintain high corporate governance and transparency standards as well as to provide guidance to the Board in fulfilling the Board's responsibilities to the Company and its shareholders. The Committee shall monitor the effectiveness and adequacy of the internal control system and risk management system. The Committee is tasked with assisting and providing advice and recommendations to the Board of Directors in fulfilling its oversight responsibilities relating to identification of different types of risks, recommending a risk management

structure including its organization and its process as well as assessing and monitoring the effectiveness of existing risk management systems. The Risk Committee is supported by the Risk Officer, who brings a systematic and disciplined approach to evaluating and improving the culture, capabilities, and practices integrated with strategy-setting and execution. The Risk Officer's responsibilities are determined and monitored by the Risk Committee, whose oversight is established pursuant to the Rules of Procedure of the Risk Committee. The Risk Committee provides advice on compliance actions, in particular, by reviewing the Group's procedures to detect risk, assessing the effectiveness of the Group's risk management and internal control system, and by assessing the scope and effectiveness of the systems established by the Company in order to identify, assess and mitigate risks. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment and dismissal of its members. The members of the Risk Committee are Mr. Markus Kreuter (Chairperson), Ms. Simone Runge-Brandner, Mr. Ran Laufer and Mr. Daniel Malkin.

Internal Controls and Risk Management Systems

The Group closely monitors and manages any potential risk and sets appropriate measures in order to mitigate the occurrence of any possible failure to the extent possible. The Board has allocated duties and responsibilities regarding internal control and risk management systems to both the Audit Committee and the Risk Committee. These committees work closely together to ensure the effectiveness of the risk management system. The Risk Committee constructs the risk management structure, organization and processes. The Risk Committee also monitors the effectiveness of risk management functions throughout the organization, ensures that the required infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline. The Group categorizes the risk management systems into two main categories: internal risk mitigation and external risk mitigation.

The internal controls and compliance of the Group are supervised by the Risk and Audit Committees and is supported by Mr. Christian Hupfer, the Chief Compliance Officer.

Internal Risk Mitigation

Internal controls are constructed from five main elements:

» Risk assessment – set by the Risk Committee and guided by an ongoing analysis of the Group's organizational structure and existing risks in order to identify and minimize potential weaknesses. Further, the Risk and Audit Committees assess control deficiencies in the organization and execute on issues which have been identified that may have an impact on the risk management framework.

» Control discipline – based on the organizational structure and supported by employee and management commitments. The discipline is established on the foundations of integrity and ethical values.

» Control features – the Group sets physical controls and undertakes compliance checks and verifications including cross departmental checks. The Group puts strong emphasis on separation of duties as approval and payments are done by at least two separate parties. Payment verifications are cross checked and confirmed with budget and contracts. Any payment exceeding a certain set threshold amount requires additional approval by the head of the department as a condition for payment.

» Monitoring procedures – the Group monitors and tests unusual entries, mainly through a detailed monthly actual vs. budget analysis and checks. Strong and sustainable control and organizational systems reduce the probability of errors and mistakes significantly. The Company's management sees a high degree of importance in constantly improving all measures, adjusting to market changes and organizational dynamics.

» ESG-risk-related expenditures – the Group has included identification of potential financial liabilities and future expenditures linked to ESG risks in the organizational risk assessment. Potential future expenditures on ESG matters and opportunities are included in the financial budget.

Compliance, Code of Conduct, Diversity Policy, Data Protection and Information & Cyber Security

Safeguarding the Group from any reputational damage due to error or misconduct is essential in maintaining the Group's reputation. Therefore, enforcing responsible behavior guided by integrity is a central tool for the management in terms of its dealings. For this reason, the compliance and risk management teams are structured accordingly and supplemented by procedures which cover all steps of real estate investment and the management chain to ensure compliance. In order to stipulate ethical behavior throughout its operations, Aroundtown has implemented Codes of Conduct into both employment contracts and business partners contracts which incorporate policies that prevent compliance violations and misconducts. These policies include for example the Anti-Corruption Policy, Diversity Policy and Anti-Discrimination Policy, as well

as measures to prevent human right violations and ensure data protection and the Company's Whistleblowing Policy.

The Group has agreed on binding standards to achieve an ethical business conduct within its Group, its employees and other personnel in order to expressly distance itself from corrupt behaviors and unethical business practices. Such principles shall also be explicitly acknowledged by its business partners. The Code of Conduct for Business Partners, which is mandatory for Aroundtown's business partners, includes elements such as respecting and recognizing employees' rights pertaining to freedom of association and the exercise of collective bargaining, providing fair remuneration in wages, refraining from child, forced and compulsory labor, respecting the minimum age requirements within given countries and providing a workplace free of harassment and discrimination of any kind.

The Code of Conduct for Employees is supplemented by topical guidelines as well as the Diversity Policy and Anti-Discrimination Policy. The Group's Diversity Policy promotes a fair and inclusive workplace culture, advancing equal opportunities and eliminating discrimination. The diversity of perspectives from differences in nationality, ethnicity, race, culture, age, gender, religion, ideology, sexual identity, physical ability, or other personal attributes are all respected. Discrimination on the basis of any of these characteristics constitutes an infringement of basic human rights and is explicitly prohibited throughout the Group. Additionally, Aroundtown is a signatory of the "Diversity Charter *(Charta der Vielfalt)*, a corporate initiative to promote diversity in companies and institutions. The implementation and integration of diversity initiatives across the organization is overseen by the Diversity Committee. The Diversity Policy is accessible to all employees via the Company's website and intranet. Regular assessments and reports are conducted to ensure transparency and accountability. Employees are encouraged to participate in diversity training programmes to foster a more inclusive environment. Aroundtown is committed to the representation of women on the board of directors and ensuring a diverse mix of professional backgrounds and expertise. Board members are selected based on multiple years of experience in the real estate sector and other relevant industries. In 2024, women held 33% of management positions across the Group, compared to 35% in 2023. As of December 31, 2024, women held two of the seven positions on the Board of Directors. Further details about the Group's diversity management and key figures can be found in its sustainability reporting materials.

In addition to these general requirements, the Group also promotes diversity in many different areas, such as a professional and cultural background and talent pool. The commitment to diversity is guided by the Diversity Committee, which is created and operated by employees, has implemented a diversity training program during the orientation period for new employees.

The Group has instruments in-place to prevent and fight violations of laws, such as human rights violations, corruption and bribery, and employees have reporting channels available in case of a possible violation. Measures are dealt with in confidence to the full extent permitted by statutory law. Reported issues are investigated by the Chief Compliance Officer. In addition to the reporting channels, there is also a whistleblowing channel operated by an external service provider which enables complete anonymity. If any violation is determined, certain disciplinary measures are taken if preconditions in that respect are met.

The Company´s Code of Conduct includes the prohibition of insider dealing. The Company is subject to several obligations under Regulation (EU) No. 596/2014 (Market Abuse Regulation, "MAR"). Pursuant to Article 19 para. 5 sub-para. 1 sentence 1 of MAR, the Company notifies all persons discharging managerial responsibilities of their obligations in the context of managers' transactions. Memorandums, notifications and information are distributed regularly.

The Group has established procedures to protect the confidentiality and integrity of management information and data across all business process. Furthermore, with a view to the implementation of the EU General Data Protection Regulation (GDPR), the Group has implemented a wide variety of guidelines and procedures, including enhanced mandatory awareness training on GDPR. The Group has implemented Standard Operating Procedures (SOPs) to ensure that all personal data stored and processed in the course of the Group's operations are safe from manipulation and misuse. Additionally, the Group has adopted an information security and privacy strategy in order to maintain a high level of controls to help minimize the potential risks. The Codes of Conduct for employees as well as business partners can be found on AT's website.

External Risk Mitigation

In the ordinary course of business, the Group is exposed to various external risks. The Risk Committee continuously determines whether the requisite infrastructure, resources and systems are in place and adequate to maintain a satisfactory level of risk. The potential risks and exposures are related, inter alia, to the volatility of interest rate risk, inflation risk, liquidity risk, credit risk, regulatory and legal risks, rent collection and tenant deficiencies, the need for unexpected capital investments, property damage risk

and market downturn risk. The Group has direct and specific measures and boundaries to address and mitigate each risk, hedging and reducing to a minimum the occurrence of failure or potential default.

For information regarding Aroundtown's risk management objectives and policies, see Note 25.3. (Risks management objectives and policies).

Nomination Committee

The Board of Directors has established a Nomination Committee in order to identify suitable candidates for directorships and certain management positions and to assess the skills and characteristics of proposed candidates. The Nomination Committee consists of the Independent Directors, Mr. Markus Leininger, Mr. Markus Kreuter, Ms. Simone Runge-Brandner and Mr. Daniel Malkin.

Remuneration Committee

The Board of Directors has established a Remuneration Committee in order to determine and recommend to the Board the Remuneration Policy, which outlines remuneration metrics for the Executive Directors and members of Senior Management, including evaluation of short-term and long-term performance-related remuneration to senior executives. The Remuneration Committee consists of the Independent Directors, Mr. Daniel Malkin, Mr. Markus Leininger, Mr. Markus Kreuter (Chairperson) and Ms. Simone Runge-Brandner.

ESG Committee

The Board of Directors has established an ESG Committee to supervise the Company´s ESG processes. In addition, the Committee reviews and assesses the Company's contribution to sustainable development. The ESG Committee consists of executive director Mr. Frank Roseen and independent directors, Mr. Markus Leininger (Chairperson) and Mr. Markus Kreuter, and is assisted by non-voting advisory members who hold key positions in the Group as well as the Sustainability Department.

Shareholders' Rights

The Group respects the rights of all shareholders and ensures that they receive equal treatment. All shareholders have equal voting rights and all corporate publications are transmitted through general publication channels as well as on a specific section on its website. The shareholders of Aroundtown SA exercise their voting rights at the general meeting of the shareholders, whereby each share is granted one vote. The voting rights attached to shares held by TLG Immobilien AG in Aroundtown SA are suspended. The suspension of the voting rights also applies to shares held and/or acquired by Aroundtown SA, either directly or through subsidiaries, pursuant to its share buy-back programme (currently inactive). The Annual General Meeting of the shareholders takes place at such place and time as specified in the notice of the meeting. At the Annual General Meeting of the shareholders, Board of Directors presents, among other items, the directors' report as well as the consolidated financial statements of the most recent financial year to the shareholders. The Annual General Meeting resolves, among others, on the financial statements of Aroundtown, the appointment of the approved independent auditor of the Group and the discharge and appointment or re-election of the members of the Board of Directors, in case their mandate is about the expire.

Compliance with the transparency law

The Company is committed to adhering to best practices in terms of corporate governance by applying, among others, rules arising from the Luxembourg law of 11 January 2008 on transparency requirements for issuers, as amended (the **"Transparency Law"**).

In particular, the Company continuously monitors compliance with the disclosure requirements with respect to regulated information within the meaning of article 1 (10) (the **"Regulated Information"**) of the Transparency Law and therefore publishes and stores with the Luxembourg Stock Exchange as the officially appointed mechanism (OAM) and files with the Commission de Surveillance du Secteur Financier (the **"CSSF"**) the Regulated Information on an ongoing basis.

The quarterly, half-yearly and annual financial reports, investor presentations, press releases and ad-hoc notifications are available in the English language on the Company's website. In addition, the Company provides on its website information about its organization, its management and upcoming and past shareholder meetings, such as its annual general meetings. The Company´s website further provides a financial calendar announcing the financial reporting dates as well as other important events. The financial calendar is published before the beginning of a calendar year and is regularly updated.

The individual Aroundtown SA financial statements are published annually on the same day as the Aroundtown SA consolidated annual report.

Information according to article 11 (2) of the Luxembourg Takeover Law

The following disclosure is provided pursuant to article 11 of the Luxembourg law of 19 May 2006 transposing Directive 2004/25/ EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, as amended (the "Takeover Law"):

a) With regard to article 11 (1) (a) and (c) of the Takeover Law (capital structure), the relevant information is available in Note 19. (Total equity) of this consolidated annual report. In addition, the Company's shareholding structure showing each shareholder owning 5% or more of the Company's share capital is available in the below table and on the Company's website, where the shareholding structure is updated as per shareholder notifications on a regular basis.

b) With regard to article 11 (1) (b) of the Takeover Law, the ordinary shares issued by the Company are admitted to trading on the regulated market of the Frankfurt Stock Exchange (Prime Standard) and are freely transferable according to the Articles of Association.

c) In accordance with the requirements of Article 11 (1) c of the Takeover Law, the following significant shareholdings were reported to the Company until December 31, 2024:

Shareholder name	Amount of Shares [1]	Percentage of voting rights
Aroundtown SA and its wholly owned affiliates	259,495,926	16.88% [2]
Avisco Group PLC /Vergepoint Limited [3]	230,660,516	15.01%
TLG Immobilien AG	183,936,137	11.97% [2]
Stumpf Capital GmbH [4]	154,351,365	10.04%

1) Total number of Aroundtown SA shares as of December 31, 2024: 1,537,025,609
2) Voting rights are suspended
3) Controlled by Yakir Gabay
4) Controlled by Georg Stumpf

d) With regard to article 11 (1) (d) of the Takeover Law, each ordinary share of the Company gives right to one vote according to article 8.1 of the Articles of Association. There are no special control rights attaching to the shares. The voting rights attached to shares held by TLG Immobilien AG in the Company are suspended. The suspension of the voting rights applies to any other shares acquired by the Company, either directly or through subsidiaries, pursuant to its buy-back programme.

e) With regard to article 11 (1) (e) of the Takeover Law, control rights related to the issue of shares are directly exercised by the relevant employees. The key terms and conditions in relation to the Company's incentive share plan are described on page in Note 20. (Share-based payment agreements) of this consolidated annual report.

f) With regard to article 11 (1) (f) of the Takeover Law, the Articles of Association impose no voting rights limitations. However, the sanction of suspension of voting rights automatically applies, subject to the Transparency Law to any shareholder (or group of shareholders) who has (or have) crossed the thresholds set out in the Transparency Law but have not notified the Company accordingly. In this case, the exercise of voting rights relating to the shares exceeding the fraction that should have been notified is suspended. The suspension of the exercise of voting rights is lifted the moment the shareholder makes the notification.

g) With regard to article 11 (1) (g) of the Takeover Law, as of December 31, 2024, the Company was not aware of any agreements between shareholders that would lead to a restriction on the transfer of shares or voting rights.

h) With regard to article 11 (1) (h) of the Takeover Law, according to article 15.1 of the Articles of Association, the members of the board of directors of the Company (the **"Board"**) shall be elected by the shareholders at their annual general meeting by a simple majority vote of the shares present or represented. The term of the office of the members of the Board shall not exceed six years, but they are eligible for re-election. Any member of the Board may be removed from office with or without specifying a reason at any time. In the event of a vacancy in the office of a member of the Board because of death, retirement or otherwise, this vacancy may be filled out on a temporary basis until the next meeting of shareholders, by observing the applicable legal prescriptions. Further details on the rules governing the appointment and replacement of a member of the Board are set out in the Articles of Association of the Company. According to article 14 of the Articles of Association, any amendment to the Articles of Association made by the general meeting of shareholders shall be adopted if (i) more than one half of the share capital is present or represented and

(ii) a majority of at least two-thirds of the votes validly cast are in favour of adopting the resolution. In case the first condition is not reached, a second meeting may be convened, which may deliberate regardless of the proportion of the share capital represented and at which resolutions are taken at a majority of at least two-thirds of votes validly cast.

i) With regard to article 11 (1) (i) of the Takeover Law, the Board of Directors is endowed with wide-ranging powers to exercise all administrative tasks in the interest of the Company including the establishment of an Advisory Board, an Audit Committee, a Risk Committee, a Remuneration Committee and a Nomination Committee. Further details on the powers of the Board are described on pages 40-44 of this consolidated annual report.

Pursuant to article 7.2 of the Articles of Association, the Board is authorized to issue shares under the authorised share capital as detailed in Note 19.1.1. (Share capital) and Note 20. (Share-based payment agreements) of this consolidated annual report. According to article 8.7 of the Articles of Association, the Company may redeem its own shares to the extent and under the terms permitted by law. The shareholders' meeting held on 26 June 2024 re-authorized the Company's buy-back program to buy-back, either directly or through a subsidiary of Aroundtown, shares of Aroundtown for a period of five (5) years not exceeding 50% of the aggregate nominal amount of Aroundtown's issued share capital. The program is currently inactive.

j) With regard to article 11 (1) (j) of the Takeover Law, the Company's listed straight bonds, perpetual notes and security issuances (listed in Note 19.1., Note 19.2. and Note 21.3.) under the EMTN programme contain change of control provisions that provide noteholders with the right to require the Company to repurchase their notes upon a change of control of the issuer. The Company's ISDA master agreement securing derivate transactions with regard to its listed debts contains a termination right if the Company is financially weaker after a takeover.

k) With regard to article 11 (1) (k) of the Takeover Law, there are no agreements between the Company and members of the Board or employees according to which, in the event of a take-over bid, the Company may be held liable for compensation arrangements if the employment relationship is terminated without good reason or due to a takeover bid.

Consolidated Sustainability Statement

General Information

ESRS 2 General Disclosures

High-level overview of disclosure	
Standard	**Indicator**
ESRS 2 General Disclosures	BP-1 – General basis for preparation of the Consolidated Sustainability Statement
	BP-2 – Disclosures in relation to specific circumstances
	GOV-1 – The role of the administrative, management and supervisory bodies
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	GOV-3 – Integration of sustainability-related performance in incentive schemes
	GOV–4 - Statement on due diligence
	GOV–5 - Risk management and internal controls over sustainability reporting
	SBM-1 – Strategy, business model and value chain
	SBM-2 – Interests and views of stakeholders
	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
	IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities
	IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's Consolidated Sustainability Statement

Aroundtown S.A ("Aroundtown", "AT" or" the Group") has assessed whether the relevant sustainability topics are material. For any material topics identified, AT provides information on the assessed matters, their integration into the business model and strategy, related policies, actions taken, progress towards targets, and relevant metrics. The Consolidated Sustainability Statement have been prepared in a context of new sustainability reporting standards requiring entity-specific and temporary interpretations and addressing inherent measurements of evaluation uncertainties. AT has decided to apply the phase-in provisions in accordance with Appendix C of ESRS 1. AT is committed to a full disclosure of these data points in the coming years, as required. The sustainability information and related disclosures for the year ended 31 December 2023 have not been subject to assurance procedures.

BP-1 - Basis for Preparation of Consolidated Sustainability Statement

Aroundtown has prepared this Consolidated Sustainability Statement for the reporting year 2024 in compliance with the European Sustainability Reporting Standards ("ESRS"), as mandated by the Corporate Sustainability Reporting Directive ("CSRD"). In alignment with these requirements, the Group adheres to key reporting principles, ensuring that its disclosures are relevant, comparable, verifiable, and understandable, while providing a faithful representation of its sustainability performance.

Integration of Data and Governance in Reporting

The preparation of this Consolidated Sustainability Statement integrates both qualitative and quantitative data collected from across AT's operations as well as upstream and downstream value chain data. The reporting process is closely aligned with financial reporting procedures and governance frameworks, ensuring consistency and accuracy in disclosures. Input is gathered from internal stakeholders, including the ESG Committee and the Sustainability Department, while indirect feedback from external stakeholders, such as investors and business partners, is also considered. The Sustainability Department is responsible for overseeing data collection and verification,

while the ESG and Audit committees conduct a high-level review for quality assurance and best practices in ESG reporting. Additionally, they approve the final report, reinforcing the governance structure that supports the sustainability reporting process.

Scope of Consolidation and Reporting Boundaries

The scope of consolidation for this Consolidated Sustainability Statement mirrors that of AT's consolidated financial statements, in accordance with International Financial Reporting Standards ("IFRS"). However, disclosures under ESRS E1 (Climate Change), specifically regarding Scope 1, 2, and 3 greenhouse gas ("GHG") emissions and energy consumption, follow an operational control approach, as defined by the GHG Protocol and as opposed to the ESRS specific requirements for a company to follow when determining its GHG organizational boundary [ESRS E1.46, AR40, ESRS 1.62], discussed in more detail in the second paragraph of subsection E1-6. This means that only assets and operations under AT's direct operational control are included in these disclosures. For all other sustainability-related data, the scope aligns fully with the financial consolidation framework, ensuring transparency and consistency across reporting structures. For the reporting year 2024, no subsidiaries within AT's financial consolidation scope have been exempted from individual or sustainability reporting.

Additionally, the Consolidated Sustainability Statement extends beyond the Group's direct operations—except for GHG emissions and energy consumption data—to reflect material sustainability impacts, risks, and opportunities across its upstream and downstream value chain

- Upstream activities encompass deal sourcing, due diligence, financing arrangements, procurement of materials and services, property management, asset management, marketing and leasing, ESG compliance and risk management, as well as refurbishment and development.
- Downstream activities encompass consolidated reporting, investor relations, exit strategies, asset sales, and interactions with real estate brokers.

The Group's value chain also incorporates key suppliers, contractors, and service providers, such as construction and maintenance personnel, who are required to comply with AT's Code of Conduct for Business Partners and undergo periodic risk assessments. Due diligence processes and structured ESG questionnaires help monitor adherence to sustainability standards across the supply chain. Additionally, the impact of tenants is reflected in Scope 3 GHG emissions reporting, ensuring that the Group captures indirect environmental influences.

Disclosure of Intellectual Property and Developments under Negotiation

Aroundtown has not exercised the option to omit specific information related to intellectual property, know-how, or results of innovation. All relevant disclosures, including those pertaining to technological innovations in energy efficiency and tenant engagement platforms, have been fully incorporated into this statement to maintain transparency.

Similarly, the Group has not made use of exemptions under articles 19a(3) and 29a(3) of Directive 2013/34/EU, which allow for the omission of disclosures on impending developments or matters under negotiation. All materially relevant developments, including those associated with technological advancements and sustainability initiatives, have been disclosed in this Consolidated Sustainability Statement, further reinforcing AT's commitment to transparency in its ESG reporting.

BP-2 – Disclosures in Relation to Specific Circumstances

Aroundtown applies the same short, medium, and long-term time horizons as those defined under ESRS 1, article 6.4. This alignment ensures consistency in sustainability reporting, facilitating comparability across disclosures while maintaining transparency in how sustainability risks and opportunities are assessed over time.

In relation to metrics that incorporate value chain data, certain sustainability performance indicators—particularly those related to energy consumption in tenant operations and supplier compliance with ESG standards—are based on estimates derived from indirect sources. These estimates are obtained through supplier reports, industry averages, and benchmarking studies, ensuring a comprehensive representation of sustainability impacts across AT's upstream and downstream value chain. The methodology used for these estimations is outlined in the relevant sections of this Consolidated Sustainability Statement, ensuring clarity and transparency in reporting.

Table 1

Metrics Including Value Chain Data Estimations	Description	Description of Basis for Preparation of Metrics That Include Value Chain Data Estimated Using Indirect Sources	Description of the Level of Accuracy of Estimations and Planned Actions to Improve Accuracy in Future of Metrics That Include Value Chain Data Estimated Using Indirect Sources
E 1-6_AR 46i	Scope 3 Category 13 GHG emissions calculations	Measured landlord-obtained energy consumption data in buildings without smart metering is allocated to tenants using an estimation approach, which is a source of uncertainty. Additionally, variations in tenant behavior, time-of-use patterns, and energy use in common areas are difficult to account for without accurate data. The Group thus relies on estimation approaches to allocate consumption to tenant areas outlined in the *Landlord and Tenant Boundaries* subsection of section E1-6. There are instances where estimations are required in light of missing Energy Performance Certificates ("EPCs") as outlined in the *Estimation of Utility Consumption* subsection of the E1-6 section. Regarding tenant-obtained electricity, legal data protection barriers prevent landlords from accessing information falling under direct contracts between tenants and utilities. As such, the Group once again must rely on generalized assumptions used in estimations outlined in the Landlord and Tenant Boundaries subsection of section E1-6. Additionally, the slow smart meter installation by grid operators outlined in the *Landlord and Tenant Boundaries* subsection of section E1-6 is another source of uncertainty. In instances where available heating data is not representative for the full reporting year, estimations were calculated as outlined in the *Estimation of Utility Consumption Consumption* subsection of section E1-6.	The Group is simultaneously pursuing several actions to improve data collection, with some being intermediary solutions while others are longer-term actions. This involves semi-automated data collection technologies for property managers, non-invasive digital measurement instruments on main and submeters that work in real-time and working to receive data digitally from larger-scale energy suppliers. The Group is also exploring data-scraping solutions to take data directly from invoices, however the challenges from the billing systems mentioned here have yielded limited success thus far.
E1-1 14 Disclosure of Transition Plan for Climate Change Mitigation	Climate factors used to estimate future heating demand	The German National Meteorological Service ("DWD") does not publish projected climate factors for future years, since this is rather a dataset of historical data for specific locations in Germany. To estimate climate factors for the future year 2030, the 2024 climate factor is multiplied by a factor of 1.02 in order to assume a general 2% increase in temperature levels. Assumption on future conditions reflected in the climate factors are based on internal analyses of trends observed in historical data. Due to the two-month lag on publication of climate factor data and accelerated reporting timelines, the full reporting year cannot always be used in each report, as explained in the *Estimation of Utility Consumption* subsection of section E1-6.	The Group considers its estimated future climate factors to be reasonably accurate as historical data is the best basis for deriving assumptions given the lack of future climate factors. The Group will continue to monitor available data in case better data sources can be identified.

Disclosure of Quantitative Metrics and Monetary Amounts Disclosed That Are Subject to High Level of Measurement Uncertainty

Metrics affected by high levels of measurement uncertainty are:

Table 2

Quantitative Metric and Monetary Amount Subject to High-Level of Measurement Uncertainty	Description	Source of Measurement Uncertainty	Assumptions, Approximations, and Judgements Made in Measurement
E1-6 AR 43-45	Scope 1 and 2 GHG Emissions calculations	AT primarily tracks floor area of its assets in the form of Net Lettable Area ("NLA") based on areas demarcated in lease contracts, meaning that common areas in assets are not precisely known. In some cases, measured data for the full reporting year were not fully available in time for publication for the same reasons regarding the utility invoicing practices referenced in the *Landlord and Tenant Boundaries* subsection of section E1-6. For a small proportion of properties within the operational control portfolio, EPCs are not available, as outlined in the *Estimation of Utility Consumption* subsection of section E1-6.	Assumptions relating to the asset-type-specific ratios used to estimate Gross Floor Area ("GFA") discussed in *Landlord and Tenant Boundaries* subsection of section E1-6. In instances where available heating data is not representative for the full reporting year, estimations were calculated as described in the *Estimation of Utility Consumption* subsection of section E1-6. In the case of missing EPCs, EPC-estimated calculations are conducted as described in the *Estimation of Utility Consumption* subsection of section E1-6. The proportions of estimated data are disclosed on Tables 17 and 18 found in the discussion in section E1-5, Energy Consumption and Mix.

External Validation of Measurement Metrics

Aroundtown received validation by an external body of its Information Security Management System with an ISO 27001 certification, and our Customer Service Centre holds a TÜV certification for both Quality Management and Service Quality.

Adherence to Additional Sustainability Standards and Reporting Frameworks

In addition to the ESRS, Aroundtown integrates information from other widely recognized sustainability reporting frameworks and industry best practices. This ensures that its Consolidated Sustainability Statement remains comprehensive and aligned with stakeholder expectations. Specifically, AT's reporting incorporates:

- The Sustainability Best Practices Recommendations ("sBPR") of the European Public Real Estate Association ("EPRA"), which provide sector-specific sustainability metrics relevant to real estate.
- The Task Force on Climate-related Financial Disclosures ("TCFD"), ensuring that climate-related risks and financial impacts are effectively communicated in line with global best practices.

List of DRs and DPs Incorporated by Reference

Aroundtown's Consolidated Sustainability Statement incorporates Disclosure Requirements and Data Points from other sections in the Consolidated Annual Report 2024 of Aroundtown:

Table 3

Disclosure Requirement	Information	Reference
ESRS 2 GOV-3 Paragraph 29	The undertaking shall disclose the following information about the incentive schemes and remuneration policies linked to sustainability matters for members of the undertaking's administrative, management and supervisory bodies	The Remuneration Policy can be found on the AT's website under the Corporate Governance section.
ESRS 2 SBM-1 Paragraph 40 a i	Significant groups of products and/or services offered, including changes in the reporting period (new/removed products and/or services)	Board of Directors' Report Section - Company Strategy and Business model Pages: 16-19.
ESRS 2 SBM-1 Paragraph 42	The undertaking shall disclose a description of its business model and value chain	Board of Directors' Report Section - Company Strategy and Business model Pages: 16-19.

GOV-1 – The Role of the Administrative, Management and Supervisory Bodies

Composition of the Board of Directors

Aroundtown is administered by a Board of Directors ("the Board") vested with the broadest powers to perform and manage in the Group's interest. All powers not expressly reserved by the Luxembourg Companies Act or by the articles of association to the general meeting of the shareholders fall within the competence of the Board of Directors. On a regular basis, the Board evaluates the effective fulfilment of their remit and compliance with corporate governance procedures implemented by the Group.

As of 2024, the Board of Aroundtown consists of two executive members, Mr. Frank Roseen, and Ms. Jelena Afxentiou. In addition, the Board is composed of one non-executive director and four independent directors:

- Mr. Ran Laufer (Non-executive director)
- Mr. Markus Leininger (Independent)
- Ms. Simone Runge-Brandner (Independent)
- Mr. Markus Kreuter (Independent)
- Mr. Daniel Malkin (Independent)

Employee and Workforce Representation

While Aroundtown does not include direct employee representation within the Board, structured mechanisms are in place to ensure employee engagement and participation in governance processes. These consist of employee feedback channels, compliance ambassadors, HR roundtables and annual Town Hall meetings. These initiatives facilitate continuous dialogue with management, integrating workforce perspectives into decision-making.

Board and Management Expertise

Aroundtown's executive management ("Management Body") consists of four members who are responsible for the operational management of the Group. The Management Body is entrusted with decisions and actions related to the day-to-day management of the business, ensuring operational performance. This function is a complementary role to the Board of Directors.

Aroundtown's Management Body consists of:

- Mr. Barak Bar-Hen – Co-Chief Executive Officer ("Co-CEO") / Chief Operating Officer ("COO"): Extensive experience in the real estate industry, having held leadership positions in companies operating across Germany and Europe.
- Mr. Eyal Ben David – Chief Financial Officer ("CFO"): Vast academic and professional background in finance and banking, having held key leadership positions in Israel.
- Ms. Limor Bermann – Chief Sustainability Officer ("CSO"): Extensive experience in sustainability and corporate responsibility within the real estate sector in Germany, as well as a strong background in leadership positions in Israel.
- Mr. Oschrie Massatschi - Chief Capital Markets Officer ("CCMO"): Broad experience in capital markets and real estate investment. Previously held leadership positions in Germany, the UK and other international markets.(*)

(*) Until 31 December 2024.

The Board of Directors consists of seven members who collectively oversee the Group's strategic direction:

- Mr. Frank Roseen (Director): Extensive experience in real estate, including real estate investment and asset management, alongside finance, business management and strategic planning having served in several executive positions and on the board of many listed and multinational corporations in Europe and other continents.
- Ms. Jelena Afxentiou (Director): Solid background in business management, public relations and commerce with demonstrable expertise in real estate and finance within the European market.
- Mr. Ran Laufer (Non-Executive Director): Expert in business management and strategic planning with significant experience in the real estate industry in Europe and Israel.
- Mr. Markus Leininger (Independent Director): Vast experience in finance, banking and real estate, specializing in governance, risk management, and investment strategy, with expertise in debt products, contributing to ESG strategy, corporate and financial oversight. Led large-scale lending operations across Central and Eastern Europe.
- Ms. Simone Runge-Brandner (Independent Director): Strong background in banking and finance with expertise in real estate finance, business management and strategy in Europe.
- Mr. Markus Kreuter (Independent Director): Real Estate Economist with experience in commercial real estate lending, debt financing and advisory in Europe. His expertise also spans business management and strategic planning, finance and banking, as well as crisis and risk management. Additionally, he has gained significant experience in IT, leading an ECSP-licensed digital real estate investment platform.
- Mr. Daniel Malkin (Independent Director): Established background in investment banking, in real estate investment, asset management, and finance in Europe and other jurisdictions. In addition to business management, and strategic planning expertise.

As seen in the Board Competencies Matrix below, the outstanding areas of expertise of our Board Members identified through a self-assessment questionnaire, includereal estate, finance, banking or auditing, business management and strategic planning, and international experience and cultural awareness. These competences are relevant for their roles and responsibilities, supporting effective governance and strategic decision making in the Group. Further details on Board members' academic and professional backgrounds are available in the Management section of the AT website.

In addition, the Board of Directors has established an Advisory Board to provide expert advice and assistance. The Board of Directors decides on the composition, tasks and term of the Advisory Board as well as the appointment and dismissal of its members. The Advisory Board has no statutory powers under the Luxembourg Companies Act or the Articles of Association,

Competencies

	Real Estate	Finance, Banking or Auditing	Business Management & Strategic Planning	Crisis & Risk Management	IT, Information& Cyber Security	Environment & Sustainability	International Experience & Cultural Awareness	Merger & Acquisition Experience
Frank Roseen	●●●	●●●	●●●	●●	●	●●	●●●	●●●
Markus Kreuter	●●●	●●●	●●●	●●●	●●●	●●	●●	●●●
Markus Leininger	●●●	●●●	●●	●●	●	●●	●●●	●●
Ran Laufer	●●●	●	●●●	●●	●	●●	●●●	●
Jelena Afxentiou	●●●	●●●	●●	●●	●	●	●●●	●●
Simone Runge-Brandner	●●●	●●●	●●●	●●	●	●●	●●●	●●
Daniel Malkin	●●●	●●●	●●●	●●	●●	●●	●●●	●●

● Basic ●● Proficient ●●● Expert

but applies rules adopted by the Board of Directors. The Advisory Board and its members are an important source of guidance for the Group when making strategic decisions.

Board/Management Breakdown per Gender, Geographic Diversity and Expertise

The following breakdown shows the percentage of members of the Board of Directors and the Management Body with regards to:

- **Gender Diversity:** The composition of the Board and Management Body includes 73% male (8 members) and 27% female (3 members). The Board itself consists of 7 members, of whom five are male (71%) and two are female (29%). Geographic Diversity: Members bring perspectives from, Germany, Luxembourg, the United States, Italy and other international real estate markets.
- **Geographic Diversity:** Members bring perspectives from Germany, the Netherlands, United Kingdom, Luxembourg, and other international real estate markets.
- **Expertise Diversity:** The Board and Management Body collectively have experience in real estate operations, ESG governance, accounting, legal compliance, financial risk management, finance, banking, auditing, trade, equity and capital markets, mergers and acquisitions, and strategic planning
- **Percentage of Independent Members:** The percentage of independent members on the Board is 57%, with four out of seven members classified as independent.

Oversight of Sustainability Risks, Impacts, and Opportunities

The Board, supported by its committees, is responsible for overseeing sustainability-related risks, impacts, and opportunities. Following the most recent Annual General Meeting prior to the publication of this report, the composition of the Board's committees was updated to include the following board members:

- Audit Committee: Chair: Mr. Markus Kreuter | Members: Mr. Markus Leininger, Ms. Simone Runge-Brandner and Mr. Daniel Malkin
- ESG Committee: Chair: Mr. Markus Leininger | Members: Mr. Markus Kreuter, and Mr. Frank Roseen
- Risk Committee: Chair: Mr. Markus Kreuter | Members: Ms. Simone Runge-Brandner, Mr. Ran Laufer and Mr. Daniel Malkin
- Remuneration Committee: Chair: Mr. Markus Kreuter | Members: Mr. Markus Leininger, Ms. Simone Runge-Brandner and Mr. Daniel Malkin
- Nomination Committee: Members: Mr. Markus Kreuter, Mr. Markus Leininger, Ms. Simone Runge-Brandner and Mr. Daniel Malkin

Each Board committee's responsibilities for sustainability oversight are defined in their Rules of Procedure.

- Audit Committee: Ensures financial integrity, risk management, and internal control systems.
- ESG Committee: Supervises ESG strategy, regulatory compliance, and sustainability risk mitigation.
- Risk Committee: Oversees the Group's risk management framework, including financial, operational, legal, and reputational risks.
- Nomination Committee: Evaluates Board composition and succession planning.
- Remuneration Committee: Aligns executive compensation with financial performance and sustainability targets.

The Management Body is tasked with implementing Board-approved strategies and ensuring compliance with sustainability objectives. Whereas the Co-CEO/COO oversees the alignment of operations with sustainability goals, the CFO oversees impacts, risks and opportunities from a financial perspective. The CSO ensures compliance with ESG targets and integrates these into operational practices. The CCMO is responsible for overseeing the Group's capital market activities, financing strategies and maintaining strong relationships with investors. In addition, senior management in operational roles support the Management Body in the implementation of governance processes to manage and oversee impacts, risks and opportunities.

The Board of Directors delegates responsibilities to its committees, which report back to the Board on their activities. Each Committee meets as outlined in the relevant rules of procedure, with meeting frequencies varying depending on committee. The CSO reports to the Co-CEO/COO and the CFO, providing updates and informing the ESG Committee. Additionally, the Co-CEO/COO and CFO report to the Board of Directors, ensuring a clear flow of information and oversight within the management structure.

In addition, controls and procedures are integrated to the management of impacts, risks and opportunities through firstly, compliance and legal monitoring (dedicated controls and procedures): AT's Compliance Department supports adherence to the Group's governance policies, mindful of applicable European regulations and national laws. In the event of specific questions, these are addressed to the Legal Department. Secondly, cross-functional collaboration (integration with other internal functions): Aroundtown's Sustainability, Energy, Operations, Construction, Compliance, Legal and

Risk Departments coordinate to address shared impacts and Energy, Operations and Sustainability departments in particular collaborate closely regarding control of energy and GHG emissions data, but also waste and water consumption from AT's assets and joint procedures regarding energy efficiency projects and retrofit planning.

Setting Sustainability Targets

The heads of departments are responsible for setting their own specific targets, as well as monitoring the progress towards achieving them. The Management Body is informed about these targets and their implementation regularly within a year during management meetings. In addition, the ESG Committee oversees the sustainability targets setting and the progress towards achieving them, ensuring alignment with material impacts, risks and opportunities. The ESG Committee and the Board oversees strategic guidance on ESG topics and is responsible for reviewing and assessing AT's responsible business strategy, policies and practices with respect to ESG topics. Progress is monitored through reports which are presented to the Board at least twice a year.

Sustainability Expertise and Its Role in Governance

In general, Aroundtown places significant emphasis on ensuring that employees and senior positions possess the relevant skills and expertise in sustainability matters, taking into account the Group's needs and existing knowledge in the departments. The Nomination Committee assesses existing and required competencies for directorships, as well as certain management positions and reviews whether the candidate possesses the necessary skills, knowledge, and experience to fill the relevant role. It ensures alignment with the Group's interests and their recommendation vis-à-vis candidates is then shared with the Board. If necessary, tailored training programs – whether online or in-person formats – are implemented to further develop and maintain up-to-date knowledge amongst Board Members, as well as senior management and senior employees who deal with sustainability topics. In 2024, the Board received Group-initiated training in the areas of Information Security and capital markets (in particular, the EU Market Abuse Regulation).

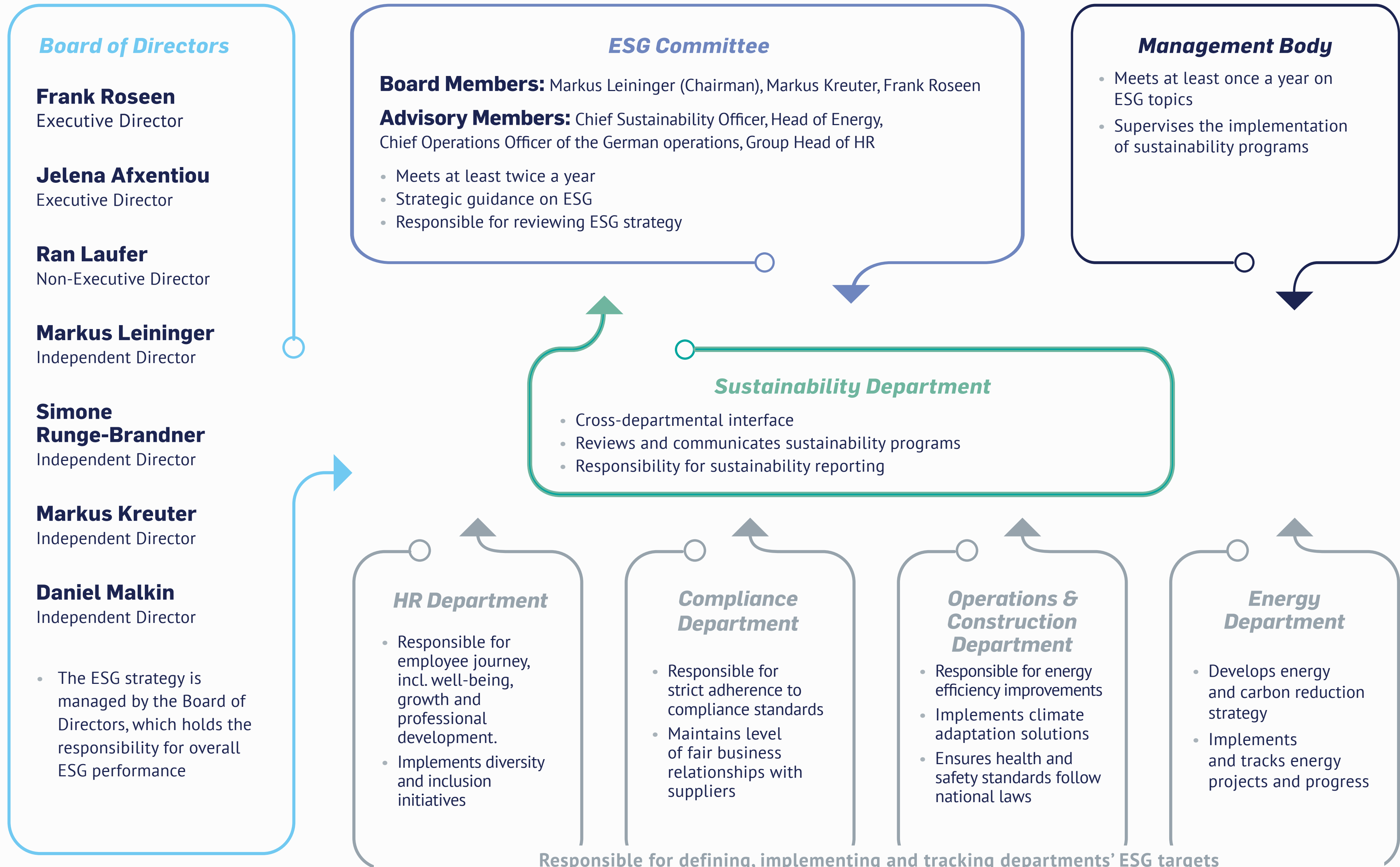
The Board of Directors possesses expertise in risk management, ESG governance in real estate and stakeholder engagement strategies, ensuring sustainability considerations are embedded in the Group's decision-making processes. In addition to the Board, the ESG Committee is a key body that provides dedicated sustainability expertise within AT's governance structure. Next to the Board Members, the ESG Committee also includes the CSO, Head of Energy, Chief Operations Officer of the German operations, and the Group Head of Human Resources, all experienced leaders and subject experts in their field. These leaders play an essential role in guiding AT's ESG strategy, compliance, and risk management. Their expertise ensures that sustainability-related risks, impacts, and opportunities are identified, managed, and integrated into corporate governance and operations.

The Board and ESG Committee leverage sustainability expertise across the organization to enhance ethical risk management and drive AT's long-term ESG objectives. Through collaboration with department heads, the Board and ESG Committee are responsible for identifying and addressing material impacts, risks, and opportunities, including:

- Climate change mitigation strategies, such as GHG emissions reduction, renewable energy adoption, and energy efficiency improvements across AT's assets.
- Corporate governance practices that uphold transparency, compliance, and ethical conduct, thereby preventing risks related to mismanagement, bribery, corruption, and ESG non-compliance.
- Investor confidence and capital access, by ensuring that ESG performance aligns with stakeholder expectations and regulatory frameworks.
- Supplier relationship management, ensuring ESG due diligence is integrated into procurement processes and partner engagements.
- Workforce engagement and inclusion, promoting equal opportunities, ethical business conduct, and safe working conditions.

By leveraging sustainability-related expertise, the Board and ESG Committee play a critical role in ensuring that AT's governance framework supports both financial and ESG performance, fostering long-term operational resilience and stakeholder trust. For more details on Board members' skills and expertise, refer to GOV-1.

ESG Governance Structure



GOV 2 – Information Provided to and Sustainability Matters Addressed by the Undertakings Administrative, Management and Supervisory Bodies

The Board of Directors receives regular and structured updates on operational and management matters, including sustainability-related impacts, risks, and opportunities. These updates are provided by the Co-CEO/COO, who communicates the status and progress of key initiatives. Additionally, the Board is kept informed about the activities of its committees, including the content and frequency of their meetings.

The reporting frequency of Board committees varies depending on their specific duties and Rules of Procedure. Some committees convene as needed, while others meet annually or multiple times per year. The topics covered in these meetings include emerging risks, such as climate transition risks, sustainability-driven investment opportunities and review and approval of policies, actions, metrics, and targets, including compliance and sustainability-related initiatives.

At the operational level, Management Body receives quarterly updates from department heads, including the Chief of Sustainability, Head of Human Resources, Head of Energy and Head of Compliance. In addition to scheduled updates, the Management Body is also informed on an ad-hoc basis regarding pressing issues, ensuring real-time responsiveness to sustainability-related challenges.

Integration of Sustainability Considerations in Decision-Making

Impacts, risks and opportunities are taken into consideration during in-depth analysis of sustainability-linked topics, stakeholders engagement processes and subsequent discussions by the Management Body and Board of Directors, based on reports from Board Committees and senior management. Where necessary, strategy, operations and risk management processes are adapted to address identified impacts, risk and opportunities.

The Group adopts a similar approach to ESG-related impacts, risks and opportunities related, such as analysis of employee satisfaction and needs, and tenant satisfaction. Furthermore, technical due diligences, with an increasing focus on sustainability-linked topics, are carefully evaluated by senior management prior to major asset transactions. No trade-offs associated with those impacts, risks and opportunities were considered.

Key Material Impacts, Risks, and Opportunities Addressed in 2024

In 2024, the Board of Directors and its committees addressed several material topics, starting with a review of the Double Materiality Assessment ("DMA") results and in-depth discussions on impacts, risks and opportunities:

Material Impacts:

- Climate Mitigation and Energy Efficiency: the Board of Directors and its committees reviewed internal processes for managing the Energy Performance Certificate Database. The aim was to optimize the process of identifying and prioritizing energy-inefficient assets for improvement programs.
- Climate Mitigation and Energy Efficiency and Air Pollution: the Board of Directors and its committees reviewed the status of Green Building Certifications across the portfolio. The purpose was to identify gaps and to identify assets that require improvements in these areas.
- Value chain impacts: amongst other activities, the Board of Directors and its committees reviewed the approval of an updated Human Rights Policy to ensure compliance with labor standards in the Code of Conduct for Business Partners.

Material Risks:

- Regulatory risk: Updates on the EU Energy Performance of Buildings Directive and its potential impact on high-priority assets (EPC F, G, H-rated properties).
- Transition risk: Strategies for energy improvement across high-priority assets, including progress on ongoing energy audits and their alignment with AT's Transition Plan.
- Climate risk: Ongoing physical and transition climate risk assessments affecting property portfolios in Germany, the Netherlands and the UK.

Material Opportunities:

- Employee engagement initiatives: Launch of the "Activate the Base" program, which enables employees to develop and implement their own ESG projects.
- Innovation and technology investment: Aroundtown, has launched the ATechX Accelerator Program. Developed alongside venture capitals, ATechX recognizes, deploys and invests in cutting-edge early-stage technologies that are shaping products and business models within the real estate sector. Currently ATechX has onboarded six start-ups focusing on different areas of the real estate business, including monitoring, controls, and AI-driven building management systems. AT is currently piloting projects with these startups to optimize energy consumption and identify savings potential.
- Employer branding and talent attraction: AT aims to strengthen its position as a top employer in the commercial real estate sector and has made significant progress toward this goal in 2024.

- Tenant management improvements: Updates on tenant engagement strategies and actions taken to enhance resident satisfaction.

GOV 3 – Integration of Sustainability-Related Performance in Incentive Schemes

AT integrates sustainability-related performance metrics into its Remuneration Policy. For details on AT's Remuneration Policy, please refer to the Remuneration Policy section on our Corporate Governance page. The incentive schemes at Aroundtown are designed with the following characteristics:

- Performance-Based Metrics: The variable components of remuneration are directly linked to the achievement of sustainability-related targets. Further details of these targets are provided below.
- Scope of Inclusion: The remuneration policy applies to directors and Management Body as defined in the below.

The Remuneration Policy includes four specific sustainability-related performance targets as part of the incentive structure:

- Variable Remuneration: Long-Term Incentive Program (LTIP):
  1. Sustainability Metrics: The Group aims to maintain or improve its score in at least scoring criteria areas among its prioritized ESG ratings (*) in comparison to the previous financial year.
  2. Gender Equality: The Group seeks to maintain or improve gender equality metrics in comparison to the last year.
- Variable Remuneration: Short-Term Incentive Program (STIP):
  3. Emission Reduction: Progress towards Scope 1 + 2 of the emission reductions, aligned with the Group's emission reduction pathway plan during the relevant financial year.
  4. Green Building Certification: shall be achieved though increasing the portion (%) of buildings with green certification during the relevant financial year.

Sustainability-related performance metrics are incorporated as performance benchmarks in Aroundtown's Remuneration Policy through formalized policy integration. The Remuneration Policy outlines specific ESG performance criteria and is approved by the Board of Directors.

For 2024, 30% of the variable short-term and 30% of the long-term remuneration for members of Aroundtown's Management Body and Executive Directors of the Board individuals is directly tied to achieving sustainability-related targets. This proportion reflects the strategic importance of ESG outcomes within Aroundtown's overall performance evaluation framework.

(*) ESG ratings are third-party, independent assessments of a Company's ESG performance and Aroundtown participates in several such ratings..

LTIP

- Target 4, Corporate ESG Rating: 20% of LTIP Remuneration
- Target 5, Gender Equality: 10% of LTIP Remuneration

STIP

- Target 3, Emission Reduction: 15% of STIP remuneration
- Target 4, Increasing portion of buildings with green certification: 15% of STIP Remuneration

Following the conclusion of each fiscal year, the Group prepares a detailed Remuneration Report as part of the materials distributed before the next Annual General Meeting. These materials are prepared in accordance with Article 7 of the Luxembourg law of 24 May 2011, implementing the Shareholder Rights Directive II (EU) 2017/828. These reports designate the specific percentages of variable remuneration based on either financial or sustainability performance targets. The materials are published annually on the General Meeting pages found under the Investor Relations web page in the Group's website.

The terms of AT's incentive schemes are approved and updated at the Board of Directors' level, based on recommendations from the Remuneration Committee. This process ensures alignment with Aroundtown's strategic goals and adherence to governance best practices.

GOV 4 – Statement on Due Diligence

In the below table, we map core elements of our due diligence processes across multiple sections of our Consolidated Sustainability Statement.

Table 4

Core elements of due diligence	Paragraphs in the Consolidated Sustainability Statement
a. Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-5, ESRS 2 SBM-1, ESRS 2 SBM-2
b. Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-1, ESRS 2 SBM-2, S2.SBM-3, S2-4, G1-2
c. Identifying and assessing adverse impacts	S2.SBM-3, S2-1, S2-4, G1-2
d. Taking actions to address those adverse impacts	S2.SBM-3, S2-1, S2-4, G1-2
e. Tracking the effectiveness of these efforts and communicating	S2-4, S2-5, G1-2

GOV 5 – Risk Management and Internal Controls over Sustainability Reporting

Risk Management and Internal Controls Over Sustainability Reporting

Effective risk management and internal controls are integral to ensuring the accuracy, transparency, and compliance of AT sustainability reporting. The Group has established a structured framework that integrates sustainability-related risks within its broader enterprise risk management system. This approach ensures that material sustainability impacts, risks, and opportunities are identified, assessed, and effectively mitigated, reinforcing the credibility and reliability of AT's disclosures.

Framework for Risk Management and Internal Controls

Aroundtown has implemented a comprehensive internal control process to prevent risks associated with sustainability reporting. This includes a multi-step review and approval process to ensure data accuracy, proper oversight, and compliance with reporting standards. Any information related to sustainability is first reviewed by the head of the relevant department, followed by verification by the Sustainability Department, which ensures that the content accurately reflects actual circumstances and prevents misleading information. The Management Body conducts an additional review before being presented to the ESG and Audit committees for final approval prior to publishing.

Beyond these procedural safeguards, AT's risk management and internal control framework encompasses:

- Integration with Enterprise Risk Management: Sustainability risks are embedded in the Group's broader risk management framework, ensuring that sustainability considerations are treated with the same level of oversight as financial and operational risks.
- Governance Structure: Each department has designated individuals responsible for their specific area, such as HR, Energy, and Compliance, ensuring clear accountability in sustainability reporting.
- Regulatory Monitoring and Compliance: The Sustainability Department and Compliance Department continuously monitor regulatory updates through industry groups, webinars, and external legal assessments to ensure that sustainability reporting remains compliant with evolving standards.
- Digital Tools and Technology: AT is currently reviewing software solutions to enhance the tracking, documentation, and reporting of both qualitative and quantitative sustainability data.

By embedding sustainability risks within its enterprise-wide governance and internal control systems, AT enhances the reliability of its sustainability disclosures and ensures alignment with CSRD and ESRS requirements.

Risk Assessment Approach

To effectively manage sustainability risks, Aroundtown employs a structured risk assessment process that includes both qualitative and quantitative methodologies. The Group-wide risk assessment classifies risks into strategic, operational, compliance, and reporting categories, with prioritization based on likelihood of occurrence and potential impact. This approach allows AT to determine which risks require immediate action, ensuring that sustainability concerns are addressed in a timely and structured manner. In addition, AT conducts a DMA in accordance with ESRS requirements. This ensures that sustainability risks are assessed not only in terms of their financial impact on the Group but also in terms of their broader societal and environmental implications. The DMA is updated when material changes occur in the business context, and it incorporates stakeholder input and industry benchmarking to maintain relevance. To complement these assessments, scenario analysis and data modelling are used to evaluate potential financial and operational implications of sustainability risks. By applying these tools, AT strengthens its ability to anticipate and mitigate risks related to climate change, regulatory compliance, and corporate reputation.

Key Risks and Mitigation Strategies

Through its 2024 risk assessment, AT identified several key sustainability reporting risks, each addressed with targeted mitigation strategies:

1. Data Accuracy and Completeness: Risk of inaccurate and incomplete sustainability data collection and reporting.

- Mitigation: Internal controls are implemented by the Group's Sustainability Department. Any information published on specific topics is first reviewed by the head of the relevant department and then approved. Following this, the Sustainability Department conducts its own checks and controls to verify that the content accurately reflects actual circumstances and ensures no misleading information is included. Following this, the sustainability report is submitted for review by the Management Body and approval by the ESG and Audit committees.

  Quantitative data collection is monitored throughout the year with internal controls, including reviews by data owners, department heads, and the Sustainability department to ensure accuracy and identify errors early.

2. Regulatory and Compliance: Risk of non-compliance with evolving sustainability regulations.

- Mitigation: Continuous monitoring of sustainability regulations across several departments. Regular updates to internal policies, engagement with legal experts, and proactive monitoring of regulatory changes through Aroundtown's legal, compliance and sustainability departments as part of the departments' ongoing responsibilities. The Group also works with external advisors to ensure alignment with increasing reporting requirements and sustainability regulations.

3. Stakeholder Trust: Risk of diminished trust due to incomplete or unclear reporting.

- Mitigation: Enhanced stakeholder communication channels are reinforced through targeted publications, such as sustainability reports and press releases, ensuring accessible and consistent information flow. Additionally, independent third-party limited assurance is implemented to verify the accuracy and reliability of reports, enhancing credibility and compliance with reporting standards.

4. Value Chain Intransparency: Limited visibility over ESG performance of suppliers and contractors.

- Mitigation: Business partner due diligence is conducted to determine negative or risk-related information about suppliers and assess their mandatory adherence to the Code of Conduct for Business Partners. This includes regular assessments, controls, and reviews to ensure compliance with the law.

These mitigation strategies ensure that AT's sustainability reporting remains accurate, transparent, and aligned with stakeholders' expectations.

Integration of Risk Findings into Business Operations

The findings from risk assessments and internal controls are systematically integrated into AT's internal processes, ensuring continuous improvement in sustainability reporting and risk management.

- Policy Adjustments: Risk findings inform updates to sustainability policies, including those related to human rights and supply chain governance.
- Operational Enhancements: Cross-functional collaboration between Energy, Operations, and Compliance departments ensures the implementation of targeted mitigation strategies.
- Training Programs: Employee training curricula are regularly updated to address identified knowledge gaps related to sustainability compliance.
- Strategic Alignment: Sustainability risk assessments directly influence AT's ESG strategy and annual sustainability objectives, reinforcing a proactive approach to risk management.
- Periodic Reporting and Board Oversight

To maintain accountability, AT ensures that sustainability risk management findings are regularly reported to its governing bodies. The Chief Risk Officer presents sustainability risk assessment findings to the Risk Committee at least once per year, or as needed. Furthermore, any risks identified by individual departments (e.g., Energy, Operations, Compliance) are escalated to the relevant Board Committees, ensuring targeted oversight. The frequency of risk reporting aligns with each committee's Rules of Procedure, ensuring a structured review process. The Chief Risk Officer also informs the Management Body in regular but ad-hoc management meetings.

SBM-1 - Strategy, Business Model and Value Chain

Business Model and Strategy in Relation to Sustainability

Aroundtown is a real estate company specializing in income-generating properties with value-add potential, operating across both the commercial and residential real estate sectors. The Group's commercial real estate portfolio includes office spaces in prime locations across major European cities, hotels leased to third-party operators under globally recognized brands, retail spaces with a focus on grocery-anchored and essential goods properties, and logistics and industrial assets. On the residential side, Aroundtown's portfolio is managed through Grand City Properties ("GCP"), in which the Group holds a 62% stake. GCP focuses on affordable housing in Germany and the United Kingdom (London), specializing in properties in densely populated urban areas with strong and sustainable economic conditions and sustainable demographic growth.

Overview of Products and Services

The core of Aroundtown's business lies in property transactions, asset management, and value-enhancing upgrades. This includes property management, construction, refurbishment, and facility maintenance, as well as tenant-oriented services that enhance the leasing experience. The Group operates a Customer Services Center and the GCP Tenant App, which provide residential tenants with seamless communication and service request management. These offerings improve tenant satisfaction while

embedding sustainable management practices across the Aroudtown's portfolio. In 2024, no new products or services were introduced, nor were any removed.

Sustainability is a key pillar of Aroundtown's operations. Environmentally, the Group has made significant investments in energy-efficient solutions and building upgrades to support its commitment to sustainability. Socially, the Group promotes affordable housing initiatives through GCP, as well as contributes to community development through its foundations, which donate numerous social projects every year. Finally, AT's focus on governance & compliance ensures the Group's inclusion in ESG Indices - Dow Jones Sustainability Index, Bloomberg Gender Equality Index, and MDAX ESG. It also provides the basis for transparent reporting as has been acknowledged by EPRA's Gold Awards for sustainability reporting.

Aroundtown's geographic footprint is concentrated in Germany, the Netherlands, and London, with additional holdings in Paris, Rome, Brussels, and Athens. The Group serves a diverse tenant base, including governments, multinational corporations, and domestic enterprises for office spaces, major hospitality brands for hotels, supermarkets and essential goods retailers for retail properties, and private individuals for residential housing. In 2024, no significant changes were made to its market focus or customer segments.

Workforce Overview

The Management Body and AT's workforce is primarily based in Germany, the Netherlands and London, with an additional management team in Luxembourg.

As of 31 December 2024, AT employed 1668 employees across its operational locations. This figure includes:

- Permanent Employees: 1331 (80% of the total workforce).
- Temporary Employees: 337 (20% of the total workforce).
- Full-Time Employees: 1487 (89% of the total workforce).
- Part-Time Employees: 162 (10% of the total workforce).
- Non-Guaranteed Hours Employees: 19 (1% of the total workforce)

This headcount excludes external contractors and temporary workers engaged through third-party agreements. Further details on employee demographics can be found in section S1-6.

Sustainability-Related Goals and Performance Assessment

Aroundtown has embedded sustainability into its core strategic vision by focusing on improving energy efficiency, reducing its carbon footprint, and fostering sustainable urban communities while maintaining financial resilience. A key pillar of Aroundtown's sustainability approach is its commitment to energy-efficient real estate. More concretely this refers to switching to green energy supply as well as the targeted upgrading of AT's assets to higher energy efficiency to reduce GHG emissions, as well as other environmental goals such as the reduction of waste and water consumption linked to our buildings.

In addition, AT's residential portfolio is also committed to providing affordable, appropriate-quality housing in metropolitan areas, addressing critical social needs while maintaining strong tenant satisfaction. AT prioritizes strengthening tenants' engagement and retention through digital tools, such as the GCP App, and community initiatives.

Whereas AT generally sets targets on a group-level, there may be some geographical differences regarding energy efficiency goals for example due to national laws in the Netherlands and the UK setting higher standards for energy performance certificates than Germany.

Regarding the assessment of its significant products, services, and markets in relation to sustainability goals, AT focuses on upgrading older buildings with energy-efficient renovations, such as improved insulation, energy-efficient windows, and modernized, low-carbon heating systems. These efforts align with AT's key sustainability objective: achieving a 40% reduction in CO_2 emissions by 2030 (compared to 2019 levels). Furthermore, the Group has started to invest in renewable energy solutions, such as solar panel installations, combined heat and power systems, heat pumps, and electric vehicle charging stations, further supporting its long-term decarbonization strategy. AT also actively prioritizes green-certified properties, with 47% of its commercial portfolio, including 65% of the office and 30% of the hotel portfolio already meeting green certification standards, and ongoing plans to expand this share.

However, this transition to a low-carbon and energy efficient portfolio also presents notable challenges. High initial investment costs remain a significant barrier, particularly when implementing large-scale efficiency upgrades. Additionally, stricter EU regulations, such as the EU Taxonomy for sustainable activities, require ongoing compliance efforts and enhanced reporting. Another major challenge is the decarbonization of an aging real estate portfolio, especially in historic city centers where modern energy solutions are more difficult to implement.

To address these challenges, Aroundtown is actively expanding its portfolio of green-certified buildings, aligning with industry best practices and EU sustainability goals. The Group is also increasing its reliance on electrification and renewable energy sources, gradually reducing dependence on fossil fuels through investments in solar energy, and heat pumps. Circular economy principles are becoming more integrated into asset management, with a growing focus on reducing construction waste and promoting material reuse in property renovations.

Business Model and Value Chain

Aroundtown's business model involves acquiring, modernizing and managing commercial properties to enhance tenant experiences while meeting sustainability targets. Its value chain includes partnerships with construction firms, energy suppliers, and IT providers to enhance property standards and operational efficiency. For details on the business model, please refer to section "The Strategy and Business Model" in the Board of Director's report.

Key inputs include capital investment in property acquisition and renovation, energy-efficient materials sourced through supplier due diligence and tenant feedback. These inputs are sourced through rigorous due diligence process, such as supplier alignment with its Code of Conduct for Business Partners, and thorough legal and KYC processes for sourcing of capital and acquisition opportunities. Outputs include availability of commercial units, including upgraded and energy-efficient assets, enhanced tenant services through digital platforms, and improved stakeholder trust through transparent ESG reporting. These outcomes benefit tenants by providing improved living conditions, investors with stable returns, and contribute to sustainable urban development.

AT's value chain encompasses the wide range of activities that are integral to the Group's business model. It considers the Group's strategy, the external environment in which it operates, and all corresponding stakeholders. At a glance, Aroundtown's value chain is made up of the following:

Upstream

1. Asset Acquisition

- **Deal Sourcing:** Evaluating and selecting assets based on criteria such as location, market trends, condition, and value-add, yield potential and alignment with investment strategy.
- **Due Diligence:** Conducting legal, financial, operational and ESG assessments of assets to ensure they meet investment goals and align with overall strategy, ESG strategy and risk management.
- **Financing Arrangements:** Securing appropriate financing to purchase or manage assets.

2. Procurement of materials and services

- **1st tier:** Procurement of services, including but not limited to architectural planning, engineering, energy auditing and general contracting.
- **2nd - 3rd tier:** Mainly material sourcing and construction material production.

Own operations

3. Property Management

- **Operational Management:** Day-to-day management of assets, including overseeing building systems, repairs, and tenant services.
- **Tenant Relations:** Managing lease agreements, handling tenant inquiries, and ensuring occupancy rates remain high.
- **Facility Management:** Ensuring that facilities are well-maintained, energy-efficient, and compliant with regulations.
- **Service Contracts:** Outsourcing specific maintenance tasks (e.g., cleaning, landscaping) to third-party service providers.

4. Asset Management

- **Performance Monitoring:** Tracking the financial performance of properties, including rent collections, operating costs, and profitability.
- **Value Enhancement:** Identifying opportunities to enhance property values, such as upgrading amenities, retrofit projects, and improve energy efficiency.
- **Cost Optimisation:** Reducing operational expenses while upholding property standards, using strategic measures such as energy audits and purchasing agreements.

5. Marketing and Leasing

- **Asset Marketing:** Developing marketing strategies to attract and retain tenants.
- **Tenant Retention Programs:** Implementing programs to enhance tenant satisfaction, such as community-engagement initiatives.

6. ESG, Compliance and Risk Management

- **Legal Compliance:** Ensuring adherence to safety regulations, residential tenancy law, property taxes, and other legal obligations.
- **Health & Safety Management:** Implementing safety standards for tenants and visitors, including fire safety, emergency planning, and regular inspections.

- **ESG Initiatives:** Increasing focus on initiatives such as energy efficiency and green building certifications, as well as other measures that improve the sustainability performance of the assets.

7. Refurbishment and Development

- **Refurbishment and asset improvements:** Upgrading, renovating, or modernizing existing properties to enhance their operational, financial and/or sustainability performance. This includes refurbishments and other maintenance measures aimed at maintaining asset quality and enhancing energy efficiency.
- **Development:** Identifying and extracting building and conversion rights from underutilized land and buildings (both new and existing). This involves planning, engaging with authorities, selling the rights, or, in select cases, partnering with external parties for development and overseeing the project.

Downstream

8. Consolidated Reporting and Investor Relations

- **Financial and ESG Reporting:** Regularly providing financial and non-financial statement to relevant stakeholders and the public, as well as analyzing key performance indicators (KPI)s that are relevant to operational, financial and sustainability performance of the Group.
- **Investor Relations:** Managing relationships with investors, conveying the Group's strategy and performance, maintaining an open channel for communications.

9. Exit Strategies

- **Selling assets:** Capital recycling through the sales of assets.
- **Real estate brokers:** Maintaining relationship with local and nationwide brokers that facilitate property sales.

SBM-2- Interests and view of Stakeholders

Stakeholder Engagement and Integration into Business Strategy

Aroundtown recognizes that stakeholder engagement is fundamental to achieving its sustainability and business objectives. By fostering transparency, inclusivity, and responsiveness, the Group ensures that stakeholder insights inform its strategic direction, sustainability initiatives, and operational improvements.

Stakeholder Engagement Approach

AT's stakeholder engagement process involves diverse mechanisms: surveys, roundtables, direct consultations, a customer service center and digital platforms, including the GCP Tenant App to facilitate continuous interaction with stakeholders. Overall, stakeholder engagement is integrated into operational processes and decision-making to align with AT's sustainability objectives.

Key Stakeholders and Their Roles

Aroundtown identifies its key stakeholder groups, reflecting their varying interests and interactions with the Group. The listed below represent those groups identified in the DMA process:

- Tenants: Residents who lease and engage with AT properties.
- Employees: The workforce responsible for property management, operations, and corporate functions.
- Investors: Institutional investors, including pension funds, asset managers, sovereign funds, lending institutions (e.g., banks), and private retail shareholders.
- Local Communities: Neighborhoods of Aroundtown's residential assets owned by its subsidiary GCP.
- Suppliers and Contractors: Business partners providing materials, construction, and maintenance services

AT categorizes key stakeholders based on their roles within its value chain as internal stakeholders: employees, and external stakeholders: tenants, workers in the value chain, local communities, suppliers, investors, and financial institutions.

Organisation of Stakeholder Engagement

Stakeholder engagement is coordinated and overseen by the Sustainability Department, with direct involvement from various AT departments such as Operations, Customer Service, and Communications. Engagement initiatives:

- Tenant engagement: Continuous feedback collection through AT's Customer Service Center and interactions between service agents and tenants.
- Community events: Organized throughout the year at residential properties owned by AT's subsidiary GCP and in surrounding neighborhoods.
- Employee engagement: Conducted through annual satisfaction surveys and HR roundtables.

- Investor relations: Managed via quarterly investor meetings, investor conferences, roadshows, and annual general meetings.
- Supplier assessments: Business Partner & Know-Your-Customer teams evaluate supplier compliance with the Code of Conduct for Business Partners.

This structured approach ensures that stakeholder concerns are systematically gathered and addressed and aligned to the DMA process.

Purpose and Impact of Stakeholder Engagement

The purpose of stakeholder engagement at Aroundtown is to identify and address material sustainability impacts, risks, and opportunities. Engagement efforts aim to foster trust and collaboration with tenants, employees, and external partners while ensuring business practices align with stakeholder expectations and regulatory requirements. By incorporating stakeholder insights, the Group enhances its sustainability goals through informed and effective strategies.

Stakeholder engagement outcomes are continuously analyzed and integrated into AT's operations and strategic planning:

- Tenant feedback informs property upgrades and service improvements.
- Investor feedback shapes (ESG) disclosures and reporting.
- Supplier evaluations lead to enhanced due diligence and stricter contract requirements.

While stakeholder feedback plays a crucial role in refining AT's practices, it has not led to major amendments to the Group's overall strategy or business model in recent years.

Stakeholder Views in Strategy and Business Model

Aroundtown considers the interests and views of its key stakeholders in shaping its strategy and business model. Tenants prioritize reliable services, and energy-efficient properties and the Group's residential tenants seek affordable housing, while employees seek career development, fair treatment, and workplace safety. Investors focus on transparent ESG reporting, compliance, appropriate risk management, and stable returns. Local communities, especially residential neighborhoods, emphasize social responsibility, environmental stewardship, and local development. Suppliers emphasize working conditions and reliable payments as their main interest. This stakeholder understanding is integrated into AT's materiality assessments, guiding strategic decision-making and sustainability initiatives.

Governance and Stakeholder Insights in Sustainability Decision-Making

The Board of Directors and the Management Body are informed about the views and interests of affected stakeholders with regard to the Group's sustainability-related impacts by the ESG Committee and the department heads. Such information is included in meeting presentations to the Board and the Management Body. For example, the Sustainability Department presents the outcome of the DMA, which is the assessment of the Group's affected stakeholders' views, and the Human Resources Department presents results from employee satisfaction surveys. The Board evaluates the information and findings presented to them during quarterly governance meetings to refine sustainability strategies.

SBM-3 - Material impacts risks and opportunities and their interaction with strategy and business model

As part of our structured methodology to identify impacts, risks, and opportunities ("IRO") and to integrate these ESG considerations into our risk management framework, Aroundtown utilizes the DMA in alignment with the ESRS 1 section 3.

In 2024, Aroundtown conducted its most recent comprehensive DMA which identified the following material positive and negative impacts on people and the environment, risks and opportunities, the business operations and/or value chain that they relate to as well as the relevant time horizons of material impacts, categorized as:

- Short-term time horizon (12 months)
- Medium-term time horizon (1–5 years)
- Long-term (>5 years)

Of the 40 topics assessed, five of them were found to be of either environmental, social or governance impact, nine were found to be double material to the business, framed under the following ESRS topics.

Note that although local communities have been identified as a key stakeholder of the Group, the DMA for Aroundtown did not uncover any material IROs in relation to affected communities. However, in the DMA of AT's subsidiary, residential property owner GCP, material impacts were determined for affected communities (ESRS S3), in particular regarding the topic of adequate housing. As this topic is specifically pertinent to GCP's operations and its direct impact on local communities, yet, is not relevant for Aroundtown as a commercial real estate company and not material on a Group level, the disclosures related to adequate housing under ESRS S3 are not included in this report.

E1 Climate Change

Real estate is a major contributor to climate change, accounting for nearly 40% of global carbon emissions through construction, energy use, and building materials (*) This area was also identified for Aroundtown's building portfolio with the most material impact on the environment and people and the greatest potential for positive impact through strategic investment in energy efficient building operations and renewable energy generation. Both energy efficiency and low carbon energy supply are also identified as posing material risks to the business model as well as providing opportunities.

The following material impacts, risks and opportunities related to climate change were identified for AT:

Table 5

ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Climate Change Mitigation	Greenhouse gas (GHG) emissions	Negative impact	GHG emissions from building construction and operations (direct landlord-GHG-emissions and indirect tenant GHG emissions)	Own operations and Value chain (downstream)	Long-term
	Renewable energy	Positive impact	Decreased GHG emissions from increasing renewable energy production and/or procurement	Own operations	Long-term
		Risk	Staying behind in transition towards green economy (e.g., lower EU Taxonomy-alignment, less interest from sustainability-oriented investors)		Medium-term
		Opportunity	Decentral production of renewable energy; more dynamic integration into energy network and demand response technologies requirements; renewable energy procurement		
	Financing green investment	Positive impact	Increase of capital available for green investments	Own operations	Medium-term
	Energy efficiency	Positive impact	Improvements of energy efficiency in building operations and introduction of energy-efficient building technologies	Own operationsand Value chain (downstream)	Long-term
	Low carbon transport	Positive impact	Availability of EV charging stations	Own operations	Short-term / Long-term
	Transition legislation	Risk	Introduction of new taxes and laws; particularly material for potentially locked-in GHG emissions	Own operations	Medium-term
	Transition to low-carbon economy (incl. Net Zero Carbon)	Risk	Investment requirements and technical challenges associated with decarbonization and transition legislation	Own operations	Medium-term
		Opportunity	Financing opportunities (e.g., subsidies) for transition plans		
		Opportunity	Better alignment with increased sustainability-related market expectations, attracting sustainability-oriented tenants		
Energy	Energy consumption and intensity	Positive or Negative impact	Impact on energy consumption of building operations from decisions on implemented building technology	Own operations and Value chain (downstream)	Long-term
		Risk	Increased pressure to lower energy consumption and intensity resulting in costs of improvements and technological challenges		
		Opportunity	Decreased energy costs from energy efficiency upgrades		

E2 Pollution

Linked to the before-mentioned significant energy consumption of Aroundtown's building portfolio and the fact that a large proportion of it is generated from fossil fuels, air pollution was also identified as having a potential material negative impact on AT's business operations and the environment:

Table 6

ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Air pollution		Negative impact	Emissions from fossil fuel-based heating and energy consumption	Own operations and Value chain (downstream)	Long-term

(*) for further details, see: United Nations Environment Programme Finance Initiative (UNEP FI), 40% of Emissions Come from Real Estate – Here's How the Sector Can Decarbonize, 2022

S1 Own Workforce

The DMA identified that Aroundtown, as a large employer, is able to create significant positive impact on staff social and financial wellbeing through its various employment policies. At the same time, risks and opportunities linked to attracting and nurturing talent in a competitive labor market were identified as material to AT's business success. Material impacts, risks and opportunities related to AT's own workforce were identified as:

Table 7

ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Working conditions	Working time	Positive impact	Compliance with at least relevant legislation	Own operations	Short-term / Long-term
		Risk	Availability and cost of adequate workforce		Medium-term
		Opportunity	Employer attractiveness to adequate workforce in relation to provision of adequate working time		Medium-term
	Adequate wages(*)	Positive impact	Policies on adequate wages and compliance with at least relevant legislation	Own operations	Short-term / Long-term
		Risk	Availability and cost of adequate workforce		Medium-term
		Opportunity	Employer attractiveness to adequate workforce in relation to provision of adequate wages		Medium-term
	Work-life balance	Positive impact	Existence of flexible working (or similar) policies and procedures	Own operations	Short-term / Long-term
		Risk	Availability and cost of adequate workforce		
		Opportunity	Employer attractiveness to adequate workforce in relation to provision of work-life balance		
	Health and safety	Positive impact	Policies and procedures regarding safeguarding of health and safety of own workforce and compliance with at least relevant legislation	Own operations	Short-term / Long-term
		Risk	Availability and cost of adequate workforce		
		Opportunity	Employer attractiveness to adequate workforce in relation to provision of health and safety		
	Secure employment	Positive impact	Policies regarding secure employment	Own operations	Short-term / Long-term
		Risk	Availability and cost of adequate workforce		Short-term / Long-term
		Opportunity	Employer attractiveness to adequate workforce in relation to provision of secure employment		Medium-term
	Social dialogue	Positive impact	Policies and procedures regarding social dialogue between employers and own workforce	Own operations	Short-term / Long-term
	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	Positive impact	Policies and procedures regarding freedom of association	Own operations	Short-term / Long-term
Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Positive impact	Policies and procedures regarding gender equality and equal pay for work of equal value	Own operations	Short-term / Long-term
	Training and skills development	Positive impact	Provision of training and skills development	Own operations	Short-term / Long-term
	Employment and inclusion of persons with disabilities	Positive impact	Policies and practices regarding employment of persons with disabilities	Own operations	Short-term / Long-term
	Measures against violence and harassment in the workplace	Positive impact	Existence of measures against violence and harassment in the workplace	Own operations	Short-term / Long-term
	Diversity	Positive impact	Policies and procedures to promote diversity and inclusion in the workplace	Own operations	Short-term / Long-term
Other work-related rights	Privacy	Positive impact	Policies and procedures regarding privacy of workers and employees	Own operations	Short-term / Long-term

(*) adequate wages is defined by ESRS as following minimum wage requirements in the national member states

S2 Workers in the Value Chain

Workers in AT's value chain includes contracting companies, suppliers and business partners and their staff, which are impacted in similar ways to AT's own workforce. Those workers identified to have a higher negative impact were external construction workers.

Material AT impacts to workers in AT's value chain were identified as:

Table 8

ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Working conditions	Secure employment	Positive impact	Employment contracts meet at least the minimum local standards, other than for contractors. E.g. pension and health insurance contributions, guaranteed hours, at or above minimum wage	Value chain (upstream)	Short-term / Long-term
	Working time		Policies regarding working time and compliance with at least relevant legislation		
	Adequate wages		Policies on adequate wages and compliance with at least relevant legislation		
	Health and safety		Existence of Health and safety policies		

S4 Consumers & End Users

In the current reporting year transparent and secure information flow was identified as material to AT's tenants and thus also to AT's business operations. Impacts, risks and opportunities linked to our consumers and end users, that is our tenants, were identified as:

Table 9

ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Information-related impacts for consumers/ or end-user	Access to (quality) information	Positive Impact	Transparent communication on building-related questions	Own operations and Value chain (downstream)	Short-term / Long-term
		Risk	Reputational or legal risk from not giving sufficient access to quality information to consumers and end-users		Long-term
	Privacy	Positive Impact	Policies regarding privacy, e.g. with regards to grievances, personal data, consumption data		Short-term / Long-term
		Risk	Reputational or legal risk from not respecting privacy of consumers and end-users		Long-term

G1 Business Conduct

Material impacts, risks and opportunities linked to Aroundtown's business conduct, both upstream and downstream, were identified for this reporting year. They are:

Table 10

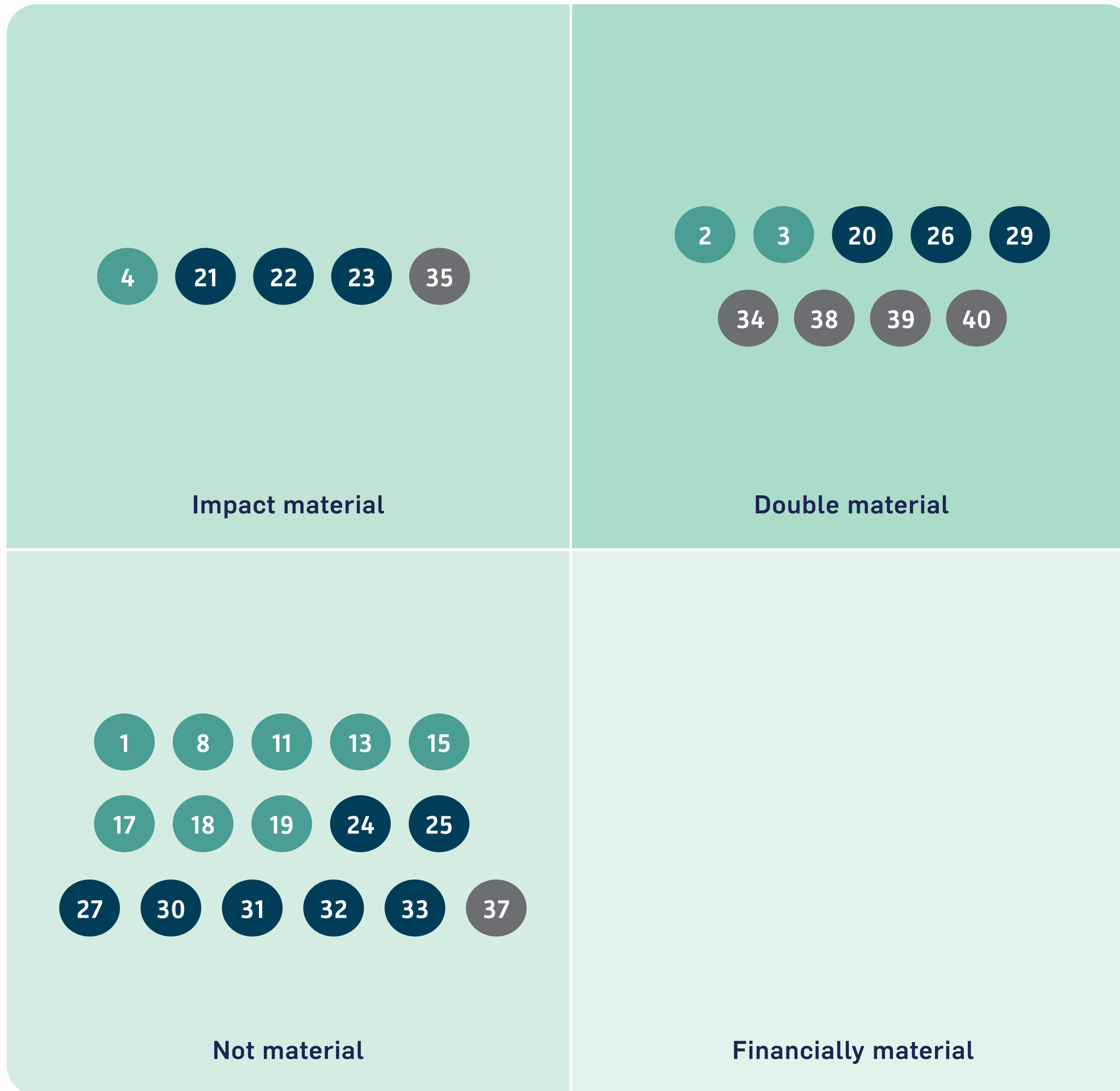
ESRS Sub-topic	Sub-sub-topic	IRO Category	Description	Value Chain	Time Horizon
Corporate culture		Positive impact	Definition of corporate and company culture including mission and vision	Own operations	Short-term / Long-term
		Risk	Reputational risk from not adhering to best business practice standards in relation to corporate culture		
		Opportunity	Employer attractiveness to adequate workforce by adhering to best business practice standards in relation to corporate culture		
Protection of Whistleblowers		Positive impact	Existence of protection of whistle-blowers	Own operations	Short-term / Long-term
Management of relationships with suppliers including payment practices		Positive impact	Policies, procedures and practices regarding management of relationships with suppliers	Value chain (upstream)	Short-term / Long-term
		Risk	Reputational and legal risk from not adhering to best business practices regarding management relationships with suppliers		
Corruption and bribery	Incidents	Positive impact	Existence of incidents log	Own operations	Short-term / Long-term
		Risk	Reputational and legal risk from not adhering to best business practices, anticorruption and anti-bribery rules and practices		
	Prevention and detection including training	Positive impact	Existence of prevention and detection mechanisms, including training for exposed staff members	Own operations	Short-term / Long-term
		Risk	Reputational and legal risk from not adhering to best business practices, anticorruption and anti-bribery rules and practices		
Investor relations(*)	Access to capital	Positive and negative impact	Investors sustainability awareness	Own operations and Value chain (upstream)	Short-term / Long-term
		Risk	ESG and climate risk requirements impact access to capital from lenders and institutional investors (e.g., increasing ESG-related expectations		
		Opportunity	ESG performance could attract new investors and enable access to capital		
	Reputation	Positive and negative impact	Increasingly investors prefer to deploy capital with firms which have a positive reputation for management of ESG issues	Own operations and Value chain (upstream)	Short-term / Long-term

(*) entity-specific sub-topic

Detailed information regarding specific material impacts, risks, and opportunities is provided in the sections addressing each relevant topical ESRS.

For each of the material IROs, detailed information is provided in the sections below referring to each appropriate topical ESRS, including how material negative and positive impacts affect (or are likely to affect) people or the environment, and how they connect to strategy and business model of the relevant undertaking.

Materiality matrix at Sub-topic level



Environmental

E1 Climate Change

1. Climate Change Adaptation
2. Climate Change Mitigation
3. Energy

E2 Pollution

4. Pollution of air
5. Substances of concern

E3 Water & Marine Resources

11. Water

E4 Biodiversity & Ecosystems

13. Direct impact drivers of biodiversity loss
14. Impacts on the extent and condition of ecosystems

E5 Resource Use and Circular Economy

17. Resources inflows, including resource use
18. Resource outflows related to products and services
19. Waste

Social

S1 Own Workforce

20. Working conditions
21. Equal treatment and opportunities for all
22. Other work-related rights

S2 Workers in the Value Chain

23. Working conditions
24. Equal treatment and opportunities for all
25. Other work-related rights

S3 Affected communities

26. Communities' economic, social and cultural rights
27. Communities' civil and political rights

S4 Consumers and End-users

29. Information-related impacts for consumers and/or end-users
30. Personal safety of consumers and/or end-users
31. Social inclusion of consumers and/or end-users
32. Tenant engagement
33. Health and wellbeing of tenants/occupants

Governance

G1 Business Conduct

34. Corporate culture
35. Protection of whistle-blowers
37. Political engagement and lobbying activities
38. Management of relationships with suppliers including payment practices
39. Corruption and bribery
40. Investor relations**

**Sub-topic added as sector/entity specific

Financial Effects of the Material Risks and Opportunities

Aroundtown assesses the financial implications of material risks and opportunities by analyzing their impacts on the Group's financial position, performance, and cash flows. Climate-related risks directly influence the Group's financial position, particularly in property valuations and insurance premiums, reflecting market and regulatory shifts in response to evolving environmental considerations. From a financial performance perspective, investments in energy retrofitting projects, while requiring significant upfront costs, offer long-term cost savings by reducing utility expenses and enhancing energy efficiency. These initiatives align with AT's sustainability objectives and improve the operational efficiency across the portfolio. In terms of access to capital, sustainable property upgrades serve as a significant driver in attracting ESG-focused investors. This focus ensures consistent access to capital, strengthens financial stability, and supports the Group's ongoing efforts to align with sustainability goals.

Resilience of the Business Model and Strategy

Aroundtown's strategy demonstrates resilience by embedding sustainability considerations into its governance framework and operations. Risk assessments and adaptive policies ensure preparedness to address emerging ESG challenges. For each of the material IROs, detailed information is provided in the sections below referring to each appropriate topical ESRS.

Further Disclosures

Besides the topics defined by the ESRS, Aroundtown identified the following entity-specific topics, which were also determined to be material as part of the DMA process: G1 Business conduct: Investor relations – access to capital and investor relations – reputation.

IRO- 1 – Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities

AT employs a structured and data-driven approach to identifying, assessing, and managing sustainability-related IROs. This methodology integrates ESG considerations into the Group's risk management framework, ensuring a comprehensive and proactive response to evolving sustainability challenges and opportunities.

Methodology for Identifying Impacts, Risks, and Opportunities

Aroundtown conducts a DMA that evaluates sustainability risks, opportunities, and impacts across all business activities and the value chain. This methodology is aligned with ESRS 1, section 3, ensuring compliance with European sustainability reporting requirements. AT will review the DMA annually and update it if material changes in the business context are identified.

The methodology begins with documenting the business model and mapping the value chain, followed by a relevance workshop to refine a list of IROs. These are scored on dimensions such as likelihood, scale, scope, and irremediability. Surveys targeting both internal and external stakeholders assess the impact and financial materiality of each IRO, with weighted inputs based on stakeholder priority. Any complex topics or gaps identified are resolved through stakeholder interviews and leadership decisions. This systematic approach integrates qualitative and quantitative analyses to ensure comprehensive and CSRD-compliant reporting.

Given the complexity of the DMA, several assumptions were made to streamline the process. The likelihood, scale, scope, and irremediability of each IRO were assessed using a standardized 1–5 scale. This implies that subjective judgments across different stakeholder groups will align sufficiently to ensure consistent results. A threshold of ≥2.5 was set for materiality, despite varying sensitivities across different industries or stakeholder groups. Furthermore, due to lack of accessibility of some stakeholders, internal employees with relevant expertise and regular exposure to these groups represented these external stakeholders. This applies particularly to less accessible groups like communities. Lastly, when stakeholders responded "I don't know" to survey questions, with a threshold of >30% "I don't know" indicated the need for expert intervention and leadership decision-making, to adequately address knowledge gaps.

Assessment, Prioritisation, and Monitoring of Impacts

Aroundtown's process for identifying, assessing, prioritizing, and monitoring potential and actual impacts on people and the environment is divided into three key stages: understanding the business and its context, identifying and evaluating IROs through surveys and interviews with stakeholders, and determining material sustainability matters. The process begins with a thorough understanding of the Group's business model and value chain, where AT maps its upstream and downstream activities, identifying areas where IROs may occur.

Next, stakeholders are carefully identified and prioritized, including tenants, employees, suppliers, investors and local communities. Each stakeholder group is evaluated based on their influence, immediacy, and impact, ensuring their perspectives are reflected appropriately. A comprehensive list of potential IROs is compiled, informed by sector-specific ESRS topics and internal considerations. This list is further reviewed and refined through collaboration with key departments, such as ESG and Risk.

Once the IROs are identified, they are assessed using a defined scoring framework. Impact materiality is evaluated based on factors like likelihood, scale, scope, and irreversibility, while financial materiality is assessed using monetary thresholds and time horizons. Surveys are distributed to gather stakeholder input on these dimensions, with additional input from the Sustainability Department for more complex evaluations.

The results of these assessments are used to prioritize impacts based on their significance. Topics deemed material are subjected to further analysis and validation through workshops and interviews with senior management, ensuring alignment with stakeholder feedback.

The entire process is underpinned by Aroundtown's set of corporate policies, including its Human Rights Policy, Codes of Conduct for Employees and Code of Conduct for Business Partners, as well as adherence to international standards, including the guidance on the Double Materiality Assessment provided by EFRAG IG 1: Materiality Assessment Implementation Guidance. This guarantees that the assessment is both ethical and comprehensive, addressing the Group's commitment to people and the environment. AT ensures that the outcomes of this process are accessible and capable of driving continuous improvement in sustainability practices

AT's process is designed to address areas with heightened risk of adverse impacts, focusing on specific activities, business relationships, and geographies. In the supply chain, particular attention is paid to construction and maintenance contractors operating in regions where labor laws are less stringent, ensuring they comply with ethical and sustainability standards.

Within operations, tenant data management processes are monitored for potential GDPR non-compliance, while tenant energy consumption and related GHG emissions are identified as key adverse impacts. Additionally, risks associated with non-compliance with minimum energy standards for rental spaces are carefully managed.

Geographically, the process prioritizes properties located in regions vulnerable to physical climate risks, such as flooding. Business relationships are evaluated through supplier questionnaires and periodic audits, with an emphasis on ensuring adherence to human rights and safety standards.

Managing Direct and Indirect Impacts

Aroundtown distinguishes between direct impacts (own operations) and indirect impacts (business relationships):

- Direct impacts: Arising from tenant interactions, such as housing adequacy and data privacy risks. Managed through tenant service protocols and privacy compliance measures.
- Indirect impacts: Linked to supply chain labor conditions and contractor environmental performance. Addressed through contractual obligations and supplier training programs to improve ESG compliance.

AT ensures stakeholder perspectives inform its IRO analysis through:

- Tenant surveys on service quality and asset conditions.
- Supplier assessments to ensure alignment with AT's ESG principles.
- Expert collaboration with sustainability consultants for independent validation of the DMA methodology.

Prioritisation of Impacts, Risks, and Opportunities

The DMA follows a structured approach, starting with business model and value chain mapping and a relevance workshop to identify and categorize potential IROs as not relevant, moderately relevant, or highly relevant. Highly relevant topics proceed automatically, while others are further assessed or excluded. Actual negative impacts are assessed based on their severity, while potential negative impacts are evaluated considering both severity and likelihood. The analysis focuses on short-, medium- or long-term. In the case of a potential negative human rights impact, severity takes

precedence over likelihood. Stakeholder engagement through surveys, interviews, and workshops ensures a well-rounded validation, with priority given to high-impact stakeholders.

Finally, the results are consolidated and validated through further discussions with key decision-makers. Any topics close to the materiality threshold or flagged as uncertain by stakeholders are reviewed in detail by senior management and the Sustainability Department. Topics with financial materiality undergo an additional review by senior leadership to ensure they accurately reflect Group risks and opportunities. As a conclusion of these discussions, including also the advice from external consultants, the material information was determined, based on the ESRS structure, in relation to the material impacts, risks and opportunities.

Aroundtown is currently reviewing its process for identifying, assessing, prioritizing, and monitoring risks and opportunities with potential financial effects. While still in development, this process involves regular climate risk assessments, the use of Energy Performance Certificates to help identify vulnerabilities, and a structured approach to prioritizing risks based on urgency and potential financial impact. Monitoring is conducted through KPIs. A more detailed update on the process will be provided in next year's reporting.

The Group considers impacts and dependencies across its value chain and integrates these considerations into its risk and opportunity assessments. Impacts on people, such as tenant satisfaction or health and safety, are closely linked to AT's reputational and financial performance. Satisfied tenants foster long-term occupancy and trust, reducing turnover costs and enhancing overall portfolio stability.

Environmental dependencies, including energy use and associated GHG emissions, directly influence regulatory compliance and operational costs. Efficient energy management not only mitigates regulatory risks but also reduces expenses, creating opportunities for cost savings and improved sustainability outcomes. By understanding these connections, Aroundtown ensures its strategies are responsive to risks and aligned with long-term value creation.

Decision-Making and Integration with Risk Management

Each risk and opportunity is evaluated based on:

- Likelihood (historical data and future projections).
- Magnitude (financial, reputational, and operational impact).
- Nature (short-term vs. long-term, direct vs. indirect).

Sustainability-related risks are integrated into AT's enterprise risk management system, ranking them alongside regulatory and operational risks.

- Oversight by the Risk Committee, Sustainability Department, and Chief Risk Officer.
- Combination of qualitative and quantitative risk assessments, with targeted financial analysis for high-priority IROs.
- Sustainability risks are incorporated into enterprise risk assessments.
- Opportunities (e.g., renewable energy projects) are integrated into strategic planning.
- Stakeholder feedback, market research, and industry tools.

Since last year, we have made two improvements to the way we conduct engagement. These improvements are:

- New digital tools for tenant feedback tracking.
- Expanded stakeholder consultations and climate risk evaluations.

IRO-2 – Disclosure Requirements in ESRS Covered by the Undertaking's Consolidated Sustainability Statement

ESRS Disclosure Requirements Complied with in Preparing Consolidated Sustainability Statement following Outcome of Materiality Assessment

ESRS 2 General

Reference	Title	Page Number
BP-1	General basis for preparation of the sustainability statement	49-50
BP-2	Disclosures in relation to specific circumstances	50-53
GOV-1	The role of the administrative, management and supervisory bodies	53-57
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	58-59
GOV-3	Integration of sustainability-related performance in incentive schemes	59
GOV-4	Statement on due diligence	59
GOV-5	Risk management and internal controls over sustainability reporting	60-61
SBM-1	Strategy, business model and value chain	61-64
SBM-2	Interests and views of stakeholders	64-65
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	65-71
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	71-73
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	74-76
	List of data points that derive from other EU legislation and information on their location in sustainability statement	153-155

E1 Climate Change

Reference	Title	Page Number
E1. GOV-3	Integration of sustainability-related performance in incentive schemes	78
E1-1	Transition plan for climate change mitigation	78-81
EU Taxonomy Disclosures	EU Taxonomy Disclosures	82-87
E1. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	87-92
E1. IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	87-92
E1-2	Policies related to climate change mitigation and adaptation	93
E1-3	Actions and resources in relation to climate change policies	93-94
E1-4	Targets related to climate change mitigation and adaptation	94-97
E1-5	Energy consumption and mix	97-102
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	102-109
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	109
E1-8	Internal carbon pricing	109

E2 Pollution

Reference	Title	Page Number
E2. IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	111
E2-1	Policies related to pollution	111-112
E2-2	Actions and resources related to pollution	112
E2-3	Targets related to pollution	112
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S1 Own Workforce

Reference	Title	Page Number
S1. SBM-2	Interests and views of stakeholders	115
S1. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	115-116
S1-1	Policies related to own workforce	116-118
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	118
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	118-119
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	119-121
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	121-122
S1-6	Characteristics of the undertaking's employees	122-123
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S2 Workers in the Value Chain

Reference	Title	Page Number
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S2. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	129-130
S2-1	Policies related to value chain workers	130-132
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	133
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	134

S4 Consumers and End-Users		
Reference	**Title**	**Page Number**
S4. SBM-2	Interests and views of stakeholders	136
S4. SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	136-137
S4-1	Policies related to consumers and end-users	137-138
S4-2	Processes for engaging with consumers and end-users about impacts	138
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	139
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	139-142
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	143-144

G1 Business Conduct		
Reference	**Title**	**Page Number**
G1. GOV-1	The role of the administrative, management and supervisory bodies	146-147
G1-1	Business conduct policies and corporate culture	147-149
G1-2	Management of relationships with suppliers	149-150
G1-3	Prevention and detection of corruption and bribery	150-152
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G1-6	Payment practices	152

Environmental Information

ESRS E1 – Climate Change

Introduction

Over recent years, the global community, consisting of scientific researchers, governments, multilateral organizations, and the private sector, has increasingly recognized the crucial responsibility to mitigate the negative effects of climate change. The Intergovernmental Panel on Climate Change ("IPCC") has made it clear that the international community must limit global warming to +1.5°C in comparison to pre-industrial times, requiring significant reductions in greenhouse gas ("GHG") emissions worldwide. Through the Double Materiality Assessment ("DMA"), key areas have been identified where GCP's business has a significant impact or faces risks and/or opportunities. With buildings and construction accounting for for around 40% of global annual emissions(*), climate change mitigation remains a key material topic for the Group and, in our view, the real estate sector as a whole.

As part of our assessment, we have identified various climate change mitigation topics, as well as energy consumption, as material sustainability matters. While climate change adaptation and related physical climate risks are relevant, they have not been classified as material sustainability matters in this year's DMA based on our assessment of their impact on our assets. However, recognizing the importance of that topic, Aroundtown will continue to closely monitor future developments and take necessary actions as appropriate.

(*) For further details, see: United Nations Environment Programme Finance Initiative (UNEP FI): 40% of Emissions Come from Real Estate – Here's How the Sector Can Decarbonize, 2022.

High-level overview of disclosure	
Standard	**Indicator**
ESRS E1 Climate Change	E1. GOV-3 – Integration of sustainability-related performance in incentive schemes
	E1-1 – Transition plan for climate change mitigation
	E1. SBM-3– Material impacts, risks and opportunities and their interaction with strategy and business model
	E1. IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities
	E1-2 – Policies related to climate change mitigation and adaptation
	E1-3 – Actions and resources in relation to climate change policies
	E1-4 – Targets related to climate change mitigation and adaptation
	E1-5 – Energy consumption and mix
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
	E1-7 - GHG removals and GHG mitigation projects financed through carbon credits
	E1-8 - Internal carbon pricing

IROs or datapoints that were identified as immaterial to Aroundtown are not covered in this report. In some cases, AT decided to use the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 11

Material sustainability matters covered in ESRS E1					
Sub-topic	**Sub-sub-topic**	**Material Impact**	**Categorization of IRO**	**Localization of IRO**	**Time horizon of IRO**
Climate change mitigation	Greenhouse gas (GHG) emissions	Impact	Negative Impact	Own operations and Value chain (downstream)	Long-term
	Transition to low-carbon economy (incl. Net Zero Carbon)	Financial	Risk/ Opportunity	Own operations	Medium-term
	Transition legislation	Financial	Risk	Own operations	Medium-term
	Renewable energy	Double	Positive Impact Risk / Opportunity	Own operations	Medium-term / Long-term
	Financing green investment	Impact	Positive Impact	Own operations	Medium-term
	Energy efficiency	Impact	Positive Impact	Own operations and Value chain (downstream)	Long-term
	Low carbon transport	Impact	Positive Impact	Own operations	Short-term / Long-term
Energy	Energy consumption and intensity	Double	Positive Impact or Negative impact Risk/ Opportunity	Own operations and Value chain (downstream)	Long term

E1.GOV 3 - Integration of Climate-Related Performance in Incentive Schemes

The Group integrates climate-related considerations into its remuneration practices by incorporating a climate-related target into the Remuneration Policy for executive individuals as described here. This is outlined in the section related to disclosure requirement Gov-3 Integration of Sustainability-Related Performance in Incentive Schemes, found in the ESRS 2 disclosures. The primary climate-related target is Target 3 of STIP Remuneration concerning the Group GHG emissions reduction target, which accounts for 15% of STIP remuneration. Additionally, according to LTIP Target 4 executive individuals are remunerated based on the Group's performance against ESG rating schemes. This policy does not apply to supervisory bodies, as Aroundtown does not have a supervisory body, but an advisory body.

After the conclusion of each fiscal year, the Group prepares a detailed Remuneration Report as part of the materials distributed before the next Annual General Meeting, published on the Aroundtown website in May or June. These materials are prepared in accordance with Article 7 of the Luxembourg law of 24 May 2011 implementing the Shareholder Rights Directive II (EU) 2017/828. These materials are published to the General Meeting pages found under the Investor Relations web page of the Aroundtown website.

The Remuneration Report will highlight which targets applied to the remuneration for the reporting year and its relation to the Remuneration Policy targets.

E1-1 Climate Transition Plan for Climate Change Mitigation

Development of the Climate Transition Plan

Over the course of 2024, Aroundtown has significantly revised its Climate Transition Plan (previously referred to as the CO_2 Reduction Pathway), which outlines the strategy for achieving our published target of 40% reduction in CO_2 emissions intensity by 2030 compared against the 2019 baseline.

The Climate Transition Plan prioritizes the Group's least energy-efficient assets for initiatives aimed at improving energy performance. The assets are identified according to their exposure to emerging regulation focused on building energy efficiency, emissions reduction and decarbonization, namely the EU Energy Performance of Buildings Directive (EPBD), which sets efficiency requirements that buildings must meet over the next 10 years. The need for intervention is determined by the building's energy rating, which indicates the asset's current energy performance and whether it complies with regulatory requirements.

In the updated approach of the Climate Transition Plan, property-level data is collected through energy audits to better understand the current situation and consider key decarbonization levers that can be implemented for each property. Specifically, energy savings and cost data are gathered through these energy audits to assess the impact of distinct investment packages against their economic feasibility, considering the unique local market dynamics for each property. The sample of data collected from energy audits is used to calculate energy savings and cost parameters for the relevant asset types, which are then extrapolated across the portfolio. Energy audits are still being conducted on an ongoing basis, and as the sample size increases, the Group's plan is continuously updated to improve its accuracy. Additionally, the Group plans to use implementation data from current pilot projects to validate cost assumptions embedded in the plan.

The targets for which the Climate Transition Plan is designed to address are currently not compatible with the limiting of global warming to 1.5°C in line with the Paris Agreement. Please refer to section E1.SBM-3 and E1.IRO-1 on the identification and analysis of material climate-related impacts, risks, and opportunities for details on how CRREM's target pathways were used to develop the scenario informing consideration of whether the Group's target's compatibility with the limiting of global warming to 1.5°C in line with the Paris Agreement, which the Group applied in its assessment.

Decarbonization Levers

The energy audits discussed above provide valuable insights into the energy impact and cost implications of key decarbonization levers. This information is collected into key investment packages that combine energy efficiency measures and renewable energy systems. These packages prioritize addressing exposure to emerging energy efficiency regulations as a primary focus. Decarbonization levers identified in the Group's own operations and downstream in the value chain (i.e. in tenant spaces) identified, with the only upstream measures being energy procurement, include the following:

- Installing Solar PV systems
- Pipe insulation, hydraulic balancing, and heating automation measures
- Digitalization and optimization of heating systems
- Installation of air-source heat pumps and hybrid heat pump systems.
- Renewable energy procurement and grid decarbonization.
- Connect to district heating and the planned decarbonization of heating grids.
- Building envelope improvements (insulation, windows)

Key actions planned at this stage involve investments in PV systems and renewable energy procurement, while pilots have been initiated to begin digitalization, optimization of heating systems, and heating automation measures as well as installation of air-source heat pumps and hybrid systems in order to understand their feasibility on a larger scale. When these measures relating to the heating system are implemented, the possibility for hydraulic balancing to further improve energy efficiency is also considered. Pipe insulation, transition to district heating, and building envelope improvements are only considered when building-specific energy audits have suggested their feasibility since these measures are highly sensitive to the situation at each property, with the decision on whether to invest depending on financial feasibility.

Locked in GHG Emissions and Exposure to Fossil Fuel Activity

The heating systems in our properties typically have an operational lifespan of up to 30 years. Hence, the investment decisions taken today have an impact on locked-in GHG emissions during this time period. We are aware of this risk and take this into consideration when planning renovation measures and replacement of heating systems. We strive to deploy low-carbon (e.g., hybrid-heating) or fully electric heating systems (e.g., heat pumps) wherever economically and operationally possible, however barriers to their implementation, primarily local grid capacity and technical feasibility of specific properties, persist. It is also important to note that our business has not invested CapEx related to coal, oil, and gas-related economic activities as defined under ESRS E1 paragraph 16f. We don't consider our business excluded from EU Paris-aligned benchmarks, as outlined in ESRS E1 paragraph 16g, as Aroundtown is a real estate management company and does not materially engage in fossil fuel or energy sector activities. [*]

CapEx Planning and Integration into the Business Strategy

We are currently developing detailed CapEx plans that will be integrated into our overall business planning. These plans are in their early stages following the reformulation of the Climate Transition Plan's methodology and energy audit process. Based on the current findings of the Climate Transition Plan, the Group has estimates of the CapEx required to meet the target but has not yet formally allocated the CapEx over the medium-term. The primary reason for this is to allow for real project data

(*) for specific list of exclusion criteria, please refer to Articles 12.1 (d) to (g) and 12.2 of the Climate Benchmark Standards Regulation

to be collected from pilots currently under implementation to ensure accuracy of the data before formal CapEx allocation. Further details on these plans will be provided in future reports. The Climate Transition Plan solely focuses on CapEx measures as these are the primary measures through which building energy consumption and emissions can be reduced, thus OpEx plans are not involved in the strategy at this time.

The EU Taxonomy offers several options for aligning OpEx, CapEx and asset alignment with its criteria. Over the past few years, we have undergone extensive EU Taxonomy alignment exercises and provided a detailed description of our applied methodology for calculations, which can be found in the EU Taxonomy Disclosures section along with applicable definitions and key terms relevant to the EU Taxonomy Framework mentioned here. The Climate Transition Plan outlined in this chapter, in particular its decarbonization levers, key actions, and CapEx plans, will increase taxonomy-aligned CapEx share regarding individual measures (Activities 7.3 through 7.6) as these are eligible activities likely to meet the technical screening criteria. However, aligned CapEx is also subject to Do No Significant Harm (DNSH) checks where data limitations may cause eligible CapEx to not be designated as Taxonomy-aligned. Regarding activity 7.2, the extent to which these measures will lead to a 30% reduction in primary energy demand is still under assessment, as are whether the measures will increase shares of taxonomy-aligned OpEx and Revenue. A more precise mapping between decarbonization levers and applicable EU Taxonomy activities can be found in Table 14 in the E1-3 Actions section.

As part of the redevelopment of the Climate Transition Plan, properties facing significant exposure to current and emerging regulations were identified and the investment packages outlined in the energy audit process were presented to the operational teams. In order to ensure the Climate Transition Plan is integrated in the business strategy, operations provided key feedback on the business plans for these assets as well as the local market dynamics that influence return on investment. The process was also designed for embedding in the Group financial planning through holistic consideration of costs and returns, exploring the possibility of passing portions of the CapEx costs on to the tenants who enjoy reduced operational costs from energy savings. Available public funding programs for energy-efficiency saving measures were also considered. Such factors were considered holistically in order to determine the economic feasibility of proposed interventions in order to develop a plan that can be integrated into the business strategy and financial planning of the Group. The outline provided by the Climate Transition Plan and outputs of property-specific energy audits are to be handed over to the operational and construction departments for development of asset-level plans and execution.

After working with operations to better understand the economic feasibility of the current Climate Transition Plan, which primarily focuses on mitigating exposure to current and emerging regulation while achieving the current emission reduction target, the Climate Climate Transition Plan was presented to the Management Body. As a result of this process, the CapEx amount stated above and the underlying plan were approved while specific budgets were allocated to pilot projects for the considered decarbonization technologies, which are currently under implementation.

Aroundtown Group Transition Plan Implementation

IMPROVED ENERGY EFFICIENCY OF THE PORTFOLIO THROUGH:

Refurbishments of building evelopes

Roof, façade, & basement insulation

Window replacements

Digitization (monitoring/controlling) of consumption data

Smart meters

Smart heating

Smart Thermostats

Energy-improvement investments

Solar PV

Air source heat pumps

Air conditioning & ventilation

Combined heat & power generation

EV charging

LED systems

EU Taxonomy Disclosures

During the past three years, Aroundtown has made significant progress in implementing and adapting processes to gather critical data for EU Taxonomy reporting in line with the environmental objective, Climate Change Mitigation. The below section provides an overview of AT's Taxonomy disclosures, its data gathering processes as well as alignment checks conducted to determine and calculate EU-Taxonomy aligned turnover, CapEx and OpEx.

Since 2023, a mid-year EU Taxonomy alignment exercise is performed, covering eligible CapEx under the environmental objective Climate Change Mitigation. This allows an earlier assessment of the status quo and provides an opportunity to enhance process optimization for the final EU Taxonomy alignment assessment. This exercise is performed by the Sustainability Department together with the Construction and Operation Departments, as well as the Business and Group Controlling teams.

Furthermore, one of our objectives for aligning activities with the EU Taxonomy is to ensure all relevant departments, including Construction, Operations, and International Offices have a thorough understanding of the reporting requirements. To achieve this, we conducted several ad-hoc training sessions in 2024, to address knowledge gaps and provide refreshers for previous trainings. Furthermore, to ensure the accessibility of information necessary for aligning with EU Taxonomy criteria, a construction contract template was created this year, with provisions obliging contractors to provide data relevant to EU Taxonomy reporting. The updated construction contract template now includes a pollution prevention questionnaire (to be signed by contractors), addressing the Do No Significant Harm ("DNSH") criteria on Pollution Prevention and Control. Additionally, the revised contract integrates explicit provisions on waste disposal and recycling data, which supports alignment with the Circular Economy requirements under the DNSH criteria for Climate Change Mitigation, with provisions obliging contractors to provide data relevant to EU Taxonomy reporting.

With the view to long-term alignment, Aroundtown is working towards optimizing its Enterprise Resource Planning ("ERP") system for the comprehensive collection of EU Taxonomy data. Following strategies are in place to continuously improve the alignment with the EU Taxonomy:

- Considering the substantial contribution to, and compliance with the DNSH criteria of the EU Taxonomy when making decisions about renovations and new development projects.
- Focusing on achieving EU Taxonomy alignment for larger CapEx related to construction of new buildings' (Activity 7.1 under the EU Taxonomy Regulation) and renovation of existing buildings (Activity 7.2), as these projects hold greater material significance in terms of their environmental impact compared to smaller ones.
- Data collection improvements through better utilization of our ERP System and closer collaboration with our suppliers.

Assessment of Aligned Activities

For an economic activity to be aligned with the EU Taxonomy, three requirements need to be fulfilled:

1. It must make a substantial contribution to the achievement of one or more EU environmental objectives ("substantial contribution")
2. It does not significantly harm any other EU environmental objective (DNSH)
3. It complies with minimum social standards on topics such as Human Rights, Labor Standards and Anti-Corruption ("minimum social safeguards")

Based on these requirements, checks for EU Taxonomy alignment relate to different business levels at Aroundtown. Whereas substantial contribution to Climate Change Mitigation is assessed at the individual asset or project level, the DNSH criteria apply rather to the economic activity itself. The DNSH criteria for Climate Change Adaptation and Circular Economy are assessed for AT as a whole. Compliance with minimum social safeguards was also evaluated for Aroundtown at a Group level.

Substantial Contribution Assessments

Aroundtown assesses its substantial contribution to Climate Change Mitigation by evaluating its acquisition, ownership, renovation, and new construction activities against EU Taxonomy criteria. For acquisition and ownership of buildings (7.7), turnover and OpEx are aligned only if properties meet strict energy efficiency standards—either class A or top 15% of the market for primary energy demand. AT applies a 15% benchmark approach for Germany, endorsed by the German Sustainable Building Council (DGNB), while in the Netherlands, the United Kingdom and other locations, EPC ratings (A and above) are used. New constructions (7.1) must have at least 10% lower primary energy demand than national nearly zero-energy building

standards, and larger buildings require airtightness, thermal integrity, and lifecycle Global Warming Potential tests—though AT's development activity remains limited. Renovations (7.2) must achieve at least a 30% energy reduction within three years or qualify as major renovations (touching 25% of the building envelope and meeting national building energy efficiency laws). If projects fall short, they are assessed under 7.3 (energy-efficient equipment installation). In 2024, Aroundtown invested CapEx also in EV charging stations (7.4), energy performance systems (7.5) and renewable energy installations (7.6). These investments ensure the Group's activities align with climate mitigation goals, reinforcing sustainable property investments under EU Taxonomy Guidelines.

Do No Significant Harm Assessments

Aroundtown's DNSH assessments ensure that its activities contribute to Climate Change Mitigation without negatively affecting other environmental objectives under the EU Taxonomy. DNSH checks were conducted only for activities that met the substantial contribution criteria, excluding new construction (7.1) due to a lack of available data. For renovations (7.2), compliance was evaluated against four DNSH criteria: Climate Change Adaptation, requiring a climate risk and vulnerability assessment; Protection of Water & Marine Resources, which applies only to AT's renovations of commercial assets, not to residential buildings; Transition to a Circular Economy, ensuring that at least 70% of construction and demolition waste is reused or recycled in line with Germany's Circular Economy Act ("KrWG"); and Pollution Prevention & Control, which mandates that restricted toxic chemicals listed in the EU Taxonomy are not used in materials, with compliance confirmed through supplier questionnaires. Whereas 7.3 was also subject to the Pollution Prevention & Control assessment, the remaining activities (7.4, 7.5, 7.6, and 7.7) were reviewed primarily for fulfillment of DNSH Climate Change Adaptation. These assessments help AT ensure that its real estate activities are aligned with EU sustainability requirements, reinforcing environmental responsibility and regulatory compliance.

Social Minimum Safeguards

The processes of the social minimum safeguards are outlined through descriptions of the Group's Human Rights Due Diligence process in section S2-1 and as well as disclosures on the applicable policy framework in section G1-2.

Climate Risk and Vulnerability Assessment

Whereas in previous years, Aroundtown referred to a city-level physical risk assessment conducted through S&P Global Sustainable 1 for each of our strategic locations, in 2024, this analysis was extended to an asset-level analysis. As a first step of this updated climate risk and vulnerability assessment, a physical risk exposure screening was conducted through a physical risk assessment tool, which is designed to assess and quantify location-based physical risks.

The physical risk assessment tool is based on the CMIP6 generation of climate models by the Intergovernmental Panel on Climate Change ("IPCC") and it enables organizations to evaluate potential hazards that could impact physical assets or operations in specific locations. The screening of the AT portfolio involved checking the asset's exposure to River Flood, Storm Surge, Heat Stress, Precipitation, Fire Weather, Drought, Cold Stress and Tropical Cyclone.

The assessment focuses on two climate scenarios for the years 2030 and 2050: SSP2-4.5 and SSP5-8.5. Each scenario is based on the Shared Socioeconomic Pathways ("SSPs"), each assuming varying forms of climate policy and socioeconomic development, for which expected greenhouse gas levels in the Earth's atmosphere are used to model Representative Concentration Pathways producing quantitative outputs including temperature and precipitation levels, as well as the likelihood of physical climate-related risk events.

As a second step and ongoing analysis, those assets flagged at moderate to high-risk within the physical risk assessment tool will be assessed further in early 2025 regarding their specific sensitivity and adaptive capacity. Only then a conclusive decision on the necessity of adaptation solution implementation at an asset level can be taken. Due to the size of the AT portfolio, this process is ongoing and may only be completed in the following year.

Presentation of the Performance Indicators Relating to EU Taxonomy-Aligned and EU Taxonomy-Eligible Economic Activities

In line with the regulatory requirements for EU Taxonomy reporting in 2024, Aroundtown is disclosing the performance indicators in the table template provided by the European Commission.

- Proportion of turnover from products or services associated with EU Taxonomy-aligned economic activities - disclosure covering year 2024
- Proportion of OpEx from products or services associated with EU Taxonomy aligned economic activities - disclosure covering year 2024
- Proportion of CapEx from products or services associated with EU Taxonomy aligned economic activities - disclosure covering year 2024

Metrics: EU Taxonomy

Proportion of **Turnover** from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change migration	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, 2023	Category enabling activity	Category transi-tional activity
		€ millions	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7	448.2	29.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	24.5%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		448.2	29.1%	29.1%	0.0%	0.0%	0.0%	0.0%	0.0%								24.5%		
Of which enabling		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	N	0.0%	E	
Of which transitional		-	0.0%	0.0%						N	N	N	N	N	N	N	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7	1,094.1	70.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								72.68%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,094.1	70.9%	70.9%	0.0%	0.0%	0.0%	0.0%	0.0%								72.68%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		1,542.3	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								97.17%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		-	0,0%																
TOTAL (A + B)		1,542.3	100,0%																

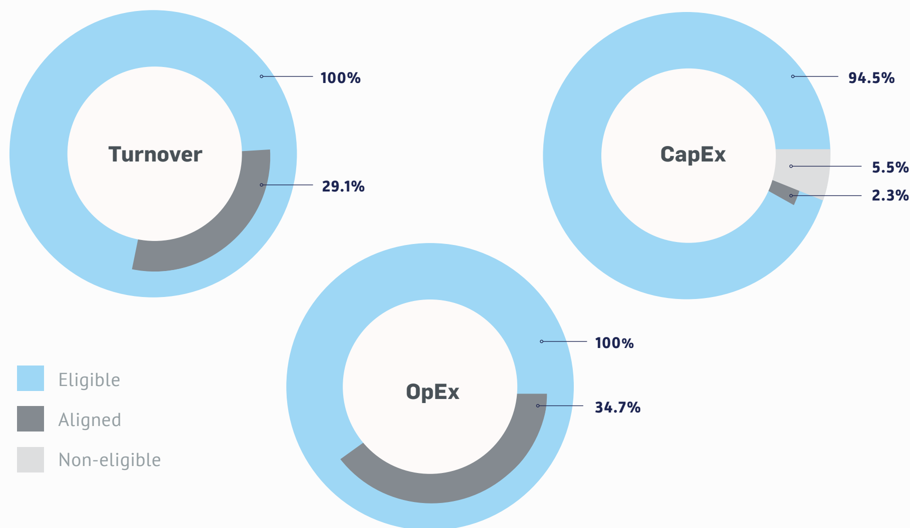
Proportion of **OpEx** from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code(s)	Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change migration	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx, 2023	Category enabling activity	Category transi-tional activity
		€ millions	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7	164.5	34.7%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	28.1%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		164.5	34.7%	34.7%	0.0%	0.0%	0.0%	0.0%	0.0%								28.1%		
Of which enabling		-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	N	0.0%	E	
Of which transitional		-	0.0%	0.0%						N	N	N	N	N	N	N	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7	309.6	65.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								71.94%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		309.6	65.3%	65.3%	0.0%	0.0%	0.0%	0.0%	0.0%								71.94%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		474.1	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								100.0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		-	0,0%																
TOTAL(A + B)		474.1	100,0%																

Proportion of **CapEx** from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code(s)	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change migration	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) CapEx, 2023	Category enabling activity	Category transi-tional activity
		€ millions	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Renovation of existing buildings	CCM 7.2	9.6	1.17%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	N/EL	Y	0.48%		T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	5.9	0.72%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	0.52%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.4	0.00%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	0.07%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1.9	0.23%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	0.24%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	1.4	0.17%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	0.23%	E	
Acquisition and ownership of buildings	CCM 7.7	-	0.00%	Y	N	N/EL	N	N/EL	N/EL	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	8.38%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		18.8	2.29%	2.29%	0.0%	0.0%	0.0%	0.0%	0.0%								9.92%		
Of which enabling		9.2	1.12%	1.12%	0.0%	0.0%	0.0%	0.0%	0.0%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	0.99%	E	
Of which transitional		9.6	1.17%	1.17%						N/EL	Y	Y	Y	Y	N/EL	Y	0.48%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	CCM 7.1	14.6	1.78%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.06%		
Renovation of existing buildings	CCM 7.2	12.8	1.57%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.16%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	12.4	1.51%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.63%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.8	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	-	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Acquisition and ownership of buildings	CCM 7.7	715.0	87.32%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								79.35%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		754.8	92.18%	92.18%	0	0	0	0	0								85.21%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		773.6	94.48%	94.48%	0.0%	0.0%	0.0%	0.0%	0.0%								95.12%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		45.2	5.52%																
TOTAL(A + B)		818.8	100.0%																

Taxonomy-aligned, eligible and non-eligible percentages of Aroundtown's KPIs



E1.SBM-3 and E1.IRO-1 Identification and Analysis of Material Climate-Related Impacts, Risks, and Opportunities and their Interaction with the Strategy and Business Model

Material Climate Related Risks

Aroundtown employs a structured methodology to identify impacts, risks, and opportunities ("IRO") by integrating ESG considerations into its risk management framework. Please refer to sections IRO-1 and SBM-3 of this report for more details.

As a result of our DMA, the following transitional climate-related risks were identified:

- **Transition to low carbon economy (incl. Net Zero Carbon):** Potential financial and operational risks arising from stricter GHG emissions regulations and increasing carbon reduction requirements.
- **Transition legislation:** Evolving climate-related regulations may impose additional costs or operational adjustments.
- **Renewable energy deployment:** Risks associated with the availability, cost, and integration of renewable energy sources into existing operations.

If not effectively managed, these risks have the potential to pose a financial risk for the Group. These risks are heavily influenced by political and regulatory developments anticipated during the transformation process in the coming decades. We closely monitor these developments to adapt our operations and strategic decisions, safeguarding the business from financial risks while maintaining the necessary pace of transformation.

Climate-Related Risk Assessment

The Sustainability Department, in close collaboration with the Chief Risk Officer, conducts an annual resilience analysis of identified climate-related transitional risk factors. The findings are presented to the Risk Committee for review and adjustments, which are ultimately used to inform the Risk Committee and the Board of Directors on whether adjustments in the business strategy are warranted. In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") [(1)], Aroundtown also describes the potential opportunities which the Group has identified in each of these factors. During the climate-related risk assessment the Group qualitatively considered the scenarios laid out by the IPCC's shared Socioeconomic Pathways[(2)] as well as the International Energy Agency ("IEA") transition scenarios, specifically the Stated Policies Scenario ("STEPS") which was also rooted in current policy observations as well as the Net Zero GHG Emissions by 2050 scenario[(3)]. The time horizons defined short-, medium- and long-term in the assessment are aligned with ESRS 1 6.4. The short- and medium-term time horizons are linked to the capital allocation planning and the strategic planning cycles of the Group, depending on the nature of the plans in place, while the long-term time horizon is primarily used to consider the expected lifetime of assets.

The qualitative resilience analysis is conducted annually, with the most recent exercise being in 2024, using the previous years analysis as a baseline and then incorporating observed developments in risk factors in AT's countries of operation over the elapsed year, as well as any material changes in the scenarios used. No changes to scenarios were identified in 2024. The analysis was conducted at the corporate level, i.e. aligned with the financial consolidation scope, considering the long-term outlook provided by the scenarios stated above, while also factoring current observations in the Group's countries of operation and the context of its business model and activities.

Table 12 below summarizes the identified risks and impacts while outlining the mitigation strategies employed to manage these risks within our organization.

(1) Recommendations of the Task-Force on Climate-related Financial Disclosures
(2) the SSPs used in the IPCC AR6 report were published in the journal Global Environmental Change under the title The Shared Socio-economic Pahtways: Trajectories for human development and global environmental change
(3) Current formulations of the scenarios are outlined in the IEA World Energy Outlook 2024 report

Table 12 - Climate-related risk, impact, and opportunity assessment aligned with the TCFD Framework

Risk Category	Description	Impacts and Timeframe (S = short-term, M = medium-term, L = long-term)	Mitigation Strategy	Opportunity
Policy	Climate-related regulations and laws are changing rapidly, placing stricter requirements on energy and GHG emissions performance while raising questions on whether assets may become "stranded" by regulation. Carbon pricing schemes have taken a relatively clear shape in Germany, the Group's primary country of operation. The EU recast its Energy Performance of Buildings Directive ("EPBD") in 2024, introducing clear Minimum Energy Performance Standards ("MEPS") for non-residential buildings through 2033, and then leaving it to member states to implement pathways to a zero-emission building stock by 2050. Member states now must implement the EPBD into national law by Spring 2026, although this implementation has become highly uncertain due to the rightward shift in the EU Parliament which is looking to roll back elements of EU Green Deal combined with political upheavals in key states which are the Netherlands and Germany. The gap between the medium-term MEPS outlined in the 2024 EPBD and its final goal of a net-zero building stock by 2050 are significant, raising many important questions on the specific pathways that EU member states must clarify.	Carbon pricing and enhanced GHG emissions-reporting obligations are poised to cause higher operating and compliance costs. MEPS and other energy-related requirements are poised to require significant CapEx in order to maintain building compliance, although the precise levels cannot yet be determined due to political uncertainty surrounding national implementation of the EPBD. In Germany, the suspension of grant and subsidy programs for energy-related renovation of existing assets since several years has removed a key incentive that would improve the financial impact mitigating actions have on the Group. (S, M, L)	In 2024, the Group launched an extensive review of its Climate Transition Plan underlying its climate ambitions, integrating data from its updated energy audit process to consider efficiency-improving measures while also leveraging Carbon Risk Real Estate Monitor ("CRREM") pathways to consider the level of action needed to achieve reductions consistent with a 1.5-degree scenario. Potential updates to the Group's stated target are still under review, awaiting completion of further energy audits to increase the sample size while awaiting implementation data from pilot projects to validate key assumptions. Nonetheless, the Climate Transition Plan targets the most inefficient assets for intervention to ensure the current carbon reduction target will be met while also mitigating exposure to the medium-term MEPS specifically outlined by the EU in the EPBD recast in an economical manner. The Group anticipates that increased climate ambition will be needed, but is also confident that the Climate Transition Plan now effectively considers emerging policies against potentially more aggressive policy scenarios to effectively plan its business activities in a way that manages transitional risks in the face of current political uncertainty in the EU. The Group is also actively monitoring public support for energy-related renovation of commercial assets to ensure these are factored into any renovation planning, although these programs in Germany remain suspended.	The Group expects opportunities in the policy-driven transition to more efficient buildings in the form of lower operating costs, reduced stranding risks and decreased exposure to variations in the cost and availability of natural resources. It is widely viewed that more efficient buildings may also attract higher valuations through improved energy performance and become more attractive to investors, tenants and financial institutions. The Group also sees a general opportunity to ensure long-term value from its operations through active monitoring of policy developments as they occur and planning interventions in a pragmatic and economical manner.
Legal	Emerging climate-related policies and regulations increasingly contain specific legal requirements placed on economic actors. Companies may become subject to lawsuits alleging failure to take sufficient actions to reduce greenhouse gas emissions or to account for or disclose known climate-related risks. Climate-related litigation may also arise from inaccurate non-financial reporting or misleading sustainability claims such as "greenwashing". In the EU, such misleading or false environmental claims could face fines, as the European Parliament and EU Council adopted their positions on the Green Claims Directive in 2024, with negotiations ongoing.	With stricter EU regulation, including the EU Taxonomy, CSRD, and SFDR, the real estate sector has already felt the pressure of environmental legislation. The significant gaps between current regulations and the carbon budgets of the Paris Agreement make further regulatory tightening over the mid- to long-term likely. It is also possible that the scope of these regulations expands to take in more segments of the Group's value chain, increasing potential exposure and compliance costs. While climate-related litigation has primarily targeted governments and fossil fuel companies to date, it is possible that other sectors such as real estate may be targeted over the long term. (L)	Our dedicated Sustainability Department works to ensure accurate and high-quality non-financial reporting, while constantly monitoring changes in regulations to identify gaps and facilitate compliance. This involves not only monitoring current legislative initiatives but also assessing the gaps between current policy and science-based climate targets to anticipate future changes.	

Table 12 - Climate-related risk, impact, and opportunity assessment aligned with the TCFD Framework

Risk Category	Description	Impacts and Timeframe (S = short-term, M = medium-term, L = long-term)	Mitigation Strategy	Opportunity
Market	Tenant preferences for low or zero-carbon properties are likely to reduce demand for inefficient properties. Likewise, evolving investor preferences for sustainable and resilient assets could drive higher valuations for green buildings. Financial institutions in the EU are increasingly incorporating climate-related criteria in their financing and investing practices. Market conditions may shift from „green premiums" for low- or zero-carbon assets to „brown discounts" in rent or valuation for assets with high energy or carbon intensities.	The age of German building stock, where the Group primarily operates, combined with our business model of acquiring and managing existing buildings, poses significant challenges in offering low or zero-carbon properties through the level of investment that is required. Inability to meet tenant preferences may increase vacancies and reduce revenues while inability to meet market expectations may reduce access to capital. The current focus among the majority of financiers lies on ensuring regulatory compliance over a typical loan term (up to 10 years), which is unlikely to change despite the rightward shift in EU politics. A niche subset call for Paris-alignment, although they are not yet large enough in number to shift market conditions, although this may change over the long term. Shifting market demand may put downward pressure on the value of "brown" assets which are not in line with market expectations, thereby reducing the availability of capital and increasing the cost of debt. Increasing sustainable finance regulation is forcing tenants and investors to report on their sustainable actions, which in turn increases these demands on the Group. The existing market structure leaves landlords responsible for capital expenditures needed to improve energy efficiency of existing assets with limited ability to recover reduced utility expenses enjoyed by the tenant. (L)	The Group is working with tenants to reduce energy and utility consumption as part of specific green lease agreements and tenant awareness campaigns, as well as increasing engagement with our tenants on their green building expectations and needs. The Group is working on collaboration and cost-sharing arrangements with tenants in energy-efficiency-improving renovations to mitigate risks posed by the current market structure. The Climate Transition Plan prioritizes the most inefficient assets in the portfolio for assessment of possible interventions to determine economic feasibility of investments that will protect or improve their value. This Climate Transition Plan will be subject to ongoing development to ensure alignment to market standards. Developments made to the Climate Transition Plan over 2024 have focused on ensuring current and emerging regulatory requirements will be met (primarily those of the EU EPBD), leaving the Group in a strong position to meet the expectations of investors and financiers over the short-to-medium term. The Climate Transition Plan also considers a Paris-aligned scenario through use of the CRREM pathways, leaving the Group prepared to handle shifts toward more aggressive climate-related requirements should they materialize.	Aroundtown's scale provides economic benefits which result in competitive advantages in repositioning assets with development potential in terms of energy efficiency or climate resilience. This could create growth opportunities through the acquisition of such assets from owners without capability to make the required upgrades. Low and zero-carbon buildings will be better positioned to reflect shifting tenant preferences, as well as investor demands, positively impacting rents and access to capital. Green assets may strengthen business resilience by increasing revenue through new products and services that meet market demands and may improve access to capital and debt. Green bond issuance, sustainability-linked loans or energy efficiency-related subsidies for buildings can be used to improve the financial feasibility of making the needed investments, although not all green financiers offer incentives adequately adjusted to the expected level of CapEx placed on the Group.
Energy	Energy markets are more prone to price fluctuations driven by supply crunches or swings in energy demand. This leads to risks associated with high energy and utility consumption and over-reliance on fossil-fuel derived energy supplies.	Energy-market risks associated with reliance on fossil fuels, have become a pressing issue following the Russian war in Ukraine and the sharp rise in energy prices. This has led many sectors, including the real estate sector, to call for accelerating the transition to a low-carbon economy. Nonetheless, the current energy mix of most grids remain primarily reliant on fossil fuels, as renewable energy generation and energy storage capacities are still insufficient to meet decarbonization goals required for a decarbonized energy system. (S, M, L)	The Group aims to reduce reliance on fossil fuels through its target to procure 100% of landlord-obtained electricity through power purchase agreements (PPAs), as well as through installation of onsite renewable energy systems. Investments in energy efficiency will also reduce energy costs, mitigating exposure to variations in price.	Increasing procurement of energy from renewable sources and a shift to decentralized energy generation can reduce operational and compliance costs, as well as exposure to volatile fossil fuel markets. Green bond issuance or sustainability-linked loans can be used to improve the financial feasibility of making the needed investments if meaningful incentives are offered by financiers.

Table 12 - Climate-related risk, impact, and opportunity assessment aligned with the TCFD Framework

Risk Category	Description	Impacts and Timeframe (S = short-term, M = medium-term, L = long-term)	Mitigation Strategy	Opportunity
Technology	Aroundtown recognizes that current technologies are insufficient to achieve the grid decarbonization needed to address climate change, and this is expected to increase the pace of technological development. Additionally, policies have emerged in the EU and UK requiring a phase-out of fossil fuel boilers, with some technical exceptions.	Insufficient monitoring of technological developments or regulatory requirements may lead to investment in technologies that become obsolete before the end of their operational lifespan. Buildings with obsolete technology systems may experience reduced demand and require higher maintenance costs/CapEx requirements to meet minimum efficiency standards and modern work, leisure and residential trends. Exposure is ultimately low since all phase-out regulations allow heating systems to reach the end of their use life. (M, L)	The Energy and Operation Departments monitor regulatory developments and emerging technologies on the market and evaluating their costs and potential to enhance energy efficiency and carbon profiles of buildings. The energy-related procedures outlined in the new Environmental Policy emphasize prioritization of investment towards proven and cost-effective technologies.	The Group sees significant opportunity to engage with and invest in prop-tech companies to ensure modern, forward-thinking and appropriate technological outfits of the Group's properties. In order to realize this opportunity, the Group has launched its ATechX accelerator program to identify and scale relevant technological solutions.
Reputation	Companies seen as taking insufficient climate action or delaying climate action face increasing scrutiny and criticism from tenants, investors, the media, and society at large. Additionally, current and future generations of employees hold greater expectations for companies to act to address climate change.	Any deficiencies in the climate strategy of the Group could expose it to criticism from societal actors, diminishing the Group's reputation. Errors in non-financial reporting may be seen as fraudulent or "greenwashing". Reputational damage from inaction on climate change may also reduce the ability to recruit and retain talent in the medium- to long-term. (S, M, L)	The Sustainability Department monitors best practices and societal trends to identify and act on gaps in the Group's climate strategy and brings them to the attention of relevant internal stakeholders while working to ensure high-quality sustainability disclosures. Clear communication on the Group's sustainability, climate risk actions and carbon reduction targets will reassure employees, potential candidates and investors of the Group's continued efforts with regard to climate change mitigation and adaptation.	Through meeting or exceeding requirements, expectations, or best practices, the Group may be able to positively improve its reputation. This can also improve the Group's ability to attract and retain critical talent.

Quantitative scenario analysis of climate-related risks faces challenges due to missing data, as climate scenarios often extend far beyond time horizons conventionally applied in strategic business planning. Despite this, the Group was also able to conduct a targeted, quantitative scenario analysis on the impact of emerging energy efficiency regulation, namely the EU EPBD, using available data of its direct operations in Germany. This analysis was used to inform the redevelopment of the Climate Transition Plan, described in further detail below. During the redevelopment of the Climate Transition Plan in 2024, discussed in section E1-1, the explicit requirements of the current regulatory outlook over the next 10 years were considered as a "current policy" scenario, while the 1.5-degree pathways provided by CRREM, which follows the Sector Decarbonization Approach to translate science-based pathways to asset-type-specific pathways(*). The projected CRREM pathways over the next 10 years were used to assess the requirements of a possible Paris-Aligned transition scenario, compared against the current policy scenario stated above. Distinct investment packages considered during development of the Climate Transition Plan represent a modular approach tailored to the policy requirements of the scenarios.

The costs and impacts of measures related to heating, renewable energy, and technical systems form one set of investment packages, while measures relating to thermal efficiency and the building shell constitute another set of packages. While the Climate Transition Plan currently prioritizes measures needed to meet explicit policy requirements and the Group's GHG emission reduction target, the scenario analysis conducted lays the groundwork for adapting to a potential increase in policy ambitions.

This analysis involved a more targeted scope, specifically the operational control portfolio used in the Group's annual GHG emission reporting outlined in the Coverage subsection under methodological notes of section E1-6 limited to assets in Germany, with plans to expand this scope over time. This scope was also applied in the Climate Transition Plan discussed in section E1-1. As with our annual energy consumption and GHG emissions reporting in sections E1-5 and E1-6, this includes the downstream value chain segment of tenant-controlled spaces, representing GHG emissions falling under Scope 3 Category 13.

(*) See CRREM's report From Global Emission Budgets to Decarbonization Pathways at Property Level

Implications for the Business Strategy

Based on the results of the qualitative and quantitative elements of our resilience analysis outlined above, our business model of providing commercial real estate in core locations and our subsidiary Grand City Properties' provision affordable residential spaces in urban areas will remain relevant throughout every possible transformation scenario. However, we expect to respond dynamically to political developments, and capital market trends, ensuring the economic resilience of our business in any transformation scenario. While the degree of severity of transition events can vary significantly due to the gap between current policies and the Paris-Aligned scenario noted several times in the discussion above, the most recent resilience analysis leaves the Group confident in its ability to adjust its strategy and business model to climate change should an increase in applicable policy ambitions occur.

Integration into Enterprise Risk Management Framework

Climate-related topics are treated as a corporate governance topic, with Aroundtown's Board of Directors and the Management Body sharing overall responsibility for identifying, assessing and managing climate-related risks, impacts and opportunities.

Aroundtown's Management Body and the Building Resilience Taskforce are co-responsible for identifying, assessing and managing climate-related risks, impacts and opportunities. A distinction is made between climate risks affecting the Group at the corporate level, for which the Board of Directors and the Risk Committee are the risk owner, and climate risks which impact our properties, which are owned by AT's Operations Department. In addition, the Taskforce on Building Resilience works across departments to address climate risks, incorporating the perspectives of various internal stakeholders. This collaborative effort focuses on developing action plans and implementing adaptation solutions as needed.

To effectively manage climate-related risks, we first conduct risk assessments to understand their potential financial, operational, and environmental impacts. The Risk Committee oversees the Group's risk management process, which includes assessing the potential impacts of climate change. The Chief Risk Officer and the Sustainability Department collaborate closely in conducting assessments of physical and transitional climate risks. These assessments are presented to the Risk Committee at least annually and on an ad hoc basis as needed throughout the year. Based on these assessments, we identify relevant and practicable measures to mitigate risks, manage impacts and maximize potential opportunities. Please see below AT's Governance Structure on Climate Risks:

Governance Structure on Climate Risks

The Management Body of Aroundtown is co-responsible for assessing and managing climate-related risks. A distinction is made between climate risks affecting the Group at the corporate level, for which the Management Body is the risk owner, and climate risks which impact our properties, which are owned by the Operations Department. In addition, our Taskforce on Building Resilience works cross-departmentally to address climate risks across relevant business units, developing action plans and adaptation solutions as necessary.

Building Resilience Taskforce

Inter-departmental platform for the discussion and collaboration on climate risks

Development of KPIs for climate risk and action plans as well as adaptation solutions.

Risk Committee

Oversees risk management, incl. climate risks.

Management Body

Assessment and management of climate-related risks at corporate level.

Sustainability Department and Chief Risk Officer

Assessment of physical and transitional climate risks.

Operations Department

Assessment and management of climate-related risks on a property level.

E1-2 – Policies Related to Climate Change Mitigation and Adaptation

At Aroundtown we have defined a concise yet comprehensive policy outlining our activities to mitigate and adapt to climate change. Our Environmental and Energy Policy addresses the need to reduce our operational GHG emissions and includes within our scope the reduction of energy and water consumption, as well as generation of waste and air pollution. The respective targets on these topics set in this policy are quoted in the corresponding sections of this report.

The Management Body are also responsible for reviewing and updating our Environmental and Energy Policy, which was most recently updated in 2024. The policy aims to manage the material impacts, risks and opportunities related to climate change mitigation and adaptation, as well as other environmental topics, including air pollution and water management. The policy does not involve third-party standards or initiatives in its implementation, as it primarily focuses on improving environmental impacts through implementing decarbonization levers mentioned in section E1-1. For this, the policy delineates responsibilities at the asset and company-level between operations and Management Body.

The policy responds to all material impacts, risks, and opportunities outlined in our DMA, as presented in section SBM-3 and IRO-1, specifically climate change mitigation, and energy efficiency, as well as air pollution as discussed in section E2, while also covering the non-material topics of water, pollution, and waste. The scope of the policy applies globally to Aroundtown, specifically to its direct operations. The most senior level of the Group responsible for its implementation is the Management Body. The policy is publicly available to all stakeholders through the Sustainability Governance web page on the Group website.

E1-3 – Actions and Resources in Relation to Climate Change Policies

In our business model, the primary decarbonization levers are to enable our tenants to consume less energy (e.g. by improving the energy efficiency of our buildings) and by transitioning the heating systems from fossil fuel-based systems to electric or carbon neutral ones. Many of those investments are highly capital-intensive and require careful coordination to minimize negative impacts on our tenants. Decarbonization levers are discussed in more detail in section E1-1.

In the year 2024, the Group achieved an GHG emission reduction of 34% compared to its 2019 baseline, while the Group expects further GHG emission reductions in the amount of 6% to achieve its 2030 target, in other words covering the short- and medium-term horizons discussed in section E1-1. For more information on how the Group evaluates progress against its GHG emission reduction target, refer to section E1-4.

Table 13 below presents the proportion each value chain stage and the associated decarbonization measures driving GHG emission reductions needed to achieve the 40% reduction target as outlined in the Climate Transition Plan discussed in section E1-1. Out of the 6% remaining GHG emission reductions, the percentages in the table below indicate the expected proportion among each scope.

Table 13-Total GHG emission reduction of the 40% target in context of the Climate Transition Plan

Value Chain Stage(s)	Decarbonization Lever	Proportion of GHG Emission Reductions
Upstream	Renewable energy procurement and grid decarbonization	27.63%
	Connect to district heating the planned decarbonization of heating grids	
Own Operations (Landlord-controlled spaces)	Installing Solar PV Systems	4.64%
Own Operations (Landlord-controlled spaces) & Downstream (Tenant-controlled spaces)	Pipe insulation, hydraulic balancing, and heating automation measures	7.73%
	Digitalization and optimization of heating systems	
	Installation of air-source heat pumps and hybrid heat pump systems.	
	Building envelope improvements (insulation, windows)	

As outlined in section E1-1, achieved and expected GHG emission reductions in the Group's pathway towards the 40% GHG emission reduction target, are based on the Group's Climate Transition Plan, with the applicable scope of the target and Climate Transition Plan being the same. While investment in on-site PV has been ongoing for several years, the Group has only just begun implementation of key actions in the framework of the Climate Transition Plan such as heat pump and digitalization measures which are currently in pilot phases. The Group has invested in several decarbonization levers discussed above in past years, as shown in its current and past EU Taxonomy Disclosures, however these actions were implemented without the required reporting lines in place to collect data at the granularity required to accurately attribute the proportions of achieved GHG emission reductions to each individual decarbonization lever. Thus, this disaggregation cannot be provided at this time, with communication on achieved GHG emission reductions remaining at the portfolio level. For more information on the current and future financial resources allocated to the Climate Transition Plan, refer to sections E1-1 and the EU Taxonomy Disclosures, although

as discussed in the former the Group is awaiting a larger sample size of energy audits and actual data from pilot project implementation before providing more granular disclosures on the time horizons applicable for future financial commitments.

Actions undertaken in the reporting year regarding the decarbonization levers are mostly covered by the EU Taxonomy Disclosures, with some found in other relevant disclosures. The table below maps decarbonization levers to relevant EU Taxonomy activities or other disclosures, provided to support readers in understanding how disclosures in other segments of this report relate to the decarbonization levers of the Climate Transition Plan. It is important to note that the EU Taxonomy disclosure exercise has been an extremely complex project improved gradually over several of the past reporting years although significant data limitations remain that limit the ability to report all taxonomy-eligible activities as aligned. These same data limitations prevent precise disaggregation and remapping of reported EU Taxonomy figures across the decarbonization levers at this time.

Table 14 – Mapping Decarbonization levers to applicable EU Taxonomy Activities or other relevant disclosures

Decarbonization lever	Applicable EU Taxonomy Activities or other relevant disclosures
Installing Solar PV systems	Installation, maintenance, and repair of renewable energy technologies (7.6), and on-site renewable energy generation disclosures can be found in Tables 17 and 18 in section E1-5.
Pipe insulation, hydraulic balancing, and heating automation measures	Installation, maintenance, and repair of energy efficient equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5)
Digitalization, optimization, and replacement of heating systems	Installation, maintenance, and repair of energy efficient equipment (7.3)
Installation of air-source heat pumps and hybrid heat pump systems	Installation, maintenance, and repair of renewable energy technologies (7.6)
Renewable energy procurement and grid decarbonization	N/A, although disclosures on renewable energy procurement can be found in Tables 17 and 18 in section E1-5.
Connect to district heating and the planned decarbonization of heating grids	Installation, maintenance, and repair of energy efficient equipment (7.3), and the reported consumption of assets connected to district heating can be found in Tables 17 and 18 in section E1-5.
Building envelope improvements (insulation, windows)	Renovation of existing buildings (7.2), pending that projects reach the scale needed to meet the technical screening criteria related to the building shell. If the above-stated requirements are not met this falls under Installation, maintenance, and repair of energy efficient equipment (7.3)

Please refer to the EU Taxonomy Disclosures and Table 14 above and the surrounding discussion to understand the relationship between the decarbonization levers and the reported figures aligned to the EU Taxonomy. The Climate Transition Plan regards the measures needed to achieve the Group's GHG emission reduction target for the year 2030, and thus the applicable time horizons are the short- and medium term as defined by ESRS 1 6.4.

As identified through the redevelopment of the Climate Transition Plan discussed in section E1-1 and the scenario analyses our entire asset base will require substantial investments over the course of the coming decades. Access to capital from various sources (e.g. green bonds, bank loans, public funding) will be critical to manage this transition in the most cost-effective way. We will closely monitor and manage developments to ensure we always have access to the capital required to drive forward the transformation.

E1-4 – Targets Related to Climate Change Mitigation and Adaptation

Our fundamental commitment to climate change mitigation is evidenced by our target of a 40% reduction in CO_2 emissions intensity by 2030, against our 2019 baseline. Please note that the sustainability information and related disclosures for the year ended 31 December 2019 and included in this section have not been subject to assurance procedures. To achieve this goal, we developed our Group-wide Environmental and Energy Policy, which outlines how efficiency and renewable energy projects will be targeted, identified, implemented and monitored.

Our efforts towards this target are guided by Aroundtown's Climate Transition Plan, which monitors our progress and forecasts the necessary rate of CO_2 emissions reductions to achieve the 40% reduction target. We combine data on current energy performance and EPC ratings with metrics on potential improvement measures to develop a model of the entire portfolio. The suite of measures is derived from onsite audits, desk-based energy simulations and EPC recommendations. We then evaluate various combinations of energy efficiency measures and renewable energy systems to assess - we can mitigate transition risks at each property. These insights are considered alongside broader market and regulatory factors, to develop an investment action plan aligned with the required carbon reduction targets.

In the context of the results of our DMA, as presented in sections SBM-3 and IRO-1 under the ESRS 2 Disclosures, the following targets below address the material impacts, risks, and opportunities relating to Climate Change Mitigation and Energy:

- Achieve a 40% reduction in CO_2 intensity by 2030 against the 2019 baseline, measured in CO_2-equivalent emissions intensity ($kgCO_2e/m^2$)
- Achieve a 20% reduction in energy intensity by 2030 against the 2019 baseline, measured in kWh/m^2
- Switch electricity to Power Purchasing Agreements ("PPAs") certified renewable electricity from wind, hydro-electric and solar PV sources by 2027

GHG Emissions Reduction Target

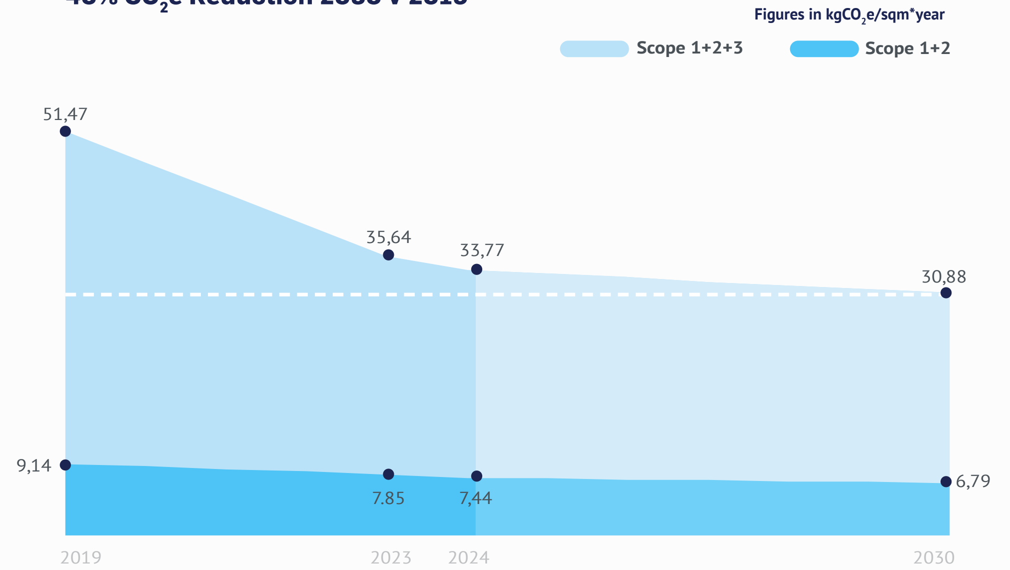
Table 15 below outlines the key details of the baseline, current, and target values for the GHG emission reduction target. For an understanding of the identified decarbonization levers and their quantitative contribution to achieve the GHG reduction target, refer to the Decarbonization levers portion of section E1-1 and section E1-3.

Table 15 - Summary of the GHG Emissions Baseline, Current, and Target Values

Category Type	2019	2023	2024	2030	% Reduction 2030 v 2019
Scope 1 [$kgCO_2e$/sqm*year]	2.19	1.79	1.74	1.77	-1%
Scope 2 [$kgCO_2e$/sqm*year]	6.95	6.06	5.70	5.02	-4%
Scope 3 Category 13 GHG Emissions from Fossil Fuels [$kgCO_2e$/sqm*year]	6.86	6.73	6.52	6.89	0%
Scope 3 Category 13 GHG Emissions from Grid Energy [$kgCO_2e$/sqm*year]	35.47	21.06	19.81	17.20	-35%
Total carbon intensity [$kgCO_2e$/sqm*year]	51.47	35.64	33.77	30.88	-40%
GFA (sqm)	5,148,877 (*)	6,979,164	6,979,164	6,979,164	N/A

(*) Since 2019, Aroundtown has seen significant disposals and structural changes to its portfolio. When redeveloping the Climate Transition Plan, only assets in the 2024 data set were included in the baseline figures presented here.

40% CO_2e Reduction 2030 v 2019



Energy Consumption Reduction Target

Table 16 below provides key details on the Group's energy reduction target of 20% against the 2019 baseline, which has already been achieved.

Table 16 - Summary of the Baseline, Current, and Target Values of the Energy Reduction Target

Category Type	2019	2023	2024	2030	% Reduction 2030 v 2019
Total energy intensity [kWh/sqm*year]	173.61	123.21	120.44	138.89	-20%
GFA (sqm)	5,148,877	6,979,164	6,979,164	6,979,164	N/A

Methodological Notes on the Development and Monitoring of Energy Consumption and GHG Emission Reduction Targets

The GHG emission and energy consumption reduction targets, as well as the renewable energy target, are integral to the GHG emission- and energy-related aspects of the Environmental and Energy Policy. It should be noted that these targets are directly linked to one another due to the relationship between energy consumption and GHG emission levels.

Development of the energy consumption and GHG emission reduction targets, and development of the underlying Climate Transition Plan, required a methodology allowing for measurement current performance in a way that is consistent with their baselines while also allowing for projection into the future. This, combined with the need to consider asset-specific characteristics regarding their thermal efficiency and installed energy systems to plan specific CapEx measures, led to the decision to base the baseline-to-target pathways on the energy rating (or EPC). This also involves application of the DWD climate factor, as well as multiplying by the asset floor area for conversion to absolute values, as explained in section BP-2, section E1-1, and the methodological notes subsection in section E1-6.

Absolute GHG emissions and energy consumption target disclosures are not presented in this report, as normalization by floor area is considered best practice in the real estate sector to account for changes in portfolio size. Intensity values per square meter are not only the key summary metric applied in EU EPCs but are also in-line with the Sector Decarbonization Approach ("SDA") adopted by sector-specific guidance by standard-setting agencies such as CRREM and the Science-Based Targets Initiative ("SBTi") (*).

Approximate absolute values can be obtained by readers through multiplying intensity values by the Gross Floor Area ("GFA") provided in the relevant tables, while reduction values can be obtained through determining the difference of the 2030 and 2019 GHG emission values. Current and past progress towards these targets is calculated through the percentage change against the baseline of the 2024 and 2023 column values, respectively. These targets could only be formulated using the location-based approach, as market-based target setting requires an understanding of future GHG emission factors of grid energy which are not made available by utility service providers. The methodological approach and boundaries applied in the baseline, target-setting, and annual GHG emissions reports for the energy consumption and GHG emission reduction targets are those described in the Coverage subsection in section E1-6, although the Climate Transition Plan outlined in section E1-1 differs slightly in that it only focuses on the direct operational control portfolio in Germany. For the years 2023 and 2024, this involves the like-for-like portfolio, which consists of the same set of assets for both years, for the applied scope, assuming a constant portfolio in the year 2030.

For an understanding of whether the energy and GHG emission reduction targets are science-based and compatible with 1.5 degrees of global warming as well as the climate scenarios considered in the development of the Climate Transition Plan's and the identified decarbonization levers, please refer to the discussion in section E1.SBM-3 and E1.IRO-1.

The targets were originally set by Management Body, although during the redevelopment of the underlying Climate Transition Plan the energy audits and planned measures were presented to operations in order to gain a better understanding of their operational and financial feasibility, as outlined in section E1-1. This approach is relevant to the Group given that its business model focuses on the acquisition and management of existing properties, with relatively limited construction and renovation activity conducted in a targeted manner. The energy consumption and GHG emission reduction targets do not have milestones or interim targets, although the Group evaluates its progress against each target each year.

Renewable Electricity Procurement Target

The renewable electricity procurement is measurable, although its formulation does not require a baseline value, as the objective is to achieve 100% of landlord-obtained electricity from renewable sources covered by PPAs by 2027. Since the announcement of this target, the Group has been progressively transitioning its electricity utility contracts to a largescale supplier, in order to achieve a scale needed to begin for PPA investments. Progress during this enabling stage has been slower than anticipated due the terms of preexisting contracts and in some cases tenant preferences towards other utility providers. In 2024, the Group signed a PPA contract to take effect in 2025, with a volume expected to make up for the lack of progress in previous years to remain on course to meet the target. It should be noted that the Group still procured a significant share in 2024 of renewable electricity through Guarantee of Origin Contracts as shown in the proportion of landlord-obtained electricity generated offsite from renewable sources figures from Table 17 and 18 in section E1-5. This target's primary intention is for the Group to fully take advantage of low hanging fruits in its operational energy procurement, and in the Group's view did not require science-based consideration and scenario analysis in its target-setting as it was seen as a common-sense decision.

(*) From Global Emission Budgets to Decarbonization Pathways, CRREM

The scope encompasses the operational control in the German portfolio, as outlined in the methodological notes on the energy consumption and GHG emission reduction above. The methodology involves comparing the total contractual MWh values of PPA contracts in place for the reporting year against the total landlord-obtained electricity consumption outlined in Tables 17 and 18 in section E1-5, specifically considering the German portfolio, following the associated methodological notes in section E1-6. This target does not include interim milestones, however, progress is evaluated annually. The target was originally set by Management Body, supported and overseen by the dedicated Energy Department responsible for energy procurement.

E1-5 – Energy Consumption and Mix

In order to assess and monitor our progress towards our climate change-related goals and commitments, we regularly collect data on utility consumption from our assets, as shown in Tables 17 and 18. However, due to tenant data sharing restrictions, we cannot monitor tenant-obtained energy consumption related to fuels or district heating. Aroundtown understands the term "energy generation from non-renewable sources" as electricity generated from combined heat and power ("CHP") systems, for which no data was available for assets under our operational control. The Group does not directly consume coal or fossil sources other than those presented in Tables 17 and 18 below in its portfolio operations. Proportions can be calculated through dividing the applicable metric over the total energy consumption. For an understanding of the underlying methodology of data collection and calculation of figures in this table, please refer to the methodological notes subsections of section E1-6.

The absolute energy intensity in Table 17 below increased in 2024 compared to 2023, although it should be noted that data coverage increased significantly, with more energy intensive assets added to the reported share of buildings. Observing the like-for-like energy intensities in Table 18 below, which includes the same set of buildings reported in both years, a slight decrease in energy intensity was observed.

Table 17 - Absolute energy for managed assets

Energy reported in MWh		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	Metric	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
	Electricity consumed for landlord shared services	51,973 MWh	61,248 MWh	30,731 MWh	35,076 MWh	1,652 MWh	515 MWh	2,987 MWh	3,036 MWh	16,603 MWh	22,621 MWh
	Total landlord-obtained electricity consumed	51,973 MWh	61,248 MWh	30,731 MWh	35,076 MWh	1,652 MWh	515 MWh	2,987 MWh	3,036 MWh	16,603 MWh	22,621 MWh
	Proportion of landlord-obtained electricity generated offsite from renewable sources	63%	75%	52%	71%	62%	92%	73%	92%	87%	89%
	Total landlord-obtained electricity generated and consumed onsite from renewable sources (*)	463 MWh	803 MWh	463 MWh	559 MWh	0 MWh	244 MWh	0 MWh	0 MWh	0 MWh	0 MWh
	Total landlord-obtained electricity generated onsite from renewable sources and exported	369 MWh	322 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	369 MWh	322 MWh
Elec-Abs Elec-LfL	Total tenant-obtained electricity consumed	182,152 MWh	219,259 MWh	92,959 MWh	116,739 MWh	4,352 MWh	6,948 MWh	9,611 MWh	15,546 MWh	75,230 MWh	80,026 MWh
	Total electricity consumed	234,125 MWh	280,507 MWh	123,691 MWh	151,816 MWh	6,004 MWh	7,463 MWh	12,598 MWh	18,581 MWh	91,833 MWh	102,647 MWh
	Total electricity consumption data coverage, by area (sqm)	6,571,288 m²	7,605,292 m²	2,450,564 m²	3,019,836 m²	160,074 m²	240,474 m²	281,130 m²	449,210 m²	3,679,520 m²	3,895,773 m²
	Proportion of landlord-obtained electricity consumption and associated GHG emissions that is estimated	21%	47%	16%	51%	19%	22%	61%	28%	24%	43%
	Proportion of tenant-obtained electricity consumption and associated GHG emissions that is estimated	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Proportion of total electricity consumption and associated GHG emissions that is estimated	83%	88%	79%	89%	78%	95%	91%	88%	94%	94%
	Fuels (natural gas) consumed for landlord shared services	60,052 MWh	64,029 MWh	18,455 MWh	20,877 MWh	284 MWh	319 MWh	2,044 MWh	2,667 MWh	39,269 MWh	40,166 MWh
	Fuels (oil) consumed for landlord shared services	3,639 MWh	5,038 MWh	1,232 MWh	1,165 MWh	0 MWh	74 MWh	0 MWh	0 MWh	2,407 MWh	3,799 MWh
	Fuels (natural gas) allocated for tenant consumption	215,203 MWh	234,486 MWh	55,365 MWh	62,631 MWh	9,190 MWh	10,313 MWh	19,621 MWh	23,857 MWh	131,027 MWh	137,685 MWh
	Fuels (oil) allocated for tenant consumption	11,730 MWh	19,582 MWh	3,696 MWh	3,494 MWh	0 MWh	2,408 MWh	0 MWh	0 MWh	8,034 MWh	13,680 MWh
	Total landlord shared services fuels consumed	63,690 MWh	69,067 MWh	19,687 MWh	22,042 MWh	284 MWh	393 MWh	2,044 MWh	2,667 MWh	41,675 MWh	43,965 MWh
Fuels-Abs Fuels LfL	Total (landlord-obtained) fuels allocated for tenant consumption	226,933 MWh	254,069 MWh	59,061 MWh	66,125 MWh	9,190 MWh	12,722 MWh	19,621 MWh	23,857 MWh	139,060 MWh	151,366 MWh
	Total (landlord-obtained) fuels consumed	290,623 MWh	323,136 MWh	78,748 MWh	88,166 MWh	9,475 MWh	13,115 MWh	21,665 MWh	26,523 MWh	180,736 MWh	195,331 MWh
	Proportion of total (landlord-obtained) fuels from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total (landlord-obtained) fuels consumption data coverage, by area (sqm)	3,148,004 m²	3,455,738 m²	1,116,396 m²	1,297,276 m²	112,884 m²	183,585 m²	252,437 m²	246,343 m²	1,666,287 m²	1,728,533 m²
	Proportion of total (landlord-obtained) fuel consumption and associated GHG emissions that is estimated	6%	11%	0%	0%	0%	4%	0%	0%	10%	17%

(*) Over the course of 2024, the Group together with its partner organisation switched several installed on-site PV system contracts to allow for on-site consumption. As this was an ongoing process, insufficient data was available to calculate the precise net amounts consumed on site, and values were assumed to be fully consumed on site based on the type of contract.

Table 17 - Absolute energy for managed assets

Energy reported in MWh		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	**Metric**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**
DH&C-Abs	Total district heating/cooling consumed for landlord-shared services	66,556 MWh	68,827 MWh	22,111 MWh	25,104 MWh	178 MWh	129 MWh	552 MWh	1,753 MWh	43,715 MWh	41,842 MWh
	Total (landlord-obtained) district heating/cooling allocated for tenant consumption	230,237 MWh	236,867 MWh	66,333 MWh	75,311 MWh	5,745 MWh	4,172 MWh	15,283 MWh	15,619 MWh	142,875 MWh	141,765 MWh
	Total (landlord-obtained) district heating/cooling consumed	296,793 MWh	305,694 MWh	88,445 MWh	100,415 MWh	5,923 MWh	4,301 MWh	15,835 MWh	17,372 MWh	186,590 MWh	183,607 MWh
	Proportion of total (landlord-obtained) district heating and cooling from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total (landlord-obtained) district heating/cooling consumption data coverage, by area (sqm)	3,668,974 m^2	3,897,191 m^2	1,499,317 m^2	1,603,361 m^2	54,442 m^2	56,889 m^2	77,708 m^2	171,319 m^2	2,037,507 m^2	2,065,623 m^2
	Proportion of total (landlord-obtained) district heating/cooling consumption and associated GHG emissions that is estimated	8%	8%	5%	0%	0%	28%	0%	0%	11%	13%
Absolute Energy	Total landlord shared services energy consumed	182,220 MWh	199,142 MWh	72,530 MWh	82,221 MWh	2,114 MWh	1,038 MWh	5,583 MWh	7,455 MWh	101,993 MWh	108,428 MWh
	Total tenant-obtained/tenant-allocated energy consumed	643,194 MWh	718,822 MWh	218,353 MWh	258,175 MWh	19,288 MWh	23,842 MWh	44,515 MWh	55,021 MWh	361,038 MWh	381,784 MWh
	Total landlord-obtained energy consumed	639,389 MWh	690,078 MWh	197,924 MWh	223,657 MWh	17,050 MWh	17,931 MWh	40,487 MWh	46,931 MWh	383,929 MWh	401,559 MWh
	Total energy consumption	821,541 MWh	909,337 MWh	290,883 MWh	340,397 MWh	21,402 MWh	24,879 MWh	50,098 MWh	62,476 MWh	459,159 MWh	481,585 MWh
	Total energy consumption data coverage, by area (sqm)	7,226,889 m^2	7,605,292 m^2	2,894,864 m^2	3,019,836 m^2	167,326 m^2	240,474 m^2	365,190 m^2	449,210 m^2	3,799,509 m^2	3,895,773 m^2
	Proportion of landlord-obtained energy consumption and associated GHG emissions that is estimated	8%	13%	5%	8%	2%	10%	5%	2%	11%	17%
	Proportion of tenant-obtained energy consumption and associated GHG emissions that is estimated	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Proportion of total energy consumption and associated GHG emissions that is estimated	29%	34%	35%	40%	22%	35%	23%	26%	26%	31%
	Proportion of total energy generated offsite from renewable sources	5%	6%	8%	11%	6%	3%	5%	6%	3%	3%
	Proportion of total energy generated onsite from renewable sources (consumed onsite or exported)	0.10%	0.12%	0.16%	0.16%	0.00%	0.98%	0.00%	0.00%	0.08%	0.07%
	Total renewable energy consumption and generation	29,834 MWh	42,031 MWh	16,538 MWh	25,419 MWh	1,027 MWh	718 MWh	2,180 MWh	2,779 MWh	10,089 MWh	13,115 MWh
	Total energy consumption from fossil sources	791,708 MWh	867,306 MWh	274,345 MWh	314,977 MWh	20,375 MWh	24,161 MWh	47,918 MWh	59,698 MWh	449,070 MWh	468,470 MWh
Total building energy intensity (kWh/sqm*year)											
Energy-Int	Landlord-obtained building energy intensity for landlord-obtained energy consumed	88.47 kWh/m^2	90.74 kWh/m^2	68.37 kWh/m^2	74.06 kWh/m^2	101.90 kWh/m^2	74.57 kWh/m^2	110.87 kWh/m^2	104.47 kWh/m^2	101.05 kWh/m^2	103.08 kWh/m^2
	Total building energy intensity for energy consumed	113.68 kWh/m^2	119.57 kWh/m^2	100.48 kWh/m^2	112.72 kWh/m^2	127.91 kWh/m^2	103.46 kWh/m^2	137.18 kWh/m^2	139.08 kWh/m^2	120.85 kWh/m^2	123.62 kWh/m^2
Mandatory Certificates (Energy Performance Certificates)											
Cert-Tot	% of portfolio certified by floor area	84%	97%	81%	98%	70%	100%	71%	93%	89%	97%

Table 18 - Like-for-like energy for managed assets											
Energy reported in MWh		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	Metric	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Elec-LfL	Electricity consumed for landlord shared services	51,638 MWh	50,707 MWh	30,731 MWh	28,225 MWh	1,652 MWh	327 MWh	2,987 MWh	2,421 MWh	16,268 MWh	19,734 MWh
	Total landlord-obtained electricity consumed	51,638 MWh	50,707 MWh	30,731 MWh	28,225 MWh	1,652 MWh	327 MWh	2,987 MWh	2,421 MWh	16,268 MWh	19,734 MWh
	Proportion of landlord-obtained electricity generated offsite from renewable sources	63%	78%	52%	78%	62%	96%	73%	93%	88%	85%
	Total landlord-obtained electricity generated and consumed onsite from renewable sources	463 MWh	456 MWh	463 MWh	456 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh
	Total landlord-obtained electricity generated onsite from renewable sources and exported	369 MWh	322 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	0 MWh	369 MWh	322 MWh
	Total tenant-obtained electricity consumed	182,152 MWh	182,152 MWh	92,959 MWh	92,959 MWh	4,352 MWh	4,352 MWh	9,611 MWh	9,611 MWh	75,230 MWh	75,230 MWh
	Total electricity consumed	233,791 MWh	232,859 MWh	123,691 MWh	121,184 MWh	6,004 MWh	4,679 MWh	12,598 MWh	12,032 MWh	91,498 MWh	94,964 MWh
	Total electricity consumption data coverage, by area (sqm)	6,571,288 m^2	6,571,288 m^2	2,450,564 m^2	2,450,564 m^2	160,074 m^2	160,074 m^2	281,130 m^2	281,130 m^2	3,679,520 m^2	3,679,520 m^2
	Proportion of landlord-obtained electricity consumption and associated GHG emissions that is estimated	21%	44%	16%	47%	19%	13%	61%	12%	25%	46%
	Proportion of tenant-obtained electricity consumption and associated GHG emissions that is estimated	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Proportion of total electricity consumption and associated GHG emissions that is estimated	83%	88%	79%	88%	78%	94%	91%	82%	95%	95%
Fuels LfL	Fuels (natural gas) consumed for landlord shared services	55,314 MWh	54,795 MWh	18,358 MWh	17,464 MWh	200 MWh	177 MWh	1,749 MWh	1,549 MWh	35,008 MWh	35,606 MWh
	Fuels (oil) consumed for landlord shared services	2,832 MWh	2,638 MWh	1,183 MWh	1,090 MWh	0 MWh	0 MWh	0 MWh	0 MWh	1,649 MWh	1,548 MWh
	Fuels (natural gas) allocated for tenant consumption	194,724 MWh	197,135 MWh	55,073 MWh	52,392 MWh	6,462 MWh	5,710 MWh	17,381 MWh	19,771 MWh	115,807 MWh	119,260 MWh
	Fuels (oil) allocated for tenant consumption	9,216 MWh	8,559 MWh	3,549 MWh	3,271 MWh	0 MWh	0 MWh	0 MWh	0 MWh	5,667 MWh	5,288 MWh
	Total landlord shared services fuels consumed	58,146 MWh	57,433 MWh	19,541 MWh	18,555 MWh	200 MWh	177 MWh	1,749 MWh	1,549 MWh	36,657 MWh	37,153 MWh
	Total (landlord-obtained) fuels allocated for tenant consumption	203,940 MWh	205,694 MWh	58,622 MWh	55,664 MWh	6,462 MWh	5,710 MWh	17,381 MWh	19,771 MWh	121,474 MWh	124,549 MWh
	Total (landlord-obtained) fuels consumed	262,086 MWh	263,127 MWh	78,163 MWh	74,218 MWh	6,662 MWh	5,887 MWh	19,130 MWh	21,320 MWh	158,131 MWh	161,702 MWh
	Proportion of total (landlord-obtained) fuels from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total (landlord-obtained) fuels consumption data coverage, by area (sqm	2,860,327 m^2	2,860,327 m^2	1,107,070 m^2	1,107,070 m^2	88,141 m^2	88,141 m^2	222,389 m^2	222,389 m^2	1,442,727 m^2	1,442,727 m^2
	Proportion of total (landlord-obtained) fuel consumption and associated GHG emissions that is estimated	5%	10%	0%	0%	0%	9%	0%	0%	8%	15%

(*) Over the course of 2024, the Company together with its partner organisation switched several installed on-site PV system contracts to allow for on-site consumption. As this was an ongoing process, insufficient data was available to calculate the precise net amounts consumed on site, and values were assumed to be fully consumed on site based on the type of contract.

Table 18 - Like-for-like energy for managed assets											
Energy reported in MWh		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	Metric	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
DH&C-LfL	Total district heating/cooling consumed for landlord shared services	62,331 MWh	61,368 MWh	21,722 MWh	23,190 MWh	178 MWh	127 MWh	552 MWh	333 MWh	39,880 MWh	37,718 MWh
	Total (landlord-obtained) district heating/cooling allocated for tenant consumption	215,810 MWh	204,415 MWh	65,166 MWh	69,570 MWh	5,745 MWh	4,101 MWh	15,283 MWh	8,220 MWh	129,617 MWh	122,525 MWh
	Total (landlord-obtained) district heating/cooling consumed	278,142 MWh	265,784 MWh	86,887 MWh	92,760 MWh	5,923 MWh	4,228 MWh	15,835 MWh	8,553 MWh	169,496 MWh	160,244 MWh
	Proportion of total (landlord-obtained) district heating and cooling from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total (landlord-obtained) district heating/cooling consumption data coverage, by area (sqm)	3,460,239 m^2	3,460,239 m^2	1,463,964 m^2	1,463,964 m^2	54,442 m^2	54,442 m^2	77,708 m^2	77,708 m^2	1,864,125 m^2	1,864,125 m^2
	Proportion of total (landlord-obtained) district heating/cooling consumption and associated GHG emissions that is estimated	7%	9%	6%	0%	0%	29%	0%	0%	9%	14%
Like-for-Like Energy	Total landlord shared services energy consumed	172,116 MWh	169,508 MWh	71,994 MWh	69,969 MWh	2,030 MWh	630 MWh	5,288 MWh	4,303 MWh	92,804 MWh	94,606 MWh
	Total tenant-obtained/tenant-allocated energy consumed	605,520 MWh	595,781 MWh	216,747 MWh	218,193 MWh	16,559 MWh	14,163 MWh	42,275 MWh	37,602 MWh	329,939 MWh	325,823 MWh
	Total landlord-obtained energy consumed	591,866 MWh	579,617 MWh	195,782 MWh	195,203 MWh	14,237 MWh	10,441 MWh	37,952 MWh	32,294 MWh	343,895 MWh	341,679 MWh
	Total energy consumption	774,018 MWh	761,770 MWh	288,741 MWh	288,162 MWh	18,589 MWh	14,793 MWh	47,563 MWh	41,905 MWh	419,125 MWh	416,909 MWh
	Total energy consumption data coverage, by area (sqm)	7,194,839 m^2	7,194,839 m^2	2,894,864 m^2	2,894,864 m^2	167,326 m^2	167,326 m^2	350,422 m^2	350,422 m^2	3,782,227 m^2	3,782,227 m^2
	Proportion of landlord-obtained energy consumption and associated GHG emissions that is estimated	7%	12%	5%	7%	2%	17%	5%	1%	9%	16%
	Proportion of tenant-obtained energy consumption and associated GHG emissions that is estimated	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Proportion of total energy consumption and associated GHG emissions that is estimated	29%	33%	36%	37%	25%	42%	24%	24%	25%	31%
	Proportion of total energy generated offsite from renewable sources	5%	6%	8%	11%	7%	3%	6%	7%	3%	4%
	Proportion of total energy generated onsite from renewable sources (consumed onsite or exported)	0.11%	0.10%	0.16%	0.16%	0.00%	0.00%	0.00%	0.00%	0.09%	0.08%
	Total renewable energy consumption and generation	29,834 MWh	37,817 MWh	16,538 MWh	22,429 MWh	1,027 MWh	313 MWh	2,180 MWh	2,255 MWh	10,089 MWh	12,820 MWh
	Total energy consumption from fossil sources	744,185 MWh	723,953 MWh	272,203 MWh	265,733 MWh	17,562 MWh	14,480 MWh	45,383 MWh	39,650 MWh	409,036 MWh	404,089 MWh
Like-for-like building energy intensity (kWh/sqm*year)											
Energy-Int	Landlord-obtained building energy intensity for energy consumed	82.26 kWh/m^2	80.56 kWh/m^2	67.63 kWh/m^2	67.43 kWh/m^2	85.09 kWh/m^2	62.40 kWh/m^2	108.30 kWh/m^2	92.16 kWh/m^2	90.92 kWh/m^2	90.34 kWh/m^2
	Total building energy intensity for energy consumed	107.58 kWh/m^2	105.88 kWh/m^2	99.74 kWh/m^2	99.54 kWh/m^2	111.09 kWh/m^2	88.41 kWh/m^2	135.73 kWh/m^2	119.58 kWh/m^2	110.81 kWh/m^2	110.23 kWh/m^2
Mandatory Certificates (Energy Performance Certificates)											
Cert-Tot	% of portfolio certified by floor area	95%	99%	94%	100%	100%	100%	94%	100%	95%	98%

Regarding total energy consumption from nuclear sources and its proportion of total energy consumption, the Group does not have sufficient information to determine this at this time. Germany, our primary country of operation, has ceased the generation of energy from nuclear sources in its own domestic grid. This does not mean, however, that zero energy from nuclear sources is consumed in Germany because a share of Germany's electricity is imported from neighboring countries where nuclear energy generation is still in place. This share of imported energy is not broken down by energy source(*), and thus inhibits the Group's ability to accurately report the nuclear energy it consumes at this time. While nuclear-produced energy may be included in electricity not covered by renewable energy certificate ("REC") or PPA contracts, the Group does not receive detailed information about the energy mix on the invoices for these contracts, and thus, these figures could not be reported.

Table 19 below presents the energy intensity per net revenue. Our business activities are classified under NACE section L Renting and Operating of Own or Leased Real Estate and are therefore classified as "high climate impact sector" activities, meaning all net revenue falls under this sector and no reconciliation is needed.

(*) please refer to data available on Energy-Charts, specifically the "Import Balance" share for Germany's public net electricity generation in 2024, of which 5.7% was imported

Table 19 – Energy Intensities from Activities in High Climate Impact Sectors (*)

Metric	2023	2024
Total Energy Consumption from Activities in High Climate Impact Sectors	821,541 MWh	909,337 MWh
Total Net Revenue from activities in high climate impact sectors	€ 1,192.8 million	€ 1,180.9 million
Energy Intensity from Activities in High Climate Impact Sectors	688.8 MWh/ million €	770 MWh/ million €

(*) energy is only reported along the operational control scope as defined in the methodological notes in subsection E1-6, meaning that there is a misalignment between the operational control and the financial consolidation scopes of the Company. A recalculation of net revenue metrics was not possible at the time of reporting due to discrepancies between consolidated financial data and the operational energy and emissions data. In the Company's view this is not a material discrepancy, as when considering the value of sustainability disclosures, monetary-based intensity metrics, while required by EU ESRS, are inferior to physical-based intensity metrics with square meters as the denominator disclosed throughout this section. The Company's preference for physical-based intensities is in-line with guidance from sector-specific guidance by standard-setting agencies CRREM and the Science-Based Targets Initiative (SBTi), specifically their in-use operational SDA approach

E1-6 – Gross Scopes 1, 2, 3 and Total GHG Emissions

To ensure we prioritize improvement plans correctly and monitor their impact to further inform our modelling, good data coverage and reliability is essential. We have a long-term goal of achieving full data coverage across our portfolio. In 2024, the Group attained 100% energy data coverage for our operational control portfolio in Germany, the Netherlands, and the UK.

To maximize the utility of this data, we have initiated the development of a new database for environmental data, enabling semi-automated data collection through a mobile app for facility managers. Although Aroundtown does not directly control tenants' energy consumption, we strive to provide our tenants with consistent and relevant information about their energy consumption through the gradual installation of sub-metering systems and smart meters. We have also utilized informational videos and posters, as well as provided information through our Service Center to encourage behavioral changes among the tenants to reduce energy consumption. This approach empowers our tenants by raising awareness and incentivizing them to reduce energy consumption.

In line with common practices in the real estate sector, Aroundtown's consolidated entities own certain properties which it does not directly manage. Lack of management responsibilities present significant challenges in environmental data collection, since AT is not responsible for energy procurement and data protection barriers limit its ability to demand this information from tenants falling under their direct contracts with utilities. As such, environmental reporting is limited to the operational control consolidation approach defined by the GHG Protocol, in-line with the sector specific environmental reporting standard the EPRA Sustainability Best Practices Recommendations ("sBPR"). The Group is aware of the ongoing debate surrounding the implementation of ESRS requirements regarding GHG organizational boundaries as outlined in ESRS E1 Paragraphs 46 and 62 supported by paragraph AR 40, specifically that EFRAG is considering whether exceptions might be introduced for industries through its sector-specific standards. In this regard, the Group would like to note that the GHG Protocol went through extensive discussions on how to apply the principles in a sector-specific manner as the standard was introduced almost two decades ago. In light of this, AT considers sector-specific Guidance by the GHG Protocol (*) to be a more mature standard developed through extensive consultation and through this achieved alignment with financial accounting standards through its

(*) Appendix F to the GHG Protocol Corporate Accounting and Reporting Standard – Revised Edition

direct reference of FASB guidance on accounting practices regarding different lease types. In light of these facts and EFRAG's delayed rollout of sector-specific standards, the Group has decided to continue applying its operational control boundary according to sector-specific GHG protocol guidance , which the Group also anticipates EFRAG will adopt in a similar fashion as this approach was more recently reiterated in technical guidance jointly produced by standard-setting organizations GRESB, CRREM, and the Partnership for Carbon Accounting Financials ("PCAF")(*).

Both the absolute location- and market-based GHG emissions intensities in Table 20 increased in 2024 compared to 2023, which similar to the energy intensities is attributable to the newly reported buildings included in GHG emissions data coverage for 2024 being more energy- and carbon-intensive. Observing the like-for-like data presented in Table 21 covering the same set of assets reported in both years, both the location-based and market-based GHG emissions intensities decreased.

(*) Accounting and Reporting of GHG Emissions from Real Estate Operations, by PCAF CRREM and GRESB

Table 20 - Absolute GHG emissions for managed assets

GHG emissions reported in tons CO_2e		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	Metric	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
GHG-Dir-Abs	Direct GHG emissions (GHG Protocol Scope 1)	11,888 t CO_2e	12,962 t CO_2e	3,682 t CO_2e	4,108 t CO_2e	52 t CO_2e	77 t CO_2e	374 t CO_2e	488 t CO_2e	7,781 t CO_2e	8,289 t CO_2e
GHG-Indir-Abs	Indirect GHG emissions (GHG Protocol Scope 2; Location-based)	38,662 t CO_2e	40,273 t CO_2e	17,773 t CO_2e	19,205 t CO_2e	671 t CO_2e	223 t CO_2e	1,288 t CO_2e	1,623 t CO_2e	18,930 t CO_2e	19,222 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 2; Market-based)	20,087 t CO_2e	24,996 t CO_2e	8,632 t CO_2e	8,167 t CO_2e	279 t CO_2e	48 t CO_2e	485 t CO_2e	317 t CO_2e	10,691 t CO_2e	16,463 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 3 from tenant-controlled energy; Location-based)	184,136 t CO_2e	198,814 t CO_2e	65,106 t CO_2e	74,570 t CO_2e	5,164 t CO_2e	6,246 t CO_2e	12,123 t CO_2e	14,742 t CO_2e	101,744 t CO_2e	103,256 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 3 from tenant-controlled energy; Market-based)	161,675 t CO_2e	193,060 t CO_2e	58,210 t CO_2e	65,687 t CO_2e	5,039 t CO_2e	6,038 t CO_2e	11,919 t CO_2e	12,722 t CO_2e	86,508 t CO_2e	108,613 t CO_2e
Absolute GHG Emissions	Total GHG emissions (GHG Protocol Scopes 1, 2 and 3; Location-based)	234,686 t CO_2e	252,049 t CO_2e	86,560 t CO_2e	97,883 t CO_2e	5,886 t CO_2e	6,546 t CO_2e	13,785 t CO_2e	16,853 t CO_2e	128,455 t CO_2e	130,767 t CO_2e
	Total GHG emissions (GHG Protocol Scopes 1, 2 and 3; Market-based)	193,650 t CO_2e	231,018 t CO_2e	70,524 t CO_2e	77,962 t CO_2e	5,370 t CO_2e	6,164 t CO_2e	12,778 t CO_2e	13,527 t CO_2e	104,979 t CO_2e	133,365 t CO_2e
	Total GHG emissions data coverage, by area (sqm)	7,226,889 m^2	7,605,292 m^2	2,894,864 m^2	3,019,836 m^2	167,326 m^2	240,474 m^2	365,190 m^2	449,210 m^2	3,799,509 m^2	3,895,773 m^2
Absolut building GHG intensity (kg CO_2e/sqm*year)											
GHG-Int	Landlord-obtained building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Location-based) (kg CO_2e/sqm*year)	23.33 kg CO_2e/m^2	23.19 kg CO_2e/m^2	18.51 kg CO_2e/m^2	19.36 kg CO_2e/m^2	25.53 kg CO_2e/m^2	16.96 kg CO_2e/m^2	27.98 kg CO_2e/m^2	25.23 kg CO_2e/m^2	26.46 kg CO_2e/m^2	26.32 kg CO_2e/m^2
	Total building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Location-based) (kgCO_2e/sqm*year)	32.47 kg CO_2e/m^2	33.14 kg CO_2e/m^2	29.90 kg CO_2e/m^2	32.41 kg CO_2e/m^2	35.18 kg CO_2e/m^2	27.22 kg CO_2e/m^2	37.75 kg CO_2e/m^2	37.52 kg CO_2e/m^2	33.81 kg CO_2e/m^2	33.57 kg CO_2e/m^2
	Landlord-obtained building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Market-based) (kgCO_2e/sqm*year)	17.65 kg CO_2e/m^2	20.43 kg CO_2e/m^2	12.97 kg CO_2e/m^2	12.76 kg CO_2e/m^2	22.44 kg CO_2e/m^2	15.37 kg CO_2e/m^2	25.23 kg CO_2e/m^2	17.83 kg CO_2e/m^2	20.28 kg CO_2e/m^2	26.98 kg CO_2e/m^2
	Total building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Market-based) (kgCO_2e/sqm*year)	26.80 kg CO_2e/m^2	30.38 kg CO_2e/m^2	24.36 kg CO_2e/m^2	25.82 kg CO_2e/m^2	32.09 kg CO_2e/m^2	25.63 kg CO_2e/m^2	34.99 kg CO_2e/m^2	30.11 kg CO_2e/m^2	27.63 kg CO_2e/m^2	34.23 kg CO_2e/m^2

Table 21 - Like-for-like GHG emissions for managed assets

GHG emissions reported in tons CO_2e		Total		Office		Retail		Others Incl. Logistics		GCP	
EPRA Code	Metric	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
GHG-Dir-LfL	Direct GHG emissions (GHG Protocol Scope 1)	10,822 t CO_2e	10,679 t CO_2e	3,652 t CO_2e	3,465 t CO_2e	37 t CO_2e	32 t CO_2e	320 t CO_2e	283 t CO_2e	6,814 t CO_2e	6,898 t CO_2e
GHG-Indir-LfL	Indirect GHG emissions (GHG Protocol Scope 2; Location-based)	37,271 t CO_2e	34,961 t CO_2e	17,659 t CO_2e	16,355 t CO_2e	671 t CO_2e	155 t CO_2e	1,288 t CO_2e	963 t CO_2e	17,654 t CO_2e	17,487 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 2; Market-based)	18,993 t CO_2e	17,682 t CO_2e	8,569 t CO_2e	6,624 t CO_2e	279 t CO_2e	38 t CO_2e	485 t CO_2e	145 t CO_2e	9,660 t CO_2e	10,875 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 3; from tenant-controlled energy, Location-based)	175,021 t CO_2e	165,501 t CO_2e	64,673 t CO_2e	62,858 t CO_2e	4,664 t CO_2e	3,865 t CO_2e	11,713 t CO_2e	9,586 t CO_2e	93,970 t CO_2e	89,192 t CO_2e
	Indirect GHG emissions (GHG Protocol Scope 3 from tenant-controlled energy; Market-based)	153,558 t CO_2e	150,154 t CO_2e	57,931 t CO_2e	54,904 t CO_2e	4,539 t CO_2e	3,657 t CO_2e	11,509 t CO_2e	8,916 t CO_2e	79,579 t CO_2e	82,676 t CO_2e
Like-for-Like GHG Emissions	Total GHG emissions (GHG Protocol Scopes 1, 2 and 3; Location-based)	223,114 t CO_2e	211,141 t CO_2e	85,983 t CO_2e	82,678 t CO_2e	5,372 t CO_2e	4,053 t CO_2e	13,321 t CO_2e	10,833 t CO_2e	118,438 t CO_2e	113,577 t CO_2e
	Total GHG emissions (GHG Protocol Scopes 1, 2 and 3; Market-based)	183,374 t CO_2e	178,515 t CO_2e	70,152 t CO_2e	64,994 t CO_2e	4,855 t CO_2e	3,727 t CO_2e	12,314 t CO_2e	9,344 t CO_2e	96,053 t CO_2e	100,449 t CO_2e
	Total GHG emissions data coverage, by area (sqm)	7,194,839 m^2	7,194,839 m^2	2,894,864 m^2	2,894,864 m^2	167,326 m^2	167,326 m^2	350,422 m^2	350,422 m^2	3,782,227 m^2	3,782,227 m^2
Like-for-like building GHG intensity (kgCO_2e/sqm*year)											
GHG-Int	Landlord-obtained building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Location-based) (kgCO_2e/sqm*year)	21.83 kg CO_2e/m^2	20.59 kg CO_2e/m^2	18.31 kg CO_2e/m^2	17.74 kg CO_2e/m^2	22.45 kg CO_2e/m^2	14.99 kg CO_2e/m^2	27.84 kg CO_2e/m^2	21.18 kg CO_2e/m^2	23.94 kg CO_2e/m^2	22.97 kg CO_2e/m^2
	Total building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Location-based) (kgCO_2e/sqm*year)	31.01 kg CO_2e/m^2	29.35 kg CO_2e/m^2	29.70 kg CO_2e/m^2	28.56 kg CO_2e/m^2	32.10 kg CO_2e/m^2	24.22 kg CO_2e/m^2	38.01 kg CO_2e/m^2	30.91 kg CO_2e/m^2	31.31 kg CO_2e/m^2	30.03 kg CO_2e/m^2
	Landlord-obtained building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Market-based) (kgCO_2e/sqm*year)	16.30 kg CO_2e/m^2	16.06 kg CO_2e/m^2	12.84 kg CO_2e/m^2	11.64 kg CO_2e/m^2	19.36 kg CO_2e/m^2	13.04 kg CO_2e/m^2	24.96 kg CO_2e/m^2	16.93 kg CO_2e/m^2	18.02 kg CO_2e/m^2	19.50 kg CO_2e/m^2
	Total building GHG emissions intensity (GHG Protocol Scopes 1, 2 and 3; Market-based) (kgCO_2e/sqm*year)	25.49 kg CO_2e/m^2	24.81 kg CO_2e/m^2	24.23 kg CO_2e/m^2	22.45 kg CO_2e/m^2	29.01 kg CO_2e/m^2	22.28 kg CO_2e/m^2	35.14 kg CO_2e/m^2	26.67 kg CO_2e/m^2	25.40 kg CO_2e/m^2	26.56 kg CO_2e/m^2

Table 22 below presents the GHG emissions intensity per net revenue. Our business activities are classified under NACE section L Renting and Operating of Own or Leased Real Estate and are therefore classified as "high climate impact sector" activities, meaning all net revenue falls under this sector and no other intensity figures or reconciliation is needed.

Table 22 – GHG Emissions Intensities per Net Revenue (*)

Metric	2023	2024
Total Location-Based GHG Emissions from Activities in High Climate Impact Sectors	234,686 t CO_2	252,049 t CO_2
Total Market-Based GHG Emissions from Activities in High Climate Impact Sectors	193,650 t CO_2	231,018 t CO_2
Total Net Revenue (in € millions)	€ 1,192.8 million	€ 1,180.9 million
Location-Based GHG Emissions Intensity per net revenue	196.8 t CO_2/ million €	213.4 t CO_2/ million €
Market-Based GHG Emissions Intensity per net revenue	162.3 t CO_2/ million €	195.6 t CO_2/ million €

(*) Emissions are only be reported along the operational control scope as defined in the methodological notes in this subsection, meaning that there is a misalignment between the operational control and the financial consolidation scopes of the Group. A recalculation of alternate net revenue metrics was not possible at the time of reporting due to discrepancies between consolidated financial data and the operational energy and emissions data. In the Group's view this is not a material discrepancy, as when considering the value of sustainability disclosures, monetary-based intensity metrics, while required by EU ESRS, are inferior to physical-based intensity metrics with square meters as the denominator disclosed throughout this section. The Group's preference for physical-based intensities is in-line with guidance from sector-specific guidance by standard-setting agencies CRREM and the Science-Based Targets Initiative (SBTi), specifically their in-use operational SDA approach

Methodology and EPRA sBPR Data Preparation Notes

When calculating our GHG emission reduction targets and achieved savings, we align with the GHG Protocol, adapted to the real estate sector through the 4th edition of the European Public Real Estate Association ("EPRA") Sustainability Best Practice Recommendations ("sBPR") published in 2024 which notably aligned the standard to the EU ESRS requirements. The notes below apply to Tables 20 and 21 in this section and Tables 17 and 18 in section E1-5.

In 2024, Aroundtown received the EPRA sBPR Gold award for our disclosure for the seventh time consecutively.

Organizational Boundaries

The information and data in this report covers the operations of Aroundtown SA, spanning our direct employees and commercial portfolio. As of 31 December 2024, our Group portfolio (including Grand City Properties S.A.) held €24.3 billion of investment property comprising offices (38%); residential (34%); hotels (22%); logistics/other and retail (6%).

Information on our residential portfolio, which is owned by Grand City Properties S.A. ("GCP") in which we hold a 62% stake has been consolidated and the data is included in the scope of this report. However, GCP's performance is also reported separately, and this information is published on the sustainability section of Grand City Properties' website.

Landlord and Tenant Boundaries, Allocation by Scopes, Scope 3 Categories

We have followed the methodology followed in last year's report for allocating energy consumption between landlord-controlled areas and tenant-controlled areas. GHG emissions associated with the energy sources outlined in Tables 17 and 18 in section E1-5 are categorized into three distinct scopes as defined by the GHG Protocol:

- **Scope 1** GHG emissions are generated directly from the use of energy sources within the building, such as natural gas and other fuels and GHG emissions from the operation of boilers and furnaces (*).
- **Scope 2** covers indirect GHG emissions from purchased energy, including electricity, steam, district heating and cooling.
- **Scope 3** encompasses all indirect GHG emissions generated in the value chain of the Group that are not covered by Scope 2.

(*) scope 1 GHG emissions from real estate do not currently fall under regulates emissions trading schemes

In our 2019 baseline and annual GHG emissions reporting, we use a common area/total area ratio to estimate the GFA from the available NLA determined through our letting contracts, allowing us to apportion shared-service heating consumption between landlord and tenant spaces. The allocation is based on the floor area distribution found with the property types classification appendix (3a) of the GRESB Real Estate Assessment Reference Guide.

This calculation of landlord- and tenant-controlled areas is used to allocate landlord-obtained heating energy between Scopes 1 or 2 and Scope 3 Category 13 (Downstream Leased Assets). Additionally, GHG emissions from tenant-obtained electricity, which is estimated due to data protection barriers, is allocated directly to Scope 3 Category 13. Scope 3 Category 13 is the sole relevant Scope 3 category reported here, following the EPRA sBPR standard, which only covers the operational GHG emissions of the portfolio. Relevance is based on the Group business model, involving a relatively small share of targeted construction activities compared to other companies in the sector, instead focusing on acquisition and management of existing properties.

While precise allocation of CO_2 emissions between Scope 1 or 2 and Scope 3 Category 13 would involve complete measured data from the metering and sub-metering arrangements in place between tenants and landlords, the majority of our utilities use outdated, paper-based billing systems with inconsistent invoice formats, which are often received too late to meet current-year reporting deadlines. Additionally, real-time monitoring is hindered by the slow implementation of smart meters by grid operators, who prioritize energy-intensive users (i.e. manufacturing) over less intensive sectors. As a result, the total energy consumption for the building is attributed to landlord or tenant control based on the ratio of shared spaces to tenant areas expected for the property as provided by GRESB. Correspondingly, GHG emissions from this energy consumption are allocated accordingly in the same proportion, with common areas falling under Scopes 1 and 2 and tenant areas falling under Scope 3 Category 13, following the operational control consolidation approach of the GHG protocol. Therefore, the energy consumption and the corresponding CO_2 emissions represents the entire building area i.e., of both landlord and tenant-controlled area.

Coverage

Absolute and like-for-like portfolio environmental data relates to the assets in the operational control portfolio in Germany, the Netherlands, and London which is a subset of the Organizational Boundaries discussed above, defined as assets the Group directly manages building operations with responsibility for operational decisions, mainly the choice of energy provider. The like-for-like subset contains all the properties for which we received environmental reporting data for the full two-year period from January 1st , 2023 to December 31st , 2024. Actual environmental performance data is only reported on assets for which we have operational control and for which we can collect utilities data. On an absolute basis, this included 100% of the total operational control portfolio covering a gross floor area of 7,605K m² (excluding assets held for sale and properties under development) at the end of December 31st, 2024. A breakdown of the reported portfolio gross floor area based on asset types are as follows: office – 3,020K m², retail – 240K m², others including logistics – 449K m², with the remaining area being GCP's residential portfolio.

Further information relating to maximum coverage on an absolute and like-for-like basis per utility type is provided within our data tables.

Data relating to our employees covers all direct employees employed by Aroundtown, including part-time and temporary workers, as well as our international employees[*].

Reporting Period

All data relates to our financial year, which coincides with the calendar year, and consequently runs from January 1st to December 31st of the year under review.

Estimation of Utility Consumption

The list below outlines all applicable estimation methods involved in the preparation of energy and emissions data presented in Tables 17 and 18 in section E1-5 and Tables 20 and 21 in section E1-6, respectively. As outlined in the Landlord and tenant boundaries, allocation by scopes, scope 3 categories portion of these notes above, Scope 3 emissions are allocated to category 13 according to the share of landlord- and tenant-controlled areas of reported properties. Thus, the Proportion of total energy consumption and associated GHG emissions that is estimated figures in Tables 17 and 18 in section E1-5 are applicable to Scope 3 emissions presented in Tables 20 and 21, respectively, while the share of primary data can be derived through obtaining the difference between this figure and 100 percent.

1. Measured data for the reporting year were not fully available in time for publication. In instances where the available heating data is not representative, estimations were calculated based on known consumption from other periods, following the ratio-based heating-degree-days normalization method. In the case of electricity,

(*) This topic relates to data covered in the S1 section, but is presented here in order to maintain an alignment with the EPRA sBPR Guidelines

the consumption was extrapolated based on the weighted arithmetic mean of other known periods. In some instances, this was not possible for heating. Here we calculated an estimation by extrapolating expected heating consumption according to the EPC rating of the building and weather normalization was not performed as the estimation process involves historical climate factor data published by the DWD. There is a lag between the last date of each month and the publication of climate factor data of approximately 2 months. Due to reporting timelines, the most recent full year of published climate factors available at the time are used to represent the current reporting year, which in this report is November 2023 to November 2024 for the year 2024.

2. In some cases, assets do not have Energy Performance Certificates ("EPCs") due to expired EPC and limited capacity on the market, which slows the process of issuing new EPCs. EPC-estimated calculations are conducted for residential assets using average energy intensity values based on EPCs of properties in the same building cluster or a weighted average based on the construction year, thus the consumption is considered estimated. This is currently not done for commercial assets due to lower sample size for each building cluster which prevents reliable estimations.
3. For tenant-obtained electricity, the consumption for tenant-controlled areas is estimated based on industry standard energy benchmarks, namely the Association of German Engineers *Verein Deutscher Ingenieure* VDI-Richtlinien 3807 for residential and the German Federal Institute for Research on Building, Urban Affairs and Spatial Development *Bundesinstitut für Bau-, Stadt- und Raumforschung* (BBSR) for commercial assets, as well as benchmarks specific to the Group portfolio based on EPC ratings for the properties when available.

We have reported the percentage of estimation that this represents per utility type in Tables 17 and 18 in section E1-5.

Furthermore, we have disclosed the proportion of overall consumption that our estimation of tenant consumption represents, according to our methodology described in the section 'Landlord and Tenant Boundaries'.

Regarding only landlord-obtained utility consumption, as per the EPRA sBPR requirements, we have detailed the extent of estimations below:

- Electricity: 54% of landlord-obtained consumption is based on available data, with 46% estimated.
- Heating: 91% of landlord-obtained consumption is based on available data, with the remaining 9% estimated.

Units of Measurement and Normalization

Utilities data are reported based on absolute consumption measured in MWh (energy), tCO_2e (GHG emissions). GHG emissions are reported using location-based conversion factors published by the German Environmental Protection Association as well as market-based factors when available. Where consumption is normalized, we calculate intensity indicators using floor area (m^2) for whole buildings, including tenant areas. Since we are now estimating the tenant consumption, we believe that our numerator and denominator provide a representative intensity figure.

Segmental Analysis (By Property Type, Geography)

Segmental analysis by geography is not relevant for our portfolio. Our assets are primarily located within Germany, the Netherlands and London, and therefore in the same climatic zone. Segmental analysis is instead provided by asset type and is consistent with our financial reporting.

Disclosure on Own Offices

Our own occupied office consumption is excluded from our portfolio data as we are a tenant in the building.

Restatements of Information

- Due to further enhancements made on operational data, some properties included in last year's reported energy consumption and GHG emissions figures have been identified as being managed by the tenants. As a result, energy consumption data of assets has not been changed, but the reported consumption and associated GHG emissions totals for each portfolio segment for the year 2023 have decreased due to a decrease in assets included to more precisely align with the Group's definition of the operational control scope.
- In order to align with industry best practices, square meter measurements used to normalize physical energy- and GHG emission intensities have been converted from NLA to GFA using asset-type-specific benchmarks by GRESB described above.
- In its estimations of tenant-obtained electricity, Aroundtown has adopted new benchmarks deemed more relevant to the portfolio: AT switched from using the CIBSE benchmarks to those provided by VDI for residential assets and BBSR as well as intensities provided in EPCs of own properties for commercial, depending on available information. Benchmarks are described in more detail above.
- Figures relating to the proportion of total energy generated offsite from renewable/

green sources have been restated for 2023 as AT is phasing out its procurement of carbon-neutralized gas. The reasoning for this is that gas combustion cannot be claimed as renewable and is in practice an offset, and the Group would thus prefer to focus its sustainability strategy on increasing the share of renewable energy and reducing GHG emissions in its own operations.

Narrative on Performance

Explanation and analysis of our performance in relation to the Performance Measures reported on are found with the respective data tables throughout this report.

GHG Emission Factors

In 2024, GHG emission factors were used from a new source and therefore updated and incorporated for 2023 & 2024 data in this report. Location-based GHG emission factors are mostly retrieved from the CRREM dataset (see Table below) and applied to calculate heating and electricity GHG emissions based on consumption data. Market-based GHG emissions are calculated using GHG emission factors provided by suppliers. For heating, these GHG emission factors apply to both landlord and tenant GHG emissions. For electricity, only the landlord's GHG emissions can be calculated based on existing contracts, while the tenant's GHG emissions values are taken from the country's electricity mix (location-based, CRREM)(*). The GHG emission factors in the CRREM tool for district heating, however, are not country-specific but instead apply one factor for all countries. In order to achieve more location-specific GHG emission factors, an external consultancy was requested to provide reasonable adaptations of the CRREM district-heating factor in order to make it more relevant for each country involved in the environmental reporting.

(*) version v.2.05, back-end tab of the CREEM tool

Table 23 – Location-based GHG emission factors 2023/2024

Location	Energy type	Data source	CO_2e Factor 2023 [gCO_2e/kWh]	CO_2e Factor 2024 [gCO_2e/kWh]
DE	Electricity	CRREM	371	355
NL	Electricity		268	239
UK	Electricity		176	158
DE	Natural Gas		183	183
NL	Natural Gas		183	183
UK	Natural Gas		183	183
DE	District Heating	Advisory by external consultancy, following CRREM methods	325	311
NL	District Heating		235	210
UK	District Heating		154	138
DE	Oil	CRREM	247	247
NL	Oil		247	247
UK	Oil		247	247

GHG Emission Data Reporting Basis

GHG emissions data per asset is reported using two methods: location-based and market-based.

Location-based: GHG emissions data is collected on a country-by-country basis and calculated accordingly with consumption values per utility. Starting in 2024, CRREM GHG emission factors were adopted. These factors are consistent with the Paris Agreement's goal of limiting global warming to 1.5°C or 2°C. This provides real estate investors, developers, and managers with a science-based framework for reducing carbon emissions in line with global climate commitments. The use of these GHG emission factors ensures that real estate assets follow a decarbonization path that is consistent with broader climate targets. The 2023 location-based GHG emissions data will also be recalculated using the CRREM-factors for comparability.

Market-based: The GHG emissions factor is defined through one of three methods:

1. Factors are taken from previously issued invoices (district heating and electricity);
2. Factors are taken from suppliers' GHG emission certificates (district heating); or,
3. Factors are taken from publicly available suppliers' statements (district heating).

GHG Emissions data is supplier dependent. If no information on the GHG emission factors of the respective supplier is available via the invoices, certificates, or publicly available information, then the country mix is considered (location-based). Scope 1 GHG emissions (natural gas and oil) are single energy source commodities that are highly similar between utility providers and are therefore always considered location-based under the GHG Protocol.

Contractual Instruments for Renewable Energy

Aroundtown works with its utility providers in order to increase the share of renewable energy procured using contractual instruments available in the energy markets where it operates. The primary contractual instruments are EU Guarantees of Origin ("GOs"), which are renewable electricity certificates purchased to cover consumed electricity that are unbundled with the physical electricity. Additionally, the Group engages in Corporate Power Purchase Agreements ("CPPAs", or "PPAs") which are bilateral contracts purchasing renewable energy directly from renewable energy producers at a pre-agreed price and quantity, which are thus bundled with the physical electricity produced. As noted in the Renewable electricity procurement portion of section E1-4, electricity from bundled contracts is only being procured from 2025 on, meaning the figures reported in Proportion of landlord-obtained electricity generated offsite from renewable sources figures from Tables 17 and 18 in section E1-5 are based on unbundled contractual instruments. This proportion is applicable to Scope 2 and associated Scope 3 category 13 GHG emissions stemming from landlord-obtained electricity.

E1-7 – GHG Removals and GHG Mitigation Project Financed Through Carbon Credits

Aroundtown does not engage in GHG Removals and Storage projects in its value chain, instead we focus on reducing our operational GHG emissions from our own business activities. We are currently not investing in carbon removal projects and do not purchase carbon credits from external partners.

E1-8 – Internal Carbon Pricing

Aroundtown uses a carbon pricing that is a CapEx shadow price that reflects the hypothetical cost of its CO_2e. It is not necessarily tied to actual market prices but is used as a decision-making tool to account for the environmental and social impacts of carbon emissions in economic terms.

We have applied an internal carbon price as a shadow carbon price so we can identify the additional benefits of our actions towards energy consumption and GHG emissions reductions over the use life of implemented measures. We have used the German pricing based on the Fuel Emissions Trading Act (*) as opposed to the wider market pricing. This pricing was €30/ton CO_2 through 2023, is set at €45/ton CO_2 for 2024, and will increase incrementally to a price corridor of €55-65/ton CO_2 by 2026. From 2027 onward, it will transition to a market-based system for which the rules are yet to be determined, for which the Group assumes a price cap of €125/ton CO_2. Instead of taking the recommended price of €55-65/ton CO_2, For 2025 through 2026, AT has already been considering a higher price of €90/ton CO_2 and will increase the price to €120/ton CO_2 from 2025. In the Group's view, this is practically applying an assumption of a moderate transition scenario. Hence, when calculating the returns of investments of refurbishment projects in particular, the increasing price of CO_2 is already factored in and considered in decision-making processes of refurbishment measures.

Since the regulatory framework discussed in this section regards heating-related GHG emissions generated in operations of the German operational control portfolio, also including downstream tenant-controlled areas, the GHG emissions covered by this scheme for the year 2024 are presented in the table below. These figures are taken directly from the data underlying Table 20 (Absolute GHG emissions) in section E1-6 above, following the same organizational boundaries. It is important to note that not all these GHG emissions stated below are taxed under the German scheme described above. While in commercial properties landlords and tenants split the tax equally, in GCP's residential portfolio there are provisions outlining the share of the tax to be paid by the landlord and tenant based on the energy rating of the property.

Table 24 – GHG Emission Volumes Covered by the Internal Carbon Pricing Scheme

GHG Category	Amount of tCO_2e
Scope 1	12,255
Scope 2	21,352
Scope 3	119,184

(*) Brennstoffemissionshandelgesetz (BEHG)

ESRS E2 Pollution

Introduction

At Aroundtown, we are committed to protecting the environment, ensuring the health and safety of our employees, and fostering the wellbeing of the community in which the Group operates. While these areas encompass a range of considerations, it is important to distinguish those most relevant to a real estate group such as AT. When it comes to environmental protection, pollution is a key focus area, which can be considered in relation to soil, water and air. During the DMA process, it became clear that the distinction was also important to our stakeholders, who did not perceive the impact on soil or water as significant, however, they saw air pollution as a material topic.

The main contributor to local and regional air pollution associated with AT's operation is the combustion of fossil fuel for heat and power generation consumed at our assets. Although AT cannot directly control fossil fuel powered energy generation or any resulting pollution, the Group takes measures to increase renewable energy usage and focuses on the reduction of CO_2e emissions, as refer in section E1-3 and E1-4 in the report. This is achieved by improving the energy efficiency of its assets, gradually replacing traditional heating systems with low emission alternatives over the coming decades and installing on-site renewable energy generation.

It should be noted that the measurement of air pollutants linked to power generation is challenging and entirely based on external data, as for now the Group has no direct insight into its energy and electricity providers. Instead, AT discloses CO_2e emissions in section E1-6 in the report as a reference value, as combustion linked air pollutants such as Nitrogen oxides (Nox), Sulphur oxides (Sox) and Particulate Matter (PMs)1 typically increase or decrease proportionately with changes in CO_2e emissions.

Whilst we are currently unable to precisely quantify emissions from our own and our providers heating and electricity systems, the Group strives to further enhance its understanding of their contribution to air pollution. In tandem with these efforts, our policies and actions surrounding air pollution ensure that AT actively contributes to a responsible and sustainable future.

High-level overview of disclosure

Standard	Indicator
ESRS E2 Pollution	E2. IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities
	E2-1 – Policies related to pollution
	E2-2 – Actions and resources related to pollution
	E2-3 – Targets related to pollution
	E2-4 – Pollution of air, water and soil

IROs or datapoints that were identified as immaterial to Aroundtown are not covered in this report. In some cases, AT makes use of the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 25

Sub-topic	Sub-sub-topic	Materiality (impact/ financial/double)	Categorization of IRO	Localization of IRO	Time horizon of IRO
Air Pollution		Impact	Negative impact	Own operations and value chain (downstream)	Long-term

E2. IRO-1 Description of the Processes to Identify and Assess Material Pollution-Related Impacts, Risks and Opportunities

Within AT's overarching goal of environmental protection, the Group considers potential pollution impacts from its operations. The DMA reaffirmed that air pollution is AT's most significant impact in this area. This impact primarily results from the electricity and heat consumption in our buildings, as our tenants' energy needs are not yet fully met by renewable and emission-free sources. The combustion of gas, oil and coal for the purpose of heating and powering our assets, along with the use of district heating and electricity from non-renewable sources, contributes to air pollution.

Aroundtown has implemented a structured process to identify and assess material pollution-related impacts, risks and opportunities through multi-stakeholder consultations conducted in July 2024 as part of the DMA.

While AT conducted extensive internal stakeholder engagement, direct consultation with affected local communities was not part of this assessment process. The Group primarily relied on operation department knowledge of local impacts and compliance with local regulations to assess community effects. Future materiality assessments may benefit from expanded direct community engagement regarding pollution impacts. Please refer to ESRS 2 IRO-1 and ESRS 2 SBM-3 of this report for more details.

Materiality Assessment Results: Pollution Impact

The assessment process evaluated both positive and negative impacts of pollution-related activities, with stakeholders rating impacts on a scale of 1-5. Air pollution from fossil fuel-based heating and energy consumption was identified as having material negative impacts, scoring above the materiality threshold of 2.5.

Air pollution related to fossil-fuel combustion is not linked to a specific site location in AT's operations but to energy power stations across Europe where the Group operates. Air pollution is often generated locally but can disperse over long distances through air circulation and wind patterns, crossing borders and impacting air quality on a regional and, in some cases, global scale.

AT does not engage in direct business activities that cause air pollution. As described above, air pollution is linked to the energy and heating generation by power stations that is consumed by tenants of the Group. Therefore, it is AT's goal to reduce fossil fuel energy and expand the share of renewable energy within its energy consumption.

E2-1 Policies to Manage its Material Impacts, Risks and Opportunities Related to Pollution

Table 26

Policy Title	Short Description
Environmental and Energy Policy	AT's policy seeks continual improvement throughout its business operations to lessen the impact on the local and global environment by conserving energy, water and other natural resources, reducing pollution and waste generation, increasing the share of waste that is recycled, and reducing the use of toxic materials.

AT's Environmental and Energy Policy, which was updated in 2024, seeks continual improvement throughout its business operations to lessen the impact on the local and global environment by conserving energy, water and other natural resources, reducing pollution and waste generation, increasing the share of waste that is recycled, and avoiding the use of toxic materials. The policy covers key objectives on energy that also relate to air pollution:

- Metering and monitoring systems
- High-energy efficiency systems
- Renewable energy systems
- Energy storage systems
- Electric vehicle chargers wherever feasible

Aroundtown uses renewable energy sources wherever possible for heating and electricity and is progressively changing its entire portfolio to renewable energy contracts for electricity and district heating systems. AT is also pursuing the replacement of all fuel oil heating systems and aims to increase the adoption of decentralised renewable and high-efficiency energy systems, as well as transition to district heating.

Each of the energy objectives within Aroundtown's Environmental and Energy Policy address the material air pollution impacts that AT has. These objectives ensure that the Group moves towards renewable and emission free energy, that will, in turn, reduce the amount and impact of air pollution produced. The expansion of metering and monitoring systems will enable the capture, tracking, monitoring and analysis of emissions contributing to air pollution, ensuring that progress is being made towards reducing these impacts.

Scope and Accountability for Implementation

The scope of topics covered by Aroundtown's Environmental and Energy Policy includes energy, water and waste. In terms of its reach, the policy applies globally to the Group, its subsidiaries and affiliated companies. The policy was developed to reflect AT's commitment to environmental stewardship and is therefore applicable to all of AT's companies, departments and properties, as well to new developments, major renovations, and modernisations. Beyond this, tenant and business partner engagement will be pursued to raise awareness of energy efficiency initiatives related to tenant consumption and business partner operations, as well as to ensure that systems in place operate at the highest efficiency.

The policy does not involve third-party standards or initiatives in its implementation, as it primarily focuses on improving environmental impacts through implementing decarbonisation levers mentioned in section E1-1 in the report, which can have co-benefits such as reducing certain types of air pollution. AT is following guidance of the GHG protocol and the Carbon Risk Real Estate Monitor (CRREM) pathway in its strategy to reduce carbon emissions as outlined in detail in section E1-6 in the report. These frameworks play a key role in supporting AT's Environmental and Energy Policy by guiding the reduction of greenhouse emissions, which can have co-benefits such as reducing certain types of air pollution. Through these standards, AT ensures a structured approach to monitoring, managing, and mitigating GHG emissions generated by its asset portfolio, delineating responsibilities at the asset and Group-level between operations and Management Body.

At the most senior level, the Management Body, the Head of Energy Department with support of the Chief Sustainability Officer are responsible for implementation of the Environmental and Energy Policy.

Environmental and Energy Policy: Reducing Pollution and Negative Impacts

AT's Environmental and Energy Policy aims to mitigate the negative impacts of air pollution by:

- Reducing reliance on fossil fuels by increasing renewable energy sources and contracts
- ncreasing energy efficiency systems and initiatives
- Tenant engagement to raise awareness of energy efficiency initiatives and the impact of operations

These actions will lead to a reduction of air pollution associated with the combustion of fossil fuels for power generation, as fewer pollutants will be emitted, thereby minimizing the negative impacts of air pollution.

As AT considers only air pollution as material, the Environmental and Energy Policy briefly mentions water, waste and soil pollution.

E2-2 Actions and Resources in Relation to Pollution

Our actions, planned steps, and current and future financial resources addressing air pollution are aligned with the Climate Transition Plan outlined in section E1-1, along with the key actions related to GHG emissions outlines in section E1-3 of this report.

As with the actions taken as part of our Climate Transition Plan, AT efforts regarding air pollution reduction span across its value chain, engaging with both upstream suppliers and downstream tenants to minimize GHG emissions and improve air quality.

E2-3 Targets related to Pollution

AT has not established a specific target for air pollution prevention and control at this stage. The Group's primary environmental focus is on reducing fossil fuel consumption and GHG emissions, as outlined. Given that air pollution from combustion sources generally correlates with GHG levels, AT refers to its CO_2e emissions reduction targets under section E1-4, specifically the GHG emissions reduction target and accompanying methodological notes sections, of this report, also contributing to air pollution reduction efforts.

Currently, AT does not track air pollutants such as nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PMx) separately due to the complexity of obtaining reliable data. The Group acknowledges this limitation and is considering evaluating potential approaches to enhance future reporting capabilities.

E2-4 Pollution of Air, Water and Soil

As described above, the primary source of air pollution associated with our operations are the pollutants released during the combustion of fossil fuels when generating heat and electricity for our assets. Measurement of air pollutants linked to this power generation is challenging and mostly based on estimations due to limited insight on AT's side of our energy and electricity providers.

AT is not able to disclose amounts of each individual pollutant currently. While above-mentioned constraints affect the accuracy and feasibility of precise reporting, the Group remains committed to evaluating potential approaches for enhanced assessment and disclosure in the future. Water and soil pollution are not material for AT. In addition, based on our current operations, we do not generate or use microplastics in any material way.

Social information

ESRS S1 Own workforce

Introduction

It is fundamental for a responsible business to ensure that everyone feels safe and protected. Aroundtown takes significant steps to ensure that its work environment positively impacts the health and wellbeing of its employees. Beyond this foundation, the Group strives for excellence in key areas such as career development, training, work-life balance, wellbeing, and diversity and inclusion - all essential for attracting and retaining top talent. The interests, views and rights of its employees primarily relate to human rights and health and safety. Aroundtown's approach to workforce protection is outlined in the following section.

Aroundtown's suite of social policies - including Employee Code of Conduct, Diversity Policy, Anti-Discrimination Policy, Human Rights Policy, Anti-Corruption Policy and Whistleblowing Policy - enables the Group to effectively manage workforce-related impacts, risks and opportunities. Designed with its employees' interests in mind, these policies apply across the entire workforce. The Policies reinforce the Group's commitments to protecting employees' human rights, health and safety while safeguarding against discrimination and harassment. Additionally, they define employees' role in preventing corruption and bribery within the Group. The centralization of Aroundtown's HR Department ensures standardized processes and policies, optimizing knowledge and talent utilization across the organization.

High-level overview of disclosure

Standard	Indicator
ESRS S1 Own Employees	S1. SBM-2 – Interests and views of stakeholders
	S1. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S1-1 – Policies related to own workforce
	S1-2 – Processes for engaging with own workforce and workers' representatives about impacts
	S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns
	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
	S1-6 – Characteristics of the undertaking's employees
	S1-9 – Diversity metrics
	S1-10 – Adequate wages
	S1-11 – Social protection
	S1-12– Persons with disabilities
	S1-13 – Training and skills development metrics
	S1-14 – Health and safety metrics
	S1-15 – Work-life balance metrics
	S1-16 – Remuneration metrics (pay gap and total remuneration)
	S1-17 – Incidents, complaints and severe human rights impacts

IROs or datapoints that were identified as immaterial to Aroundtown are not covered in this report. In some cases, the Group makes use of the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 27

Material sustainability matters covered in ESRS S1

Sub-topic	Sub-sub-topic	Materiality (impact/ financial/ double)	Categorization of IRO	Localization of IRO	Time horizon of IRO
Working conditions	Secure employment	Double	Positive Impact / Risk / Opportunity	Own operations	Short-term / Medium-term / Long-term
	Working time	Double	Positive Impact / Risk / Opportunity	Own operations	Short-term / Medium-term / Long-term
	Adequate wages	Double	Positive Impact / Risk / Opportunity	Own operations	Short-term / Medium-term / Long-term
	Social dialogue	Impact	Positive Impact	Own operations	Short-term / Long-term
	Freedom of association	Impact	Positive Impact	Own operations	Short-term / Long-term
	Work-life balance	Double	Positive Impact / Risk / Opportunity	Own operations	Short-term / Long-term
	Health and safety	Double	Positive Impact / Risk / Opportunity	Own operations	Short-term / Long-term
Equal treatment and opportunities for all	Gender equality and equal pay	Impact	Positive Impact	Own operations	Short-term / Long-term
	Training and skills development	Impact	Positive Impact	Own operations	Short-term / Long-term
	Employment & inclusion of people with disabilities	Impact	Positive Impact	Own operations	Short-term / Long-term
	Measures against violence and harassment	Impact	Positive Impact	Own operations	Short-term / Long-term
	Diversity	Impact	Positive Impact	Own operations	Short-term / Long-term
Other work-related rights	Privacy	Impact	Positive Impact	Own operations	Short-term / Long-term

S1. SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

Aroundtown integrates the interests, views, and rights of the workforce into its strategy and business model by systematically assessing how its business activities, operational practices, and strategic decisions affect its employees. Through the participation in the Group's Double Materiality Assessment ("DMA"), employees directly identify areas of actual or potential impacts and risks. The Group also has other channels through which workforce insights are gathered, such as the Employee Satisfaction Survey, the HR Round Table, the Townhall Meeting, the Whistleblowing System and informally, where insights are collected from employees by supervisors. These inputs are analyzed and integrated into Aroundtown's operational processes and inform its strategic decision-making. The insights also influence AT's policies on human rights, diversity and inclusion, anti-discrimination, occupational health and safety, whistleblowing, and the employee code of conduct, enabling proactive response to potential adverse impacts. For more information on Aroundtown's policies, refer to sections S1-1 and G1-1 of this report.

Employees views directly shape the Group's workforce management strategies and inform initiatives such as training and career development programs, mental health and well-being programs, flexible work arrangements, and efforts to foster a culture of inclusivity, fairness, and social responsibility in the workplace. The Group tracks key performance indicators such as metrics on employee satisfaction, occupational health and safety, diversity and inclusion, turnover rates, human rights violation, data privacy breaches, and many others, to measure and ensure the effectiveness of its strategy. The Human Resources department, with the support of the Management Body, maintains oversight of workforce-related matters.

S1. SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Workforce Composition and Employment Structure

Aroundtown's workforce encompasses direct employees in property management, administration, and corporate services, as well as contracted non-employees in areas such as maintenance and security. It comprises permanent and temporary staff, and agency workers, engaged in full-time or part-time roles. Each plays a vital role in the Group's operations and may experience varying material impacts based on their employment structures and functions. Refer to section S1-6 for detailed AT employees' composition and characteristics.

Material Impacts and Risks of Aroundtown's Operations on Workforce

Aroundtown recognizes that its employees can be materially impacted by the undertaking business activities and relationships. Therefore, these impacts are fully covered within the scope of AT's DMA and ESRS 2 Disclosures. The 2024 DMA findings highlighted specific areas directly affecting employees, mainly working conditions, as well as equal treatment and opportunities. See Table 27 for a full list of impacts, risks and opportunities (IRO) relating to Aroundtown's workforce.

The Group understands that its material negative impacts could either be systemic/ widespread, where it relates to issues peculiar to a specific country or region, for example, forced and child labor; or based on individual incidents, specific to its business. Systemic changes in real estate market conditions, and economic downturns could lead to employment uncertainties, with property management being most vulnerable due to fluctuating demand for rental and facility services. Job security and adequate wages are common priorities, however, temporary employees, hired for specific projects or periods also face heightened risks of instability. Notwithstanding the limited influence Aroundtown has on market forces, stakeholders emphasize its role in either mitigating or exacerbating the risks.

While occupational health and safety (OHS) risks affect all employees, they are particularly significant for construction, maintenance and facility management teams, where exposure to workplace hazards is higher. Employees with disabilities who may require additional support at the workplace are equally exposed to the risks. OHS risks are primarily incident-based and require strict mitigation measures to effectively address its potential negative impacts.

Certain roles and functions might be demanding in terms of working time and stress level. Employees in some departments, including finance, HR, operations, property management, and construction may experience periodic workload pressures, working overtime and irregular hours, which could impact their work-life balance and well-being, if not carefully managed.

As an international Group with employees from 66 nationalities, effectively managing the actual or potential material impact relating to diversity, inclusion, and equal opportunities across gender, age, race, disability, and other differences is crucial. Gender equality and equal pay disparity are systemic issues, with stakeholders acknowledging progress but emphasizing the need for continuous improvements. Similarly, data privacy, particularly for employees handling sensitive information, presents incident-based concerns requiring strong safeguards to prevent breaches and ensure data protection.

Overall, the DMA found limited evidence of significant risks to workers based on their characteristics, roles, or working contexts. Employees can freely identify and report any unsafe working conditions, accidents, safety requirement, including other labor and human right violations in the workplace through the Whistleblowing system, and to the relevant departments including compliance and human resource, and appropriate actions would be taken. Refer to section S1-3 for details on available complaints mechanisms.

Addressing Potential Negative Impacts and Promoting Good Working Conditions

The Group's DMA revealed its impact in promoting good working conditions, equal treatment, and opportunities for all employees by providing secure employment, reasonable working hours, fair wages, work-life balance, and effective health and safety measures, while ensuring the protection of human rights. These efforts not only enhance employee satisfaction but also benefits Aroundtown by reducing turnover costs, increasing productivity, and profitability. AT has implemented comprehensive policies and initiatives that foster a positive work environment, as fully outlined in sections S1-1 and S1-4, respectively.

Material Risks and Opportunities of Aroundtown Arising from Impacts and Dependencies on Workforce

Conversely, Aroundtown admits that material risks arising from impacts and dependencies on its workforce could have direct implications on its operations, financial stability, and regulatory compliance. Shortage of skilled labor, maybe due to external market conditions or demographic shifts can directly impact operational efficiency and service quality. Past global health crisis, such as COVID-19, have highlighted the vulnerability of workforce to similar future risks, with the potential of causing increased absenteeism and disruptions in property management and leasing operations.

Furthermore, employees' compliance with labor laws, health and safety regulations, and data protection requirements remains a priority, as non-compliance could lead to penalties and reputational harm. To mitigate these risks, the Group continually invests in workforce training and development, and regulatory compliance measures, ensuring long-term business resilience while maintaining a high standard of service across its operations.

Sustainability Transition

While the Group has not yet identified specific impacts relating to the transition to greener and low carbon operations on its employees, it acknowledges that certain roles– particularly in energy, operations, and construction–could experience shifts in skill requirements. As sustainability efforts advance, there may be new opportunities for employees to grow in emerging sustainability-focused roles, presenting both challenges and career advancement potential.

S1-1 – POLICIES RELATED TO OWN WORKFORCE

Aroundtown has established policies to address various aspects of workplace operations as presented in Table 28. These policies ensure compliance with ethical, legal, and sustainability standards, prevent negative impacts and risks, and create a fair, safe, and productive work environment for all employees.

Table 28

Policy Title	Short Description
Employee Code of Conduct	Defines ethical and behavioral standards expected of Aroundtown's employees, ensuring equal opportunity and a workplace free from discrimination and harassment. It emphasizes a safe, healthy, and inclusive work environment, upholds anti-corruption principles, and safeguards employees' personal data and confidentiality. The Compliance Manager, supported by departments and divisions heads, oversees policy implementation. Employees can access the policy via the Group's website and intranet.
Diversity, Equality, and Inclusion Policy	Promotes a fair and inclusive workplace culture, advancing equal opportunities and eliminating discrimination based on gender, ethnicity, disability, age, or other personal attributes. The Diversity Committee oversees the implementation and integration of diversity initiatives across the Group. The policy is accessible to all employees via the Aroundtown's website and intranet.
Anti-Discrimination Policy	Prohibits harassment and discrimination in all employment-related practices based on race, gender, religion, disability, age, or sexual identity, etc. The Human Resource Department, supported by Compliance Department and other heads of departments, is responsible for policy, monitoring, enforcement and addressing any violations. Employees can access the policy via the Group's website and intranet.

Policy Title	Short Description
Human Rights Policy	Ensures respect for fundamental human and labor rights including fostering a workplace free from forced labor, child labor, and exploitation. It reinforces Aroundtown's commitment to fair remuneration, social security, privacy, rest and leisure, safe working conditions, equality, and access to education and development. The policy also addresses anti-discrimination, harassment prevention, and ethical treatment. It is aligned with international frameworks, including the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, ILO Conventions on Fundamental Principles and Rights at Work, and International Bill of Human Rights. The Management Body and Chief Compliance Officer oversee its implementation. The policy applies to all employees and stakeholders and is accessible via the Group's website and intranet.
Anti-Corruption Policy	Establishes guidelines to prevent corruption, bribery, and unethical practices in all operations. The policy applies to all employees, directors, and business partners, covering interactions with clients, suppliers, and public officials to prevent conflicts of interest and fraudulent activities. The Compliance Officer, supported by the Management Body, oversees policy implementation, and ensures adherence. It is accessible to all employees via the Aroundtown's intranet.
Whistleblowing Policy	Provides secure and confidential mechanisms for employees, stakeholders and impacted communities to report compliance violations, unethical behavior or concerns, ensuring protection from retaliation and discrimination. The Compliance Officer oversees policy implementation and ensures all reports are investigated and dealt with, in accordance with the Aroundtown's internal procedure and to the extent permitted by statutory laws. Employees can access the policy and the link to the Whistleblower (BKMS) systems via the Group's intranet.
Occupational Health and Safety Policy	Focuses on workplace accident prevention and fosters a safe and healthy work environment for all its employees by ensuring hazard prevention, risk assessments, and regulatory compliance. Senior management and regional managers, in collaboration with the HR department, oversee its implementation. The policy is accessible to all employees via the Group's website and intranet.
Global Information Security Policy and Acceptable Use Policy	Ensures the confidentiality, integrity, and security of personal and business data in line with applicable laws and standards. These policies regulate the collection, processing, storage, and sharing of data, preventing unauthorized access, breaches, and misuse. They apply to all employees, suppliers, and third parties handling the Group's or its customers data. The Chief Information Security Officer is responsible for the communication and implementation of the policies and are accessible to employees via Aroundtown's intranet.

Protection of Human Rights and Ethical Labor Practices

No material risks relating to forced and child labor were identified in the DMA. Aroundtown operates within the European Union and the United Kingdom, where strong human rights regulations and labor protections minimize the risk of forced or compulsory labor and child labor across its operations. Additionally, the Group is not part of high-risk industry such as manufacturing, which heavily dependents on supplies from geographical areas where these risks may be prevalent.

However, the Group is strongly committed to upholding human and labor rights across its operations. The policies outlined above established the foundation for ethical conduct, workplace equality, fair remuneration, occupational health and safety, and protection from discrimination, harassment, and exploitation. Aroundtown's Human Rights Policy explicitly prohibits forced and child labor as well as modern slavery and human trafficking.

Occupational Safety Commitment

Aroundtown's Occupational Health and Safety (OHS) Policy underscores the Group's commitment to preventing workplace accidents through clear role definitions for both management and employees, regular risk assessments, and ensuring compliance to legal safety standards. The policy includes employee training, systematic incident documentation, and ongoing monitoring of workplace conditions. This framework is designed to minimize risks and safeguard the health and safety of all employees.

Commitment to Diversity and Non-Discrimination

The Group is committed to promoting a fair, inclusive, and equitable workplace. Preventing and eliminating discrimination is one of the cornerstones of Aroundtown's policies, and is clearly specified in the Codes of Conduct for employees and business partners, the Diversity Policy and the Anti-Discrimination Policy. These policies align with the German General Act on Equal Treatment *(Allgemeines Gleichbehandlungsgesetz, AGG)* and international labor and human rights standards.

The Anti-Discrimination Policy explicitly prohibit discrimination based on race, ethnic origin, gender, religion or belief, disability, age, or sexual identity, whether directly or indirectly. It applies throughout the entire employment lifecycle, from recruitment to termination, including promotions and working conditions. In addition to the Whistleblowing System, employees can report on discriminatory conduct directly to human resource and compliance departments. The Group is committed to taking appropriate actions to address and protect individuals affected by discrimination. The Group's performance on discrimination and other human rights issues are summarized in section S1-17.

Diversity, Equality, and Inclusion Policy is closely linked to the anti-discrimination policy. It was last updated in 2024 and is aimed at promoting an inclusive workplace through initiatives such as diversity challenge and mentorship. These initiatives are overseen by the Diversity Committee, which comprises employee representatives from various levels of the Group and ensures that strategic actions are integrated into daily practices. We continue to monitor the progress and review the effectiveness of these policies and related actions. Refer to our diversity metrics in section S1-9.

S1-2 – ENGAGEMENT WITH OWN WORKFORCE ABOUT IMPACTS

Integrating Employee Perspectives into Decision Making

Aroundtown actively integrates employees' perspectives into its decision-making processes to enhance inclusivity and workplace satisfaction. Employee engagement follow a structured, corporate-level approach involving various methods. The annual employee satisfaction survey remains the Group's primary tool for collecting feedback and is complemented by regular HR Roundtables where employees and managers can engage directly with the HR Department. These sessions, not only provide the forums to review key topics such as work-life balance, professional development, and inclusivity, but also, opportunities for the HR Department to update employees on the milestones and ongoing actions towards addressing issues previously raised. Similarly, the annual town hall meeting is another platform where employees are briefed by Management Body about the Group's projects and programs as well as insights into the future of Aroundtown, including participation in a Q&A session. These engagements support every stage of the Group's interventions, such as identifying issues, determining the right mitigation strategies, and evaluating the implementation and effectiveness of mitigation actions. For more detail, please see the disclosure provided in ESRS 2 Gov-1 which outlines ultimate accountability for the Group.

Moreover, in October 2024, Aroundtown launched the second round of the "Activate the Base" program. This initiative encourages employees to contribute and implement their own ideas for operational and sustainability improvements. With support from an external coach, employees can successfully bring their projects to life, contributing both to the Group and their own self development. While the results from the employee-proposed sustainability initiatives will only be visible in 2025, the program is already fostering a culture of innovation and engagement.

Effectiveness of Employee Engagement and Feedback Analysis

The effectiveness of Aroundtown employee engagement efforts is assessed through targeted questions in the satisfaction survey, particularly in the sections on Feedback and Communication as well as Meaningfulness and Participation. These questions examine, for example, whether new ideas and diverse opinions are welcomed in the workplace, whether employees feel their opinions matter, whether feedback is given, received, and used constructively, and whether management communicates Group's updates effectively and in a timely manner. Feedback from both the survey and the roundtable discussions are systematically analyzed to track engagement trends and identify areas for improvements.

The Group's Head of HR oversees these initiatives, ensuring that employees' feedback is collected and used to shape policies, decision-making and initiatives for managing actual and potential workforce impacts. The insights gained inform targeted actions to enhance workplace engagement, address concerns, and continuously improve communication and participation across the Group.

On the other hand, Aroundtown recognizes and respects employees' rights to establish and join trade unions and to engage in collective bargaining. These fundamental rights are explicit in AT's Human Rights Policy, which applies to its workforce as well as to its suppliers and business partners. However, to date, no instances of union formation or collective bargaining have been recorded within the Group.

S1-3 – REMEDIATION OF NEGATIVE IMPACTS ON OWN WORKFORCE

Complaints Mechanisms

The Group is dedicated to addressing material negative impacts on its workforce through clear and effective policies and procedures. It has established an effective grievance mechanism for reporting workplace concerns, including discrimination, misconduct, or violations of human and labor rights. Aroundtown's Whistleblowing Policy describes the procedures for a secure and confidential reporting of unethical behavior through our Whistleblowing System for employees. The third party-managed Whistleblowing System, which ensures confidential and anonymous reporting, allows employees and external stakeholders to report violations confidently and without fear of retaliation. It ensures that all concerns are addressed promptly, reinforcing AT's commitment to ethical conduct and human rights within the workforce. All submitted reports are tracked and investigated objectively by the Compliance Department, following an internal investigation procedure, as documented in the Group's Investigation Policy.

If a violation is confirmed or an issue is found to have caused material negative impacts, appropriate disciplinary and corrective measures are taken, ranging from warnings and fines to termination of employment, depending on the severity. For violations by business partners, Aroundtown may require business partners to implement corrective measures within a set timeframe. If violations persist, it reserves the right to terminate the business relationship. The Group may pursue civil or criminal prosecution or consult with relevant authorities, when necessary, especially in cases involving non-stakeholders or external parties.

In addition to the Whistleblowing System, employees can directly approach the responsible departments through their respective heads to express their concerns. Supervisors also encourage open communication by inviting employees to share issues during one-on-one check-in sessions. Section S1-2 outlines various engagement channels such as HR Roundtables and Townhall meetings, where concerns can be raised and addressed by the Head of HR, and the Management Body, respectively. For metrics related to incidents, complaints and severe human rights, refer to section S1-17.

Strengthening Compliance

To foster a culture of accountability and inclusion and proactively prevent all negative impacts, Aroundtown ensures all employees receive mandatory training on human and labor rights including on diversity and anti-discrimination. The trainings are mainly conducted on the Welcome Days and through the AT's E-learning platform, accessible via the Group's intranet. Besides the strict requirement of employees to uphold the values and principles promoted in the various trainings, Aroundtown training framework makes it mandatory for all employees to pass the tests to confirm their understanding of the training material. Additionally, new employees have to review and sign the Code of Conduct, which outlines the ethical standards, employee responsibilities and the reporting channel in case of any concerns.

While there is no specific method to measure employee trust in the grievance and remediation mechanisms, the HR Roundtable provides an open forum for receiving feedback, and if there are issues with these mechanisms, employees can directly report to the Compliance or HR Departments for redress. These mechanisms are also subject to annual reviews through HR audits, compliance assessments, and employee feedback surveys to ensure effectiveness. The risks committee monitors the effectiveness of the risk management processes for continuous improvement.

S1-4 – MANAGING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATING TO OWN WORKFORCE

Minimizing Negative Workforce Impacts and Ensuring Responsible Practices

The Group ensures its practices do not cause or contribute to material negative impacts on its workforce by integrating responsible business policies, ethical governance, and continuous monitoring across key operational areas, including procurement, sales, and data use. It adheres to strict labor and human rights standards, fair employment practices, and compliance frameworks to mitigate risks related to employee well-being, job security, and workplace conditions.

Employees across all departments are equipped with the necessary tools, resources, and training to perform their roles safely and professionally, minimizing potential harm to themselves and others. In procurement, Aroundtown implements effective due diligence processes, including KYC and AML screening, before selecting or engaging with suppliers to prevent indirect harm to the workforce through supply chain actions. Ensuring suppliers' strong track records, reliability, and reputation is critical, as suppliers' failures such as an inability to meet commitments can lead to project delays, increased costs, reputational damage, and, by extension, job losses or adverse impacts on employees' working conditions.

When tensions arise between mitigating material negative impacts and business pressures, the Group prioritizes employee well-being while aligning with strategic objectives. This is achieved through open dialogue with employees, proactive risk assessments, and policy adjustments, ensuring long-term sustainability and a responsible work environment.

Initiatives to Drive Positive Workforce Impacts

Aroundtown proactively manages material risks and opportunities related to its workforce through its long-term targets and yearly goals (see section S1-5). The following table outlines 2024 AT's actions and initiatives to address the material impacts identified during the DMA in 2024, designed to strengthen workplace integrity, promote inclusion, enhance well-being, and support employee development.

Table 29

Impact	Initiatives for Positive Impacts
Violence & Harassment Prevention; Social Dialogue, Freedom of Association	• Whistleblowing (BKMS) system: provides a secure and confidential channel for reporting misconduct, reinforcing workplace integrity. • Annual compliance training: strengthens knowledge on ethical practices and human rights, ensuring compliance with legal and corporate standards. • HR Roundtable: allow employees and managers the opportunity to engage, ask questions and address concerns directly with the HR Department.
Diversity; Employment & Inclusion of People with Disabilities; Gender Equality & Equal Pay	• Anti-discrimination training fosters an inclusive work culture by raising awareness and promoting equal opportunities. • Language training programs: focusing on AT's widely spoken languages, English and German, is aimed at promoting effective communication and collaboration among employees, including tearing down cultural barriers, minimizing misunderstandings, build trust and foster an inclusive workplace. In addition, a half-day training on intercultural communication is organized for new employee during welcome days. • Diversity Challenge, World Food Challenge, and Pride Month celebrations: promotes personal and cultural appreciation, inclusivity, and team bonding.
Working Time & Work-Life Balance	• Flexible work arrangements (including remote work option): enhances work-life-balance, improve job satisfaction and reduce stress. • Mental health programs: support emotional well-being, leading to increased productivity and lower turnover rates. • Time tracking implementation via Rexx & QR code terminals: enhances operational efficiency and transparency in management of work time. • AT-World – an exclusive network of flexible workspaces expands work location options for Aroundtown employees, thereby promoting flexibility and well-being. • Ticket giveaways (77 events, 869 tickets in 2024): enhances employee engagement, promotes leisure and rewards contributions to the Group's success.
Health & Safety	• Internal OHS risk assessments: identify and mitigate workplace hazards, ensuring a safer work environment. • Emergency preparedness drills: improves readiness for unexpected incidents, ensuring employees' safety. • Workplace safety training educates employees on proper safety protocols to minimize workplace accidents. • Gym for employees at the Berlin headquarters and access to a health and wellbeing subscription service platform, which includes gym subscription, subsidized by Aroundtown for all employees in Germany: promoting employees physical and mental fitness. • Flu & COVID vaccinations, workplace eye exams and health checks: promotes employee health and wellbeing and reduces absenteeism due to illness. • Collaboration with a virtual platform offering virtual sports and mental health prevention courses, etc.
Training & Skills Development	• Leadership training: equipping the Group's current and potential leaders with fundamental critical thinking and problem-solving skills. • Performance and career development reviews (including 180-degree survey): identifying skill gaps, and career development opportunities that align with both employees' aspirations and business. • Personal and professional development coaching: supports employees in unlocking their full potential, promotes engagement and reinforcing job security. It enhances self-awareness, resilience, and problem-solving abilities, contributing to better work-life balance and well-being. • "Activate the base" program: encouraging employees to implement their own sustainability projects while receiving guidance from external coach
Secure Employment; Adequate Wage	• Apprenticeship program: to build career pathways and hands-on experience, helping young people to build long-term careers in real estate. • Online learning platform: equips employees with the skills needed for job security and professional development. • Career paths rollout for all employees: enable employees to visualize and plan long-term career growth within the Group. • Mentoring and coaching program: offers personalized development support, enhancing leadership and career progression.
Privacy	• Annual GDPR training: ensures employees understand data protection regulations and enhances compliance. • Cybersecurity protocols: protects sensitive company and employee information from cyber threats. • Data encryption measures: secure personal and Aroundtown's data, ensuring privacy and confidentiality. • Awareness Day: a two-day event that raises awareness on activities of various departments in Aroundtown and promotes data and information security.

Evaluation of Initiatives and Improvements

Aroundtown tracks and assesses the effectiveness of its actions and initiatives through internal and external audits, impact assessments, and compliance verification processes. Key systems, including information security and OHS management, are regularly reviewed to ensure adherence to best practices and regulatory standards. The Legal, Compliance and Human Resource departments continuously monitor alignment with evolving labor laws, ensuring proactive adjustments where necessary.

Progress is measured against key performance indicators (KPIs) on various impact areas, including gender pay gap and other diversity metrics, average training hours and investment in training, human rights violations, OHS metrics, data breaches, etc. Workforce engagement tools, such as annual employee satisfaction surveys, HR roundtables, and grievance mechanisms, provide valuable employee insights, enabling data-driven improvements. Additionally, AT's participation in external ESG ratings and benchmarking allows for comparison with industry peers and learning. Continuous impact evaluations foster a resilient and future-proof workforce at Aroundtown.

Resource Allocation for Managing Workforce Impacts

The Group dedicates significant financial, technological, and human resources to proactively managing material impacts on own workforce. Each of the initiatives documented in Table 29 requires reasonable amount of resources to implement. The Human Resources department invest in tools and the creation of learning material for workforce training and development programs, ensuring employees remain adaptable and equipped with the skills necessary for job security and stability. The department also oversees employee feedback platforms to gather insights for informed strategic decisions.

Managing health and safety risks, including risk assessments, addressing gaps, and enforcing compliance, requires substantial resources channeled into enhancing workplace safety and health programs. Similarly, protecting workforce data privacy necessitates substantial investment in information technology and cybersecurity infrastructures and programs, as do compliance related initiatives and other essential functions. Section S1-13 has details on training metrics, including average cost per FTE and hours spent.

Managing Workforce Impacts from the Green Transition

As outlined in section ESRS S1 SBM-3, the potential negative impact of the transition to greener and low-carbon operations on employees are recognized but not yet established. However, should such risk become eminent, Aroundtown is prepared to intensify effort to upskill affected employees through targeted training in areas such as energy-efficient building management, sustainability practices, and compliance. This approach aims at equipping employees with relevant expertise in increasingly important business areas and fostering their professional development. As this event evolves, the Group remains committed to adapting its strategies to ensure these impacts are effectively mitigated.

S1-5 TARGETS RELATED TO MANAGING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Aroundtown sets targets through a structured process based on internal policies, strategic priorities, regulatory requirements, and operational needs, incorporating direct engagement with its workforce. After careful assessment at the departmental level, targets are reviewed and approved by Management Body to ensure alignment with business objectives. These targets aim to enhance employee health, safety and well-being, job satisfaction and career development, and foster diversity and human rights, aligning with workforce expectations.

We establish long-term targets, typically exceeding five years, and short-term targets that adhere to industry best practices and recognized standards. These targets are designed for long-term stability, maintaining consistent definitions and methodologies to enable year-on-year comparability while allowing for periodic adjustments in response to regulatory and business changes.

Long-term Targets

- Be among the top ten most attractive employers in the commercial real estate sector by 2030
- Maintain the total number of confirmed cases of discrimination under 3%
- Offer a minimum of 12hrs of training and development opportunities per FTE

2025 Goals

- Continue to offer volunteering program organized as a Group-wide Social Day for employees
- Increase health measurements and services offers for employees, including mental health such as psychological support
- Expand the Group's 180-degree surveys to 100% of its workforce to encourage self-development among employees
- Complete the implementation of the newly developed staff career path to create more transparency on development opportunities

Metric: Our Workforce

Aroundtown monitors and measures a series of metrics to help understand progress in topics relating to its workforce. The scope of this metrics covers all its employees, as presented in organizational boundaries under Methodology and EPRA sBPR Data Preparation Notes. Data is collected through various regional offices and subsequently exported to the Personnel Management System where available, or directly to the payroll systems. The Human Resources Department centrally consolidates and evaluates employee data. The Group tracks both the headcount of employees and Full-Time Equivalent (FTE) metrics. Unless explicitly stated otherwise, headcount is primarily used as the basis for calculating indicators. The reported data covers the period from January 1, 2024, to December 31, 2024.

S1-6 – EMPLOYEE HEADCOUNT AND OVERVIEW

The following disclosure of employee headcount includes all individuals directly employed by Aroundtown. The Group has started to track the characteristics and other data related to its non-employees, for example, workers engaged through third-party agreements and will report this in the coming years. The total headcount of 1668 in the S1-6 disclosures is also mentioned in the financial statements on p. 237.

Table 30

Employee Headcount

Metric	2024		2023	
	Number	Percentage	Number	Percentage
Total	1,668	100.0%	1,706	100.0%
Female	816	48.9%	833	49.0%
Male	852	51.1%	873	51.0%
Age group <30	279	16.7%	292	17.1%
Age group ≥30 - < 50	1,036	62.1%	1,041	61.0%
Age group ≥ 50	353	21.2%	345	21.9%

Employee Headcount by Geography

Metric	2024		2023	
	Number	Percentage	Number	Percentage
Germany	1,358	81.4%	1,356	79.5%
Female	647	47.6%	668	49.3%
Male	711	52.4%	688	50.7%
United Kingdom	73	4.4%	65	3.8%
Netherlands	68	4.1%	70	4.1%
Cyprus	68	4.1%	149	8.7%
Bulgaria	65	3.9%	35	2.1%

Employee Headcount by Nationality

	Share as % of total workforce	Share as % of all managerial positions	Share as % of total workforce	Share as % of all managerial positions
Germany	62.3%	55.6%	61.9%	54.2%
Romania	4.4%	0.4%	3.7%	0.4%
Bulgaria	4.3%	0.7%	2.4%	0.4%
Cyprus	4.0%	10.1%	8.2%	13.9%
United Kingdom	4.0%	6.0%	3.4%	5.1%
Israel	3.5%	9.7%	3.2%	9.2%
Others	17.5%	17.5%	17.3%	16.8%
No. of nationalities (incl. Germany)	66		67	

Table 31

Employee Headcount by Contract Type				
Metric	2024		2023	
	Number	Percentage	Number	Percentage
Permanent employees who identify as female	677	51%	677	50%
Permanent employees who identify as male	654	49%	670	50%
Permanent employees who identify as 'other'	0	0%	0	0%
Temporary employees who identify as female	139	41%	156	43%
Temporary employees who identify as male	198	59%	203	57%
Temporary employees which identify as 'other'	0	0%	0	0%
Non-guaranteed hours employees who identify as female	9	47%	9	53%
Non-guaranteed hours employees who identify as male	10	53%	8	47%
Non-guaranteed hours employees who identify as 'other'	0	0%	0	0%

Table 32

Hiring and Turnover metrics					
Units of Measure	Metric	2024		2023	
		Number	Percentage	Number	Percentage
Total number and rate of new employee hires	New employee hires	364	21.8%	397	23.3%
	Female	166	45.6%	194	48.9%
	Male	198	54.4%	203	51.1%
	Age group <30	128	35.2%	154	38.8%
	Age group ≥30 - < 50	199	54.7%	189	47.6%
	Age group ≥ 50	37	10.2%	54	13.6%
	Open positions filled by internal candidates (internal hires)	140	27.8%	165	29.4%
Average amount (€)	Average hiring cost/FTE	510.3	N/A	536.9	N/A
Total number and rate of employee turnover	Employee turnover	314	16.0%	380	18.3%
	Female	157	50.0%	161	42.4%
	Male	157	50.0%	219	57.6%
	Age group <30	84	26.8%	89	23.4%
	Age group ≥ 30 - < 50	166	52.9%	212	55.8%
	Age group ≥ 50	64	20.4%	79	20.8%
	Employee initiated turnover	184	9.4%	264	12.7%
	Female	93	50.5%	115	43.6%
	Male	91	49.5%	149	56.4%
	Age group <30	52	28.3%	60	22.7%
	Age group ≥ 30 - < 50	103	56.0%	158	59.8%
	Age group ≥ 50	29	15.8%	46	17.4%

S1-9 – DIVERSITY METRICS

Table 33 presents the representation of male, female, and other employees across various levels of the Aroundtown Group, highlighting key areas of specialization and the inclusion of employees with disabilities.

Table 33

Diversity metrics				
EPRA Code	**Units of Measure**	**Metric**	**2024**	**2023**
Diversity-Emp	Percentage (%) of employees who identify	Female (Board of Directors)	29%	29%
		Male (Board of Directors)	71%	71%
		Female (top management) [(1)]	11%	22%
		Male (top management)	89%	78%
		Female (senior management) [(2)]	40%	34%
		Male (senior management)	60%	66%
		Female (junior management) [(3)]	36%	39%
		Male (junior management)	64%	61%
		Female (all management) [(4)]	33%	35%
		Male (all management)	67%	65%
		Female employees (revenue generating management functions)	37%	32%
		Male (revenue generating management functions)	63%	68%
		Female (STEM-related positions)	19%	23%
		Male (STEM-related positions)	81%	77%
S1-12	Number	Employees with disabilities	40	37
	Percentage (%)		2.4%	2.2%

1) Includes the Management Body, international executives, and other top managers (e.g., Managing Directors). The recent restructuring and realignment of roles have influenced the current dynamics of female representation compared to previous year
2) Includes Heads of Departments
3) Includes Team Leads
4) Includes junior, senior and top managements

S1-10 – ADEQUATE WAGES

All employees of Aroundtown are paid an adequate wage, in line with applicable benchmarks. The Group's remuneration policy is designed to offer equitable compensation that reflects individual responsibilities, competencies, and performance. Regular reviews are conducted to maintain competitiveness and compliance with the benchmarks.

S1-11 – SOCIAL PROTECTION

Across all AT countries of operation, employees are covered by public social protection programs, providing support for key life events such as sickness, unemployment, employment injury, disability, parental leave, and retirement. These programs ensure protection during periods of incapacity or transition.

In addition to public programs, AT operations in:

- Germany offers a company pension scheme, in compliance with state regulations, through an external insurance provider with employer contributions.
- Bulgaria has a company-sponsored sickness prevention program to support employee well-being.
- Cyprus provides additional company programs for employment injury and acquired disability.

This approach leverages national systems while enhancing the coverage where needed.

S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

Aroundtown considers continuous investment in training and development of its employees essential for both personal and professional growth, fostering business resilience, innovation, engagement, and long-term retention. The Group's performance is shown in the table below:

Table 34

Training and Skills Development metrics				
EPRA Code	**Units of Measure**	**Metric**	**2024**	**2023**
Emp-Dev	Percentage (%) of total workforce	Percentage (%) of total employees who received regular performance and career development reviews during the reporting period	35.8%	26.6%
Emp-Training	Average number of training hours	All employees	13.2	16.0
		Female	15.3	18.7
		Male	11.2	13.6
		Management	22.1	26.6
		Female	31.4	38.3
		Male	17.4	20.3
		Non-management	14.3	18.1
		Female	16.4	20.2
		Male	12.0	15.9
		Part-time employees	9.9	19.3
		FTE employees	17.1	20.6
N/A	Average amount (€)	Average investment in training per FTE	674.7	696.3
	Percentage (%)	Percentage (%) of FTEs that participated in leadership development program	2.8%	1.9%
		Percentage (%) of FTEs that participated in language program	10.7%	18.1%

S1-14 – HEALTH AND SAFETY METRICS

All employees of Aroundtown are covered by the Group's health and safety management system based on legal requirements. Its performance on maintaining the health and safety of its employees within its work environment is shown in Table 35 below:

Table 35

Health and Safety metrics				
EPRA Code	**Metric Description**	**Metric**	**2024**	**2023**
H&S-Emp	Number of injuries/accidents per total time worked	Injury/accident rate	0.000003	0.000004
	Number of injuries per million hours worked	Lost-Time Injury Frequency Rate (LTIFR)	2.5	4.0
	Number of days lost per total time worked	Lost day rate	0.00004	0.0006
	Number of days lost per total days scheduled to be worked by employees	Absentee rate	5.5	5.1(*)
	Work-related fatalities	Number of fatalities	0.0	0.0
N/A	Recordable work-related injuries/accidents for own workforce	Number of injuries/ accidents	7.0	12

(*) 2023 figure is restated due to a change in the calculation methodology

The health and safety metrics calculation approach mainly follows EPRA sBPR guidelines and is tailored to unique circumstances of the Group. Below are the details of each individual metric:

- Injury/Accident Rate: Refers to the frequency of injuries, relative to the total time worked by all employees during the reporting period. We track accidents and injuries as a single metric and do not include commuting accidents to ensure consistency across all international Aroundtown offices.
- Lost-Time Injury Frequency Rate (LTIFR): This is calculated as the number of injuries per million hours worked. The calculation is based on actual employee FTE, adjusted for unpaid absences. It also accounts for the standard working hours in each Aroundtown country of operation (e.g., 7.5 hours per FTE in the UK and 8 hours per FTE in other locations)

- Lost Day Rate: Defined as the number of lost days per total hours worked. This metric is based on actual employee FTE and considers the average number of working days per country.
- Absentee Rate: Calculated as the number of days lost per total scheduled working days. This includes only paid absences due to sickness and workplace accidents, while unpaid sickness and absence days are excluded.
- Number of Fatalities: Includes only work-related fatalities. Fatality being death of an employee occurring during the reporting year, arising from an occupational disease or injury sustained or contracted while performing work for the Group.

S1-15 – WORK-LIFE BALANCE METRICS

Family-related leave such as parental leave, paternity leave, maternity leave, caregiving leave among others are within the rights of all Aroundtown employees. It allows employees to maintain a healthy balance between professional and personal life, reducing stress, and enhancing overall well-being. Aroundtown's work-life balance indicators are shown in Table 36.

Table 36

Work-life Balance metrics

	2024		2023 (*)	
	Number	Percentage	Number	Percentage
Employees that took family-related leave	179	10.7%	N/A	N/A
Female	127	15.6%	N/A	N/A
Male	52	6.1%	N/A	N/A

(*) This indicator is tracked for the first time in 2024 in compliance with ESRS, therefore data for 2023 is unavailable.

S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

Table 37 presents the gender pay gap among AT employees, which measures the disparity in earnings between male and female employees. Based on ESRS, this indicator is calculated by comparing the average pay levels of female employees to those of male employees, expressed as a percentage of the average pay level of male employees. For EPRA sBPr, the ratio is calculated by dividing the average pay of male employees by the average pay of female employees. The Group closely monitor and report pay gap on various levels of aggregation to enhance transparency and align with widely accepted standards. The data is split based on employee remuneration (salary and bonus) and basic salary in relation to employee level.

Table 37

Gender Pay Gap

Metric	Description	ESRS (%)		EPRA (ratio)	
		2024	2023	2024	2023 (*)
Remuneration (salary and bonus) Pay Gap	Executive	43.9%	50.9%	1.8	2.0
	Management	21.9%	30.3%	1.3	1.4
	Non-management	17.2%	16.7%	1.2	1.2
	All employees	33.3%	31.7%	1.5	1.5
Salary Pay Gap	Executive	29.8%	49.2%	1.4	2.0
	Management	17.1%	28.1%	1.2	1.4
	Non-management	15.7%	15.9%	1.2	1.2
	All employees	26.7%	28.6%	1.4	1.4
Total compensation ratio	Ratio of the highest paid individual to the median annual total compensation for all employees (excluding the highest paid individual)	68.3	32.6	68.3	32.6

(*) It was calculated as the ratio of female to male pay gap in 2023 report. To fully align to EPRA sBPR calculation methodology, which is the ratio of male to female, 2023 figure has been restated..

S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Aroundtown monitors and report human rights issues and incidents in the workplace, ensuring accountability and compliance, as shown in Table 38.

Table 38

Issues and Incidents				
EPRA Code	Units of Measure	Metric	2024	2023
N/A	Total number	Incidents of discrimination (including harassment)	0 (*)	0
		Complaints filed through channels for people in own workforce to raise concerns	0 (*)	0
		Complaints filed to National Contact Points for OECD Multinational Enterprises	0	0
		Severe human rights issues and incidents connected to own workforce	0	0
		Severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0
	Amount (€)	Material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	0
		Material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	0

(*) only discrimination cases that resulted in sanctions or actions towards the accused persons are reported
(**) only if a complaint led to a confirmed compliance case, is it reported here

ESRS S2 Workers in the Value Chain

Introduction

At Aroundtown we are committed to upholding high standards of social responsibility and ethical conduct across our operations and supply chain, and we recognize the critical role that workers within our value chain play in the success of our business and the achievement of our sustainability goals.

Central to our strategy is the integration of human rights due diligence across all supplier relationships, guided by our Business Partner Code of Conduct ("BPCoC"). This document outlines our expectations and requirements for human rights protection, including respecting employees' rights to freedom of association and collective bargaining, providing fair remuneration, and prohibiting child, forced, and compulsory labor. We conduct regular risk assessments to identify potential vulnerabilities, enforce compliance with standards for fair wages, secure employment, safe working conditions, health and safety, and ensure that workers' voices are heard through effective mechanisms. Our efforts are dedicated to fostering workplaces free from harassment and discrimination of any kind while upholding ethical practices across our supply chain.

Through these efforts, Aroundtown aims not only to mitigate risks but also to create opportunities to drive positive social and economic outcomes. This proactive approach reflects our alignment with global sustainability standards and supports our long-term ESG strategy, ensuring that our supply chain contributes to a responsible, resilient, and sustainable business model.

The following table outlines material sustainability matters in ESRS S2:

High-level overview of disclosure	
Standard	**Indicator**
ESRS S2 Workers in the Value Chain	S2. SBM-2 Interests and views of stakeholders
	S2. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S2-1 – Policies related to value chain workers
	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action
	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

IROs or datapoints that were identified as immaterial to Aroundtown are not covered in this report. In some cases, AT decided to use the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 39

Material sustainability matters covered in ESRS S2

Sub-topic	Sub-sub-topic	Materiality (impact/ financial/ double)	Categorization of IRO	Localization of IRO	Time horizon of IRO
Working conditions	Secure employment	Impact	Positive impact	Value chain (upstream)	Short-term / Long-term
	Working time				
	Adequate wages				
	Health and safety				

S2. SBM-2 Interests and views of stakeholders

For more information on interests and views of stakeholders, including workers in the value chain, please see ESRS 2 section SBM-2.

S2. SBM-3 Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

All value chain workers who can be materially impacted by Aroundtown - whether through direct operations, value chain activities or the use of our services - are included in the scope of disclosure under ESRS 2. Please refer to section ESRS 2-SBM-2 for further information.

The material impacts, risks and opportunities identified with regards to working conditions of value chain workers, focused on secure employment, working time, adequate wages and health & safety, are mostly connected to AT's real estate development and refurbishment activities. Given our business model, which involves property refurbishment, workers in the value chain are concentrated primarily in construction companies and its subcontractors. Whereas Aroundtown aims to ensure suppliers' compliance with its Group policies that address adherence to fair and safe working conditions, and monitors suppliers' treatment of workers in due diligence processes and by providing reporting channels for potential issues, the Group has limited oversight over its construction companies' subcontractors. Hence, their workers may be exposed to material impacts such as occupational health and safety risks, fair working conditions and broader labor rights concerns.

AT acknowledges that a reliance on subcontracted construction and renovation workers creates both risks and opportunities that impact its overall business operations. These workers are essential to property development, renovations, and maintenance, yet their working conditions—secure employment, working time, adequate wages, and health & safety—pose material challenges.

The key risks are:

- **Health & Safety Hazards:** Exposure to hazardous materials and unsafe working conditions may lead to accidents, legal liabilities, and reputational damage.
- **Labor Rights Compliance:** Subcontractors operate independently, making oversight of fair wages, working hours, and job security more challenging. Non-compliance with labor standards could result in regulatory penalties or project delays.
- **Supply Chain Vulnerabilities:** Dependence on subcontractors increases exposure to workforce disruptions due to poor employment conditions or non-compliance issues.

Key opportunities:

- **Sustainable Workforce Practices:** Implementing due diligence procedures and policies for subcontractors can improve worker conditions, reducing risks and enhancing brand reputation.
- **Operational Efficiency:** Ensuring safe and fair working conditions may lead to higher productivity and lower turnover rates among subcontracted workers, positively affecting project timelines and quality.
- **Competitive Advantage:** A strong commitment to fair labor practices can enhance investor and customer trust, aligning with ESG priorities.

Finally, these risks and opportunities are integrated into the strategy and business model by taking a number of actions to mitigate risks and capitalize on opportunities:

- **Supply Chain Risk Management:** Conducting due diligence on subcontractors before engagement ensures compliance with labor rights and health & safety standards.
- **Policy Enforcement:** Implementing strict contractual obligations for subcontractors to adhere to fair wages, working hours, and safety measures.
- **Ongoing Monitoring & Engagement:** Regular checks onsite at the construction in accordance with legal obligations and providing the opportunity to report any issues via the whistleblowing system accessible to employees and external people.

Value Chain Workers Affected by AT's Operations

The following categories of Aroundtown's value chain workers are included in this disclosure and are subject to material impacts: (*)

1. Construction and Renovation Workers

Construction and renovation workers are subcontracted workers involved in property development, renovations, or refurbishments. These are workers working on the Group's site but who are not part of Aroundtown's own workforce. Their material impacts may include workplace occupational health and safety risks, exposure to hazardous materials, and the potential for non-compliance with labor standards by contractors. These potential impacts have been identified through AT's Supply Chain Risk Assessment and are addressed by the Group's applicable policies and due diligence procedures before or during the engagement of construction and maintenance companies. Given that subcontractors operate independently, and are not under AT's direct oversight, their workers may be more vulnerable to potential negative impacts, particularly regarding fair working conditions and labor rights compliance.

2. Property Maintenance and Facility Management Personnel

Workers responsible for cleaning, landscaping, pest control, and general property upkeep. These are workers working on the Group's site but who are not part of AT's own workforce and may face material impacts related to wage adequacy, health and safety, job security, or fair treatment by outsourcing companies. Compliance with these standards is ensured through AT's BPCoC and verified through due diligence procedures on such providers.

3. Energy, Utility, and Waste Management Workers

Individuals employed by service providers that handle the supply of utilities, energy management, or waste disposal may face risks such as exposure to hazardous environments or low wages in certain jurisdictions. These are workers working for entities in the Group's upstream value chain. However, as such companies are mostly owned and run by local governments and highly regulated companies, the risks can be considered as minor.

4. Material and Equipment Suppliers

These are workers working for entities in the Group's upstream value chain, who resource, produce or deliver construction materials, furniture, or technology solutions for Aroundtown properties. They may be potentially subject to forced labor or poor workplace conditions, depending on where the material and products are sourced and manufactured. Aroundtown acknowledges these potential risks which is why human rights due diligence checks are conducted on new suppliers and renewed on existing suppliers on a regular basis.

(*) AT's operations are entirely located within the European Union and the UK, where strict regulatory frameworks and enforcement mechanisms significantly mitigate the risk of child labor, forced labor, or compulsory labor. There is no significant risk of such labor practices within AT's value chain in Europe.

S2-1 Policies related to Value Chain Workers

The policies in place at Aroundtown that address identified material risks relating to working conditions – secure employment, working time, adequate wages and health and safety – of value chain workers are listed below:

Table 40

Policy Title	Short Description
Human Rights Policy	The Human Rights Policy lists twelve basic human rights, including the right to equality, freedom of speech, thought and religion, and right to a safe work environment, which apply not only for its own employees but also tenants and workers in the supply chain. The policy further emphasizes its zero-tolerance approach to modern slavery, human trafficking and forced labor and outlines its application for business partners and reporting and monitoring of potential violations.
Business Partner Code of Conduct (BPCoC)	The BPCoC extends AT's human rights commitments to suppliers, contractors, and business partners, to managing business matters in an ethical way across the value chain. It includes provisions on worker safety, fair working conditions, and responsible employment practices. The BPCoC explicitly prohibits child labor and forced labor and addresses precarious work by requiring compliance with applicable labor laws. Aligns with applicable ILO standards.

AT's Human Rights Policy and BPCoC outline the Group's commitment to ensuring ethical business practices and the fair treatment of value chain workers. These policies collectively aim to uphold fundamental human rights, prevent discrimination and harassment, and promote responsible business conduct across the value chain.

In addition to the above-mentioned policies, AT provides a whistleblowing system for stakeholders, including workers in the value chain, to report any potential human rights-related issues or compliance cases. The Whistleblowing System was established according to the Group's internal Whistleblower Policy and can be accessed via Aroundtown's website. Besides providing guidance on what issues are relevant to report according to AT's "Speak-up" system, it also states clear description of how the report is made and what the consequences are. Reporting via the system can be made anonymously. This system ensures that workers can raise issues, have their complaints fairly considered, without the fear of retaliation. Through these mechanisms, AT aims to foster fair practices and a collaborative approach to labor rights across its value chain.

Through these policies, Aroundtown seeks to foster a responsible and sustainable supply chain, ensuring that all workers in the value chain are treated fairly and addressing any potential risks related to labor rights violations.

Aroundtown adheres to internationally recognized frameworks to guide the implementation of its policies, including:

- Ten Principles of the UN Global Compact
- International Labor Organization (ILO) Core Conventions
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights (UNGPs)

These frameworks provide essential guidance in shaping Aroundtown's policies related to value chain workers, ensuring a structured approach to managing human rights risks, protecting labor rights, and promoting ethical business conduct.

Scope and Responsibility of the Policies

The scope of AT's Human Rights Policy and its BPCoC encompasses ethical labor practices, human rights protections, and responsible business conduct across the entire value chain. These policies apply globally to Aroundtown, its subsidiaries, affiliated companies, and all business partners. Developed to reflect AT's commitment to upholding human rights and ethical business practices, these policies apply to all employees, contractors, and partners engaged in Aroundtown's operations.

The Management Body and Chief Compliance Officer are responsible for overseeing the implementation and enforcement of the Human Rights Policy and the BPCoC. This includes ensuring compliance with human rights standards, ethical labor practices, and responsible supply chain management.

Commitments and Approach to Human Rights Relevant to Value Chain Workers

Aroundtown is committed to upholding human rights across its value chain. This commitment is grounded in key policies mentioned before, including the Human Rights Policy and the Business Partner Code of Conduct, as well as the whistleblowing system. Our Human Rights Policy was established in accordance with internationally human rights recognized standards, including the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights and the two Covenants that implement it. The policy also outlines our expectations towards our suppliers to respect the interests, views and rights of our value chain workers. Yet, most important in our business relationships is our BPCoC, which needs to be signed by our business partners and requires compliance with internationally recognized labor and human rights principles, ensuring responsible business conduct throughout AT's operations and supply chain.

To ensure AT's Human Rights Policy framework is translated into practice and implemented at every level of the business and integrated into business relationships with suppliers, AT's approach encompasses a number of actions listed below.

Creating Awareness and Human Rights Trainings

Within its own operations, Aroundtown ensures that employees respect human rights and understand the issues and risks surrounding this topic by integrating human rights topics and awareness into its compliance training programs. This ensures that employees are educated on topics of respect of human rights, non-discrimination, and fair business practices. The signing of the Employee Code of Conduct by every employee also commits them to respecting human rights and upholding values of non-discrimination and fair treatment in AT's own operations.

Business Partner Code of Conduct

When it comes to working with suppliers in the value chain on adherence with human rights, Aroundtown first and foremost, relies on its BPCoC, which all business partners with contracts of above €5,000 are requested to sign. Thus, business partners acknowledge their responsibility for respecting their workers' human rights and the adherence to international human rights law and frameworks, as well as to AT's expectation to observe all applicable environmental, health and safety regulations in their operations. The only exemption from signing our BPCoC exists for large corporations, which have their own codes of conduct – provided that they are in line with our standards - or those business partners operating in heavily regulated sectors.

Human Rights Due Diligence Process

With a view of identifying potential human rights violations in the supply chain, Aroundtown conducts a human rights due diligence procedure ("HRDD") on high-risk suppliers. These are categorized according to their economic sector and countries of operation, considering potentially higher risks, particularly in the areas of construction and refurbishment/maintenance, as well as for companies operating outside the EU. For instance, suppliers are categorized as low, medium, or high-risk based on their contract volume with AT, the region of business operation, and other relevant criteria. Depending on the business partner's risk level, an adequate due diligence process is conducted using different sources of information. For suppliers identified as high-risk, AT requires additional documentation regarding sustainability-linked topics, including human rights. In addition to desk-based due diligence checks, our construction and

operations managers are fulfilling their legal monitoring obligations during the execution of the project according to the national law of the project location.

In cases where our HRDD identifies non-compliance, corrective action plans are issued to suppliers, requiring them to address and rectify violations. Suppliers that fail to comply are excluded from future business with Aroundtown. Ongoing monitoring and assessment ensure that suppliers adhere to working conditions, wages, and health and safety regulations.

Furthermore, to ensure that AT's approach is in line with international guidance on HRDD, which is also a requirement for alignment with the EU Taxonomy Regulation's social minimum safeguards, in particular on the topic of human rights, the Group has implemented a six-step approach to HRDD:

1. Embedding a commitment to HRDD within policies and procedures.
2. Identifying and assessing adverse impacts across the value chain.
3. Taking corrective actions to cease, prevent, mitigate, and remediate violations.
4. Monitoring and tracking the effectiveness of implemented measures.
5. Publicly communicating HRDD actions to ensure transparency.
6. Providing and enabling grievance mechanisms for workers to report concerns.

In accordance with the guidance on the implementation of a HRDD procedure, two criteria determine that compliance with the safeguards was established:

1. That the Group has established adequate HRDD processes, as outlined in the UNGPs and OECD Guidelines for Multi-national Enterprises.
2. That there are no indications that the Group does not adequately implement HRDD, resulting in human rights abuses.

Aroundtown fulfils these criteria.

Reporting via the Whistleblowing System

Should an incident reported via the Group's whistleblowing system, or directly with AT's Compliance Department, involve a human rights violation, the Compliance Department, with potential support from the Legal and HR Departments, oversees the investigation in accordance with the Investigation Policy. Depending on the severity of the case, potential actions include supplier warnings, financial penalties, contract termination, or legal escalation – for a business partner or employee. AT may also decide to consult with authorities if necessary.

Stated in the Group's internal Whistleblower Policy, as far as the whistleblower can be contacted by Aroundtown, the whistleblower will receive information about the ongoing process, the progress of the investigation and outcome of the investigation, incl. remedial action taken. This will happen no later than three months from the date of acknowledgement of receipt of the report. In 2024, no cases of human rights violations were reported. For further information, see the metrics table in S1-17.

In general, Aroundtown maintains open communication channels with value chain workers regarding labor rights and ethical practices across its operations. This engagement primarily occurs during the initial business relationship establishment, where suppliers acknowledge Aroundtown standards and values as outlined in the BPCoC.

Zero-Tolerance Approach to Forced and Child Labor

Aroundtown enforces a zero-tolerance approach to human trafficking, forced and compulsory labor, and child labor. These issues are explicitly addressed in the Human Rights Policy, which covers all three topics and extends to value chain workers. Additionally, AT's BPCoC, which must be signed by suppliers and business partners with contacts exceeding €5,000 explicitly prohibits child labor and compulsory labor. It currently does not, however, make an explicit reference to trafficking in human beings in its policies, given its limited relevance in the regions where AT operates.

S2-4 – Taking Action on Material Impacts on Value Chain Workers, and Approached to Managing Material Risks and Pursuing Material Opportunities Related to Value Chain Workers, and Effectiveness of These Actions

AT's key actions to managing material impacts related to working conditions of value chain workers, including secure employment, working time, adequate wages, and health and safety are linked to the following four areas:

1. **Supplier Engagement and Compliance:** Suppliers with contracts exceeding €5,000 are required to sign the BPCoC, ensuring adherence to principles of fair working conditions, secure employment, and occupational health and safety. Also, suppliers are requested to re-affirm their adherence to the BPCoC with every construction contract signed with Aroundtown.
2. **Human Rights Due Diligence Process:** Due diligence on high-risk suppliers allows Aroundtown to identify potential human rights violations in the value chain. If an issue is detected the Compliance Department determines necessary actions to ensure that the supplier addresses, is addressing or will address the concerns before continuing the business relationship.
3. **Remediation and Grievance Mechanisms:** Aroundtown provides a grievance mechanism i.e., a whistleblowing system, for value chain workers to report violations and misconducts. Reported cases undergo thorough investigation, which may lead to remedial actions against the stakeholder involved in of human rights violation.
4. **Human Rights Trainings for Employees:** All employees must complete annual compliance training covering human rights, equal treatment and sexual harassment, as well as other topics of ethical business conduct. This training raises awareness among employees who play a key role in contracting compliant suppliers and business partners aligned with AT's values.

Aroundtown allocates targeted resources to support its action plans in managing the material impacts identified by the DMA on value chain workers:

1. **Dedicated Teams:** Our compliance, Know-Your-Business Partner Business Partner, Operation and Construction teams collaborate to implement and enhance existing processes. Aligning with national and international standards and regulations, such as the German Supply Chain Act or the upcoming European Corporate Sustainability Due Diligence Directive, allows Aroundtown to continuously improve its alignment with best practices. Strengthening due diligence procedures ensures that suppliers are thoroughly assessed, helping prevent potential human rights violations before they occur.
2. **Technology and Tools:** Whereas the management of supply chain documentation is still largely manual, initial updates have been made to the ERP system to enhance documentation management. Aroundtown is currently reviewing supply chain management tools for potential implementation. These improvements aim to streamline communication and engagement with business partners regarding the Group's Human Rights Policy and standards, ultimately strengthening compliance and reducing risks of workers' rights violation.

Aroundtown's key actions to manage material impacts on value chain workers extend across its value chain and business relationships. The actions are part of the Group's ongoing operational activities and, therefore, do not have a defined completion date. Implementation is continuous and integrated into the Group's broader strategy.

In 2024, no severe human rights issues or incidents connected to workers in the value chain were reported to AT.

Dedicated Resources

AT does not currently have the specific data available to provide this disclosure. The allocation of financial resources to the action plan is part of the Group's ongoing operational activities, and this information is not tracked at the required level of detail at this stage. AT continuously reviews and enhances its reporting processes to improve transparency and provide further relevant disclosures where possible.

Beyond these described actions, which are focused on prevention, risk identification and remediation, Aroundtown has currently taken no further actions or planned future actions to specifically address the four material risks identified in relation to working conditions or to deliver outcomes with positive impacts for the value chain workers. The Group has currently not implemented further assessments or monitoring in how far these actions are effective in delivering the intended outcome for value chain workers.

S2-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

Table 41

Long-term Targets	2024 Targets	2024 Progress	2025 Targets
Maintain zero human rights violations in the supply chain	Continue the distribution of our new Business Partner Questionnaire, which is designed to assess and ensure compliance with the principles outlined in our Business Partner Code of Conduct	Launched Business Partner Compliance	Review Business Partner Due Diligence processes for further improvements
Maintain our high standard of business partner scrutiny	Ensure the voluntary alignment of our Group policies with the Supply Chain Act in Germany and initiate possible changes to ensure compliance		

The targets support the purpose and goals of the Human Rights Policy and BPCoC, supported by whistleblowing system by promoting ethical business practices and mitigating risks in the supply chain. The long-term targets are both quantitative as well as qualitative, focusing on compliance and ethical oversight rather than numerical reductions.

The long-term targets address different aspects of the Group's operations. The first target, which focuses on preventing human rights violations, applies to the supply chain and aims to ensure that business partners would adhere to ethical and human rights standards. The second target, which concerns business partner scrutiny, is focused on internal corporate governance and regulatory compliance. It involves voluntarily aligning the Group's policies with the German Supply Chain Act to strengthen due diligence procedures and ethical oversight across the Group's value chain.

The process for setting targets involves multiple levels of engagement across the value chain. Aroundtown defines its targets based on internal assessments, regulatory requirements, and stakeholder feedback. While direct engagement with workers in the value chain or their representatives is currently not a formalized step; insights are gathered through structured assessments such as the Business Partner Questionnaire. This helps to evaluate suppliers and business partners on their adherence to ethical and compliance standards. Please see ESRS 2 GOV-1 for more information.

The Group aims to maintain zero human rights violations in the supply chain referring to the first reporting year, 2024, as the baseline year, and ensure thorough business partner scrutiny by following best practices, including guidance on the German Supply Chain Act which is currently not mandatory for Aroundtown, which a long-term commitment to compliance.

ESRS S4 Consumers and End-Users

Introduction

Aroundtown recognizes tenant satisfaction as a cornerstone of its ESG strategy and a critical driver of business success. As one of Europe's leading real estate providers, AT prioritizes fostering strong relationships with its tenants by providing accessible, reliable, and high-quality services. Central to this commitment is the AT Service Center, which operates 24/7 for regular queries and emergencies.

For the residential tenants of our subsidiary, GCP, this service is further enhanced by the GCP Tenant App & Portal for desktop users, a digital platform that empowers tenants to communicate directly with GCP, manage inquiries, and access self-service options with ease. The app also provides updates on tenant-specific services, including community events and an exclusive loyalty program.

AT's Tenant Satisfaction Guidelines outline the Group's approach to customer engagement, ensuring all inquiries are handled with professionalism and care. These efforts underscore AT's dedication to fostering a positive and inclusive living environment for all tenants. This section focuses on material impacts related to tenant privacy and access to quality information. It highlights the implementation of effective measures to protect tenant data through GDPR-compliant processes, alongside collaboration with IT providers and contractors to uphold high standards of information security.

The Group has established procedures to safeguard the confidentiality and integrity of management information and data, encompassing both internal operation and the protection of our consumers and end-users, i.e., our tenants and potential tenants[*]. Furthermore, in alignment with the GDPR and its evolving requirements through 2024, the Group has implemented comprehensive measures, including mandatory awareness training on GDPR.

(*) When referring to consumers and end-users in this section, we refer to tenants and/or potential tenants of Aroundtown. However, to follow the language of the ESRS, consumers and end-users is used interchangeably with tenants or potential tenants.

High-level overview of disclosure

Standard	Indicator
ESRS S4 Consumers and End-users	S4. SBM-2 Interests and views of stakeholders
	S4. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S4-1 – Policies related to consumers and end-users
	S4-2 – Processes for engaging with consumers and end-users about impacts
	S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
	S4-4 – Action plans and resources to manage its material impacts, risks, and opportunities related to consumers and end-users
	S4-5 – Targets set to manage material impacts, risks and opportunities related to consumers and end-users

IROs or datapoints that were identified as immaterial to AT are not covered in this report. In some cases, Aroundtown makes use of the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 42

Material sustainability matters covered in ESRS S4

Sub-topic	Sub-sub-topic	Materiality (impact/financial/double)	Categorization of IRO	Localization of IRO	Time horizon of IRO
Information-related impacts for consumers and/or end-users	Privacy	Double	Positive Impact / Risk	Own operations, value chain (downstream)	Short-term / Long-term
	Access to (quality) information				

S4. SBM-2 Interests and Views of Stakeholders

For more information on interests and views of stakeholders, including consumers and end-users, please see ESRS 2 section SBM-2.

S.4 SBM-3 Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model

Inclusion of Consumers and End-Users in AT's Sustainability Disclosures

Aroundtown includes all consumers and end-users who may be materially impacted by its operations within the scope of disclosure under ESRS 2. As a real estate company with a diversified portfolio of residential and commercial properties, the Group considers both residential tenants and commercial occupiers as primary end-users.

Types of Consumers and End-Users Affected by AT's Operations

Aroundtown recognizes that its operations and value chain influence a broad range of consumers and end-users. The three key impacted groups include:

- Residential tenants, who engage with AT for housing and associated services.
- Commercial occupiers, relying on property management services.
- Prospective tenants, interacting with AT during application processes.

Material Negative Impacts on Tenants

Aroundtown has identified material negative impacts on consumers and end-users related to privacy and access to quality information, as outlined in the DMA assessment.

- Privacy risks: these risks are primarily associated with the processing of tenant information in leasing, maintenance, and engagement activities. While no widespread or systemic breaches have been identified, risks exist due to data handling processes and potential vulnerabilities in information security. These risks are managed through compliance with data protection regulations and internal safeguards.
- Access to quality information risks: these risks relate to ensuring consumers and end-users receive clear and accurate service-related information in topics such as lease terms, maintenance procedures and tenant rights. While no systemic issues have been reported, the Group actively addresses isolated cases through structured communication channels and ongoing process improvements.

The Group has not identified any material impacts from its operations or value chain on consumers or end-users concerning harmful products, services or issues that may negatively affect freedom of expression, non-discrimination, health, or marketing impacts, including those that could impact children and financially vulnerable individuals.

Activities With Positive Impacts on Tenants

Meanwhile, AT actively works to create positive impacts for tenants by enhancing privacy safeguards and ensuing access to accurate information through:

- Direct Operations: Tenant communication via digital platforms (apps, emails, Online form), property management services, and customer support processes.
- Value Chain: Partnerships with IT providers and service contractors ensuring secure handling of tenant data and reliable information dissemination.

Understanding Consumer and End-User Risks and Opportunities

AT has identified key material risks, including unauthorized data disclosure, service errors, and inadequate tenant education on their rights and available channels. The Group mitigates these risks through:

- GDPR-compliant data protection measures.
- Tailored communication strategies for vulnerable groups, such as elderly tenants and those with limited digital literacy.
- A centralized customer relationship management system, designed to streamline and enhance customer engagement by improving processes such as letting, tracking leads, monitoring response times, and managing the status of customer requests with greater efficiency.

Specific Groups of Consumers and End-Users

Aroundtown has identified risks to specific tenant groups, such as low-income and digitally excluded individuals, through targeted surveys, feedback channels, and property manager insights. To mitigate these risks and enhance tenant well-being, AT implements tailored solutions, including alternative communication methods like in-person support and physical documentation for those with limited digital literacy or reliance on non-digital channels.

Engagement and Understanding of Specific Consumers and End-Users Groups

Aroundtown employs a multi-faceted approach to tenant engagement, incorporating digital platforms, in-person events, and structured feedback mechanisms such as surveys and complaint resolution processes.

The Group has gained insights into how consumers and end-users with specific characteristics, operating in particular contexts or engaging in certain activities, may face heightened risk. This understanding has been developed through tenant engagement, including targeted surveys, feedback channels, and insights gathered from property managers. This approach enables Aroundtown to develop tailored strategies for mitigating risks and enhancing tenant well-being.

The Group has identified specific risks to vulnerable groups, such as low-income tenants and digitally excluded individuals, through targeted surveys and tenant feedback. To address these risks, Aroundtown has implemented tailored solutions, including alternative communication methods. Groups such as tenants with limited digital literacy and elderly tenants reliant on physical documentation are particularly vulnerable to privacy breaches or missing key updates. To support such cases, in-person support and physical communication are used in place of digital channels.

S4-1 – Policies Related to Consumers and End-Users

Aroundtown has implemented comprehensive policies addressing tenant privacy and information access. These are:

Table 43

Policy Title	Short Description
Data Protection Policy	Establishes the governance of GDPR compliance. This policy covers all consumers and end-users.
Business Partner Code of Conduct ("BPCoC")	Guide to managing business matters in an ethical way across the value chain. It includes provisions on worker safety, fair working conditions, and responsible employment practices. The BPCoC explicitly prohibits child labor and forced labor and addresses precarious work by requiring compliance with applicable labor laws. Aligns with applicable ILO standards.
Tenant Satisfaction Guidelines	The AT Tenant Satisfaction Guidelines sets out our management approach to this key topic for each stage of the tenant lifecycle, including pre-contract. The policy outlines how we monitor satisfaction in order to understand performance, address any issues and ensure the continuous improvement of our approach.
Human Rights Policy	Ensures respect for fundamental human rights, covering a right to a safe work environment, fair remuneration (e.g., minimum wage) and working conditions, and the right to privacy, rest, and leisure.

Aroundtown has established a clear framework of policies to uphold ethical business practices, safeguard data privacy, promote transparency, and enhance tenant satisfaction. These policies ensure alignment with global standards.

Key policies include:

- Data Protection Policy – Defines governance structures for GDPR compliance, ensuring the secure collection, storage, and processing of tenant data. It enforces access controls, encryption protocols, and breach notification mechanisms to uphold data security and privacy best practices. It applies to all consumers and end-users whose personal data is processed by the Group, ensuring strict adherence to GDPR and other relevant data security regulations.
- Tenant Satisfaction Guidelines – Structure tenant engagement, service quality monitoring, and satisfaction tracking. It defines key performance indicators ("KPIs") for response times, complaint resolution, and service improvement to enhance tenant experience. It applies to all tenants throughout their tenancy, emphasizing service excellence and continuous engagement.

For details on AT's Business Partner Code of Conduct and Human Rights Policy, as well as our Whistleblowing System please refer to section S2-1 in the report.

The Management Body and Chief Compliance Officer are responsible for overseeing the implementation and enforcement of the Human Rights Policy and the BPCoC, while the Chief Information Officer ("CIO") is responsible for GDPR compliance, data security governance, and IT risk management, ensuring protection of tenant data, and the Chief Operations Officer ("COO") of the German operations leads the Tenant Satisfaction Guidelines, driving service excellence and tenant engagement initiatives.

Global Frameworks and Standards Informing AT Policies

Aroundtown aligns its policies with internationally recognized frameworks and best practices to ensure regulatory compliance and operational excellence. The GDPR sets principles for data privacy, security, and user rights protection, while ISO 27001 offers structured approaches for data protection and cybersecurity risk management.

In line with these commitments, Aroundtown also prioritizes stringent data protection and cybersecurity measures to safeguard tenant and corporate information. The GDPR sets principles for data privacy, security, and user rights protection, while ISO 27001 offers structured approaches for data protection and cybersecurity risk management. Our ISO 27001 certification for our Information Security Management System at our headquarters in Berlin was maintained for a fourth consecutive year in 2024. The scope

of the certification applies to our head office, while the scope of the implementation applies to all local and international offices where all relevant policies and procedures apply in the same way. For operational reasons, all digital information flows through Berlin, making this the most material location to focus our certification effects.

In 2024, Aroundtown reported zero incidents of non-compliance with Group policies related to its consumers and end-users. These policies are based on the international frameworks of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, or OECD Guidelines for Multinational Enterprises involving tenants or occupiers. For further details, refer to the issues and incidents table in section S1-17 – Incidents, complaints, and severe human rights impacts.

S4-2 – Processes for Engaging with Consumers and End-Users about Impacts

Tenant Engagement and Data Protection Practices

Aroundtown actively incorporates tenant perspectives into its decision-making process through multiple engagement and communication channels. Tenants and prospective tenants can contact AT through four different methods:

- Email and postal services;
- Our Service Center, which is available 24/7, in a variety of languages;
- AT's business chat via mobile phone or, for our residential tenants, also via the GCP Tenant App;
- In-person tenant consultations are offered by our property managers at property locations on a regular basis.

To improve efficiency, the Service Center has introduced a voice bot to manage peak call times, offering tenants an additional contact option. Additionally, for our residential tenants, the GCP Tenant App & Portal facilitates communication, providing tenants with direct access to customer service, community event updates, and tenant-specific services. Tenant feedback, satisfaction surveys, and direct interactions inform AT's approach to managing privacy, information access, and overall tenant experience. Callers to the Service Center are informed about AT's data privacy regulations at the beginning of each call and directed to further resources on the Group's website. While calls are not recorded, tenants can choose to accept or decline monitoring for training purposes.

Aroundtown also prioritizes employee awareness regarding data protection. Regular training sessions on GDPR compliance and data protection policies are provided to Service Center and Property Management employees to ensure compliant behavior. Beyond direct engagement, tenant representatives and property managers act as intermediaries, ensuring that tenant concerns are promptly escalated and addressed. This structured engagement approach enhances transparency, responsiveness, and service excellence across AT's operations.

Operational Oversight of Tenant Engagement

The COO holds the highest operational responsibility for tenant engagement, ensuring that tenant feedback informs AT's overall strategy and service improvements. The Data Protection Officer ("DPO") ensures that tenant interactions comply with data privacy regulations, reinforcing AT's commitment to GDPR compliance and ethical data management.

Assessing Effectiveness of Tenant Engagement

The effectiveness of engagement with consumers and end-users is currently monitored through our ticketing system, which tracks all tenant requests received via Aroundtown's various communication channels. This system allows the monitoring of request types, the resolution process, and the response times. Reviews and internal checks are conducted to further ensure transparency and accountability in handling tenant concerns.

Following the resolution of a request/enquiry through the Service Center, a survey is sent to the relevant tenant. This survey assesses AT's performance in key areas, including friendliness, reachability, quality of work and resolution time.

Insights from Particularly Vulnerable Consumers and End-Users

Aroundtown has identified certain tenant groups, such as elderly residential tenants and those with limited digital literacy, who may face challenges in accessing information and safeguarding their privacy. To support these tenants, AT has implemented tailored solutions, including alternative communication methods such as physical documentation and in-person service, as well as dedicated support channels.

S4-3 – Processes to Remediate Negative Impacts and Channels for Consumers and End-Users to Raise Concerns

Remediation and Management of Material Impacts on Consumers and End-Users

Aroundtown is committed to ensuring that all material negative impacts on tenants related to privacy and access to quality information are remediated effectively. The Group has a structured approach to identifying, assessing, and addressing these issues through governance structures and policies aligned with GDPR compliance and tenant engagement strategies. When material negative impacts are identified, the Group takes immediate corrective action, including strengthening security controls, enhancing tenant communication, and reinforcing internal training programs as described in S4-2.

Channels for Raising Concerns and Support Access

Aroundtown provides multiple channels through which tenants can raise concerns, as outlined in S4-2 – Prcesses for Engaging with Consumers and End-users about Impacts.

To ensure the effectiveness of these engagement channels, reported concerns are integrated into AT's Ticketing System, where they are systematically tracked and addressed. Regular performance evaluations assess response times, resolution efficiency, and tenant satisfaction levels. Investments in digital platforms further improve accessibility, and ongoing customer service training ensures that tenant concerns are handled professionally and efficiently. The Group continuously reviews the effectiveness of its engagement channels through internal audits and performance tracking.

Additionally, AT's external and anonymous whistleblowing system is also accessible to our tenants, who can report concerns confidentially and without fear of retaliation. The Group's internal Whistleblowing Policy safeguards tenants and stakeholders who report concerns, guaranteeing confidentiality and protection against retaliation. An independent third-party platform allows for anonymous reporting, ensuring transparency and ethical governance. This policy is reinforced through employee training programs, which emphasize ethical conduct and consumer protection.

Tenant Awareness and Trust in Engagement Processes

Aroundtown evaluates tenant awareness and trust in its reporting structures through multiple methods. Tenant feedback surveys, issued after interactions with the Service Center, measure awareness of available support channels and the effectiveness of issue resolution. Direct engagement at community events provides further insights into tenants' experiences with raising concerns. Additionally, usage data from the GCP Tenant App & Portal is monitored to assess accessibility and adoption. These assessments inform ongoing improvements, ensuring that all tenants are aware of and trust the available reporting mechanisms.

S4-4 – Taking Action on Material Impacts on Consumers and End-Users, and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Consumers and End-Users, and Effectiveness of those Actions

Managing Risks and Opportunities Related to Consumers and End-Users

Aroundtown employs a structured approach to managing material risks and opportunities related to privacy and information access. The Group collaborates with the DPO and cybersecurity experts to ensure GDPR compliance, enhance tenant engagement, and secure IT systems. The Information Security and Privacy Strategy is spearheaded by in-house cybersecurity leads, who participate in board-level Risk Committee meetings to integrate data security considerations into corporate risk management.

The core principles of AT's Information Security Management System include confidentiality, integrity, availability, and security. Measures include data encryption, access controls, system resilience against cyber threats, and strict personal data protection protocols. Regulatory compliance, particularly with GDPR, is a priority, and employees undergo continuous training to reinforce awareness and best practices in data protection.

To maintain high security standards, all documents within Aroundtown are labelled with an information security classification, with restricted files requiring password protection. Staff members sign a commitment to data protection upon joining the Group and are required to complete annual video-based training modules. In 2024, the Group introduced a cybersecurity awareness initiative, including an interactive "Information Security Escape Room" as part of its Awareness Days.

Aroundtown employs the following measures to mitigate potential negative impacts:

- **Data Protection Measures:** Continuous updates to GDPR-compliant data handling protocols to prevent breaches and unauthorized disclosures.
- **Service Quality Improvements:** Improvements to the tenant app provide easy access to accurate, and timely information, complemented by 24/7 support through the Service Center.
- **Training Programs:** Regular employee training sessions on secure tenant data handling further reinforce preventive measures and promote best practices.

Key Actions to Address Material Impacts on Consumers and End-Users

Aroundtown's actions in relation to managing its material impacts, risks and opportunities related to consumers and end-users are outlined below. The scope of these initiatives covers all tenant interactions related to data, from rental agreements to service requests, across the Group's entire portfolio. As these actions are an integral part of AT's operational framework, they do not have a fixed time horizon but are continuously developed and refined.

Table 44

Material impacts, risks, and opportunities in ESRS S4

Topic	Sub-topic	Key action
Information-related impacts for consumers/ or end-user	Privacy	• Data Protection Policy: Ensures compliance with GDPR and other data privacy laws, emphasizing safeguarding tenant, employee, and business data. • Implementation of Privileged Access Management System, which enforces multi-factor authentication, session recording, and access approval for external IT service providers to prevent unauthorized access to tenant data. • To ensure adequate security in our processes for saving and sharing information, all documents are labelled with an information security classification, from public to restricted, which requires password protection for the document, where applicable. • Encryption of sensitive tenant information to protect against unauthorized disclosure. • Continuous training for employees in handling tenant data.
	Access to (quality) information	• Providing clear communication channels such as through the 24/7 Service Center and the app for our residential tenants, the GCP Tenant App. • Community engagement through property managers and neighborhood meetings, ensuring that residents are informed about ongoing projects. • Continuous development of tenant engagement platforms, including a feedback mechanism integrated into AT's centralized ticketing system.

Resources Allocated to Key Actions

The allocation of financial resources to the action plan is part of the Group's ongoing operational activities, and this information is not tracked at the required level of detail at this stage. The Group continuously reviews and enhances its reporting processes to improve transparency and provide further relevant disclosures where possible.

Remedies for Material Impacts

Aroundtown takes every data protection and security incident with the utmost seriousness. Whenever a potential breach or data protection issue is reported, the data protection team is tasked to assess the situation. This team conducts a risk analysis to determine the root cause, evaluate any potential impact, and implement corrective measures to prevent recurrence.

Aroundtown's approach is proactive and solution oriented. Even in cases where no material impact is identified, the incident is analyzed to identify underlying susceptibilities and to enhance the security and compliance posture. These learnings are systematically integrated into our policies, processes, and awareness initiatives to strengthen the overall data protection framework.

Collaboration with management, department heads and team leaders are a key aspect of the remediation efforts. An active engagement in the resolution process is important, ensuring that the necessary security improvements are implemented effectively within their teams. This collaborative approach not only enhances security awareness but also fosters a culture of continuous improvement and shared responsibility across the organization.

Furthermore, transparent communication is prioritized to promote security and data protection awareness at all levels. For example, data protection and security best practices were recently highlighted in the organization wide HR newsletter, further embedding a strong security mindset. By taking immediate action, conducting root cause analyses, and continuously improving the security measures, data privacy and security are turned into an essential part at the core of our operational integrity.

Enhancing Consumer and End-User Experience

Aroundtown seeks to create positive tenant experiences through digital innovation and tenant engagement initiatives. Hybrid community events and interactive surveys foster trust and transparency, while investments in secure, user-friendly platforms provide easy access to tenancy information, maintenance updates, and privacy policies.

The GCP Loyalty Program offers additional benefits, including shopping discounts for new tenants and loyalty points that can be exchanged for vouchers or rent reductions. Partnerships with companies like Vodafone, O2, and Media Markt provide tenants with exclusive offers, while sustainability incentives encourage tenants to earn points for switching to renewable energy providers.

AT measures the success of its engagement initiatives through multiple feedback mechanisms. The 24/7 Service Center is committed to responding to general tenant queries within 24 hours and urgent requests within one hour. The GCP Tenant App facilitates real-time service requests and feedback collection, with ongoing updates improving accessibility and user experience.

Regular community events provide opportunities for direct interaction with property managers, offering insight into tenant satisfaction levels. Interactive surveys play a crucial role in gathering tenant opinions, while the grievance mechanism ensures tenants can report concerns confidentially. These channels support ongoing monitoring, allowing AT to refine its initiatives and enhance service quality.

Identifying Appropriate Actions for Managing Material Risks

Aroundtown identifies necessary actions through risk assessments, stakeholder engagement, and incident learnings. Annual evaluations of privacy risks involve scenario analysis and input from IT, compliance teams, and tenant representatives. Tenant surveys and feedback loops are systematically analyzed to identify areas for improvement. Post-incident reviews ensure that mitigation strategies are continuously refined, while vendor due diligence ensures that all third-party service providers meet security and compliance standards.

When addressing specific material impacts, AT follows structured response protocols. In the event of a data breach, immediate containment and mitigation measures are activated. Proactive communication with tenants ensures early identification of systemic risks, while ongoing security assessments and employee training strengthen the Group's ability to prevent recurrence.

Ensuring Effective Remediation Processes

Aroundtown's remediation processes are designed to be accessible, transparent, and continuously improving. Tenants can report concerns through multiple channels, including the Service Center, tenant app, and direct engagement with property managers. Feedback loops track the effectiveness of remedial actions, while insights from each incident inform policy refinements and security enhancements.

Regular testing and simulations, such as security drills and breach response exercises, assess the efficiency of escalation procedures. Independent oversight by the Data Protection Officer ensures compliance with GDPR and ISO 27001, with findings used to strengthen security protocols and governance frameworks.

Mitigating Risks and Pursuing Material Opportunities

Aroundtown mitigates risks related to tenant dependencies by integrating financial risk management, tenant engagement, regulatory compliance, and ESG initiatives. By diversifying the tenant mix across office, retail and residential sectors, AT minimizes over-reliance on any single industry while enhancing stability through communication channels and ongoing service improvements.

Regulatory compliance is maintained through proactive monitoring of housing laws, rent controls, and safety regulations. Fair housing practices and strict health and safety protocols are upheld, minimizing legal exposure. These measured through compliance audits, incident reports, and litigation records.

Finally, ESG and community initiatives strengthen long-term tenant relationships and market positioning. Investing in green building certifications, energy-efficient upgrades, and social responsibility programs not only enhances sustainability but also attracts ESG-focused investors and tenants. The impact of these efforts is tracked via energy efficiency ratings, ESG rating agency performance, and community engagement feedback.

Looking ahead to 2025, Aroundtown plans to integrate responsible Artificial Intelligence ("AI") technologies to enhance service delivery and operational efficiency. Employees will receive targeted training on responsible AI use, data privacy, and ethical decision-making. AI governance frameworks will be embedded into AT's regulatory compliance strategy to safeguard tenant data and uphold consumer protection standards.

Ensuring Responsible Business Practices

Aroundtown ensures that its business practices do not cause or contribute to material negative impacts by adhering to GDPR and maintaining strict data handling protocols. Regular training and audits reinforce compliance and mitigate potential risks. As of 2024, no severe human rights issues or incidents related to consumers and end-users have been reported.

Resources allocated to managing material impacts include dedicated personnel, financial investments, and technological infrastructure. The Data Protection Officer and tenant engagement teams oversee compliance and service quality, while IT infrastructure investments support cybersecurity initiatives. A centralized ticketing system ensures efficient tracking and resolution of tenant concerns.

The following resources have been allocated:

Table 45

Resource Type	Description	Resource Allocation
Personnel	Includes dedicated roles responsible for managing material impacts	Dedicated roles such as the Data Protection Officer and tenant engagement teams
Financial Investment	Covers budgets allocated to support operational and compliance-related initiatives	Budgets allocated for IT infrastructure, employee training, and tenant satisfaction surveys
Systems	Refers to the technological infrastructure used to manage material impacts effectively	Centralized ticketing and tracking system to manage and resolve tenant concerns

S4-5 – Targets Set to Manage Material Impacts, Risks and Opportunities related to Consumers and End-users

Targets

Table 46

Long-term Targets	2024 Targets	2024 Progress	2025 Targets
Identify risks proactively, to detect and eliminate weaknesses before they can become threats	Pass our recertification audits for ISO 27001	The ISO27001 certification was successfully passed	Pass our recertification audits for ISO 27001
Embed a culture of awareness and vigilance throughout our staff, through consistent and regular training	Introduce a new "on the job" learning format aimed at making information security more accessible by e.g., rolling out awareness	• Roll-up Posters were put up in Branches and HQ • Phishing Campaigns (via email) were pursued • Shared regular Information Security Communications via E-Mail	Continuously promote cyber security on all different levels by introducing security champions across various departments, locations, and verticals
Pursue continual improvement of the security of our digital systems	Pursue continual improvement of the security of our digital systems	A special bug bounty program was introduced for all our external facing assets. Internal assessments on core applications were conducted, including (but not limited to) core financial systems, e-mail and identity, servers and more	Remains the same

Target Setting and Consumer Engagement in Performance Management

Aroundtown's targets are designed to align with its key policies. These targets ensure compliance with GDPR, cybersecurity resilience, ethical governance, and tenant engagement. By embedding these objectives into its operational framework, AT establishes a strong foundation for data protection, ethical business practices, and transparent consumer interactions.

The Group has defined one measurable target—the successful recertification of ISO 27001. This ensures that the Group continues to uphold internationally recognized information security standards. In addition to this, AT has set two qualitative targets focused on building a cybersecurity-aware culture among employees and continuously improving digital security systems.

Scope and Baseline of Targets

The Group's long-term targets encompass key aspects of cybersecurity and risk management. The first target focuses on proactively identifying risks to detect and mitigate weaknesses before they become threats. This includes maintaining ISO 27001 certification through regular recertification audits. The second target aims to foster a culture of cybersecurity awareness and vigilance among employees through consistent training and engagement initiatives. The third target is dedicated to the continuous improvement of digital security systems.

The Group defines its targets based on internal assessments, regulatory requirements, and stakeholder feedback. For further details on stakeholder engagement in the target-setting process, refer to ESRS 2 GOV-1 – The Role of the Administrative, Management and Supervisory Bodies. The baseline for these targets is the successful annual recertification of ISO 27001, with 2024 as the initial baseline year.

Timeframe and Progress Monitoring

The targets apply to 2024 and beyond, reflecting AT's long-term commitment to cybersecurity and consumer protection. Specific milestones and interim targets for 2025 are outlined in the relevant tracking framework.

Consumer and End-User Engagement in Target Setting and Performance Monitoring

While tenants are not directly involved in setting formal targets, AT gathers tenant insights through various engagement channels, including satisfaction surveys, property manager interactions, tenant events, the Service Center, and digital feedback

mechanisms. These inputs play a crucial role in shaping AT's service improvements and operational adjustments.

Tracking Performance Against Targets with Consumer Input

Tenants contribute to tracking AT's performance through post-resolution surveys that evaluate the effectiveness of issue resolution and customer support. Additionally, interactive feedback channels integrated into the GCP Tenant App provide real-time insights into tenant satisfaction. However, for the reporting year 2024, post-resolution surveys were not conducted.

Consumer Input on Lessons Learned and Service Improvements

Aroundtown has fully adopted targets for managing material impacts related to tenant privacy and access to quality information. These targets are regularly monitored, documented, and aligned with the Group's broader ESG goals. While tenants provide feedback on service improvements, the formal target-setting and evaluation framework remains driven by internal assessments and compliance requirements.

Governance Information

G1 Business Conduct

Introduction

Aroundtown places strong emphasis on corporate governance, executed responsibly by the Board of Directors, the Risk and Audit committees of the Board, and the Management Body, as well as senior management, including department heads. The Group takes pride in the high levels of investors' confidence reflected in the successful placement of funds by major global investment banks. Among its shareholders and bondholders are leading international institutional investors, as well as major global investment and sovereign funds.

AT's governance framework is guided by international standards, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These standards shape the Group's policies, which include the Code of Conduct for Employees, the Business Partner Code of Conduct ("BPCoC"), the Whistleblowing Policy, the Human Rights Policy and more. AT's policies are designed to foster a culture of compliance, ethical behavior, and inclusivity across its operations and value chain. In 2024, these principles were reinforced through an enhanced compliance monitoring system, policy updates, and targeted employee training programs.

Aroundtown is not subject to any mandatory corporate governance code or statutory legal provisions. Specifically, the Group is not required to comply with the 'Ten Principles of Corporate Governance' established by the Luxembourg Stock Exchange or the German Corporate Governance Code, which primarily apply to listed companies incorporated in Germany. However, AT adheres to recommendations C.10 (pertaining to the Chair of the Audit Committee), D.8, and D.9 of the German Corporate Governance Code. Aroundtown has issued a declaration confirming its compliance with these specific recommendations. In general, Aroundtown already aligns with many of the principles and continues to integrate ESG best practices across its operations. These efforts are aligned with the United Nations Sustainable Development Goals (UN SDGs), particularly Goal 16 (Peace, Justice, and Strong Institutions) and Goal 17 (Partnerships for the Goals).

Aroundtown is a founding member of the United Nations Global Compact (UNGC) Network Germany, one of the largest corporate sustainability initiatives, signaling the Group's commitment to strong corporate governance through adherence to the UNGC Ten Principles.

To ensure alignment with ESRS G1 requirements, AT actively integrates stakeholder feedback into governance processes. Through structured engagement mechanisms, such as tenant surveys, employee feedback channels, and investor meetings, the Group remains responsive to the evolving needs of its diverse stakeholder base. In 2024, this engagement informed several governance enhancements, including updates to the BPCoC and the improvement of the whistleblowing channels.

High-level overview of disclosure

Standard	Indicator
ESRS G1 Business Conduct	G1. GOV-1 – The role of the administrative, management and supervisory bodies
	G1-1 – Business conduct policies and corporate culture
	G1-2 – Management of relationships with suppliers
	G1-3 – Prevention and detection of corruption and bribery
	G1-4 – Incidents of corruption or bribery
	G1-6 – Payment practices

IROs or datapoints that were identified as immaterial to Aroundtown are not covered in this report. In some cases, AT makes use of the phase-in provisions (in accordance with Appendix C of ESRS 1) and is committed to disclosing these datapoints in the coming years.

Table 47

Material sustainability matters covered in ESRS G1					
Sub-topic	**Sub-sub-topic**	**Materiality (impact/ financial/ double)**	**Categorization of IRO**	**Localization of IRO**	**Time horizon of IRO**
Corporate culture		Double	Positive Impact/ Risk/ Opportunity	Own operations	Short-term / Long-term
Protection of whistle-blowers		Impact	Positive Impact	Own operations	Short-term / Long-term
Management of relation-ships with suppliers including payment practices		Double	Positive Impact/ Risk	Value chain (upstream)	Short-term / Long-term
Corruption and bribery	Prevention and detection including training	Double	Positive Impact/ Risk	Own operations	Short-term / Long-term
	Incidents	Double	Positive Impact/ Risk	Own operations	Short-term / Long-term
Investor relations (*)	Access to capital	Double	Positive and negative Impact / Risk / Opportunity	Own operations and Value chain (upstream)	Short-term / Long-term
	Reputation	Impact	Positive and negative Impact	Own operations and Value chain (upstream)	Short-term / Long-term

(*) entity-specific sub-topic

G1. GOV-1 – The Role of the Administrative, Management and Supervisory Bodies

Aroundtown's business strategy is underpinned by its fundamental commitment to ethical business conduct, strong corporate governance and high levels of transparency. Safeguarding the Group from any reputational damage due to error or misconduct is essential in maintaining its strong reputation. The Group's compliance framework seeks to embed principles of integrity, respect, performance, accountability, and sustainability into all of its business activities. AT ensures its Board of Directors and senior executives hold vast experience and skillsets in relevant business areas, in order to help maintain the Group's high governance standards.

The Board of Directors makes decisions in AT's best interest, independently of any conflict of interest. On a regular basis, the Board evaluates the effective fulfilment of their remit and compliance with corporate governance procedures related to business conduct implemented by the Group.

Aroundtown has established an Advisory Board. The Advisory Board and its members are an important source of guidance when making decisions. The Management Body also serves a role in the day-to-day implementation of Aroundtown's ethical business conduct across all levels of the Group and working with the Board as well as the Audit and Risk committees to identify solutions if issues have been identified. There is a strong collaboration with senior management, especially heads of departments, in relation to communication of and adherence with the Group's compliance framework.

The Board of Directors has established an Audit Committee in order to maintain high corporate governance and transparency standards as well as to provide guidance to the Board in fulfilling the Board's responsibilities to the Group and its shareholders regarding the integrity of the accounting and financial process, internal control and risk management. In addition, and with the same objective, the Board has also established a Risk Committee to monitor the effectiveness and adequacy of the internal control system and risk management system.

Overall, outstanding leadership is crucial in this regard. Our directors and managers are expected to be examples of our core values of mutual respect and clear communication. This standard of behavior usually shows positive effects on our commercial success, as well as on staff performance. We maintain a horizontal organizational structure, with a widespread culture of transparent and regular feedback between employees and managers. Furthermore, our Employee Code of Conduct establishes expectations for all staff to abide by the values of openness,

trust, teamwork, and acceptance of diversity in all their dealings with one another and with our tenants and other stakeholders. Adherence to the Code of Conduct for Employees is a mandatory requirement of all employee contracts.

As mentioned above, Aroundtown ensures that its Board of Directors and senior executives hold vast experience and skillsets in relevant business areas, in order to help maintain the Group's high governance standards. In 2024, AT provided two trainings on Information Security and Capital Markets (in particular, the EU Market Abuse Regulation) to its members of the Board of Directors. We provide a detailed overview of the expertise of the members of the Management Body and also the Board of Directors in section ESRS 2 GOV-1 of this report.

G1-1– Business Conduct Policies and Corporate Culture

Corporate Culture on Ethical Business Conduct

Aroundtown's corporate culture is guided by strong governance, ethical business practices, and transparency. The Board of Directors and Management Body regularly discuss corporate culture, focusing on compliance, integrity, and stakeholder accountability. Key themes, including anti-corruption, and ethical conduct, are embedded in the Group's policies and reinforced through mandatory training.

Through campaigns such as the Awareness Days in 2024, where the Information Security, Compliance, and Sustainability and HR departments organized a data security-themed escape room, compliance and ESG quizzes and other activities to raise awareness with the Group's employees on these important topics, AT fosters a corporate culture of active engagement, including on Compliance.

Aroundtown evaluates employees' opinions on corporate culture as part of its employee satisfaction surveys, as well as through direct communication channels between the Compliance Department and others and employees.

Reporting Mechanisms for Unlawful Behavior

Aroundtown has established structured mechanisms for identifying, reporting, and investigating concerns related to unlawful behaviour or violations of its Code of Conduct. The Group's whistleblowing system includes a confidential and anonymous reporting channel managed by an external service provider which is accessible to both internal and external stakeholders, including employees, business partners, and tenants.

Concerns regarding potential violations of its Codes of Conduct, whether for employees or business partner, may be reported through various channels as specified in the Whistleblowing Policy. This includes the previously mentioned dedicated digital platforms and indirect communication with the Compliance department through various channels. Reports made via the whistleblowing system are reviewed and investigated by the Compliance Department, which operates independently to ensure objectivity and adherence to established protocols. Investigations follow an Investigation Policy, with potential outcomes including disciplinary measures, contract terminations, or legal action where necessary. To promote awareness and accessibility, AT integrates information about its whistleblowing system into onboarding programs and annual compliance refresher trainings, ensuring that all stakeholders are informed about reporting mechanisms and protection from retaliation.

Aroundtown's Compliance Framework

Aroundtown recognizes that strong governance and corporate integrity are essential for mitigating risks related to corruption and bribery while strengthening investor confidence. To manage its material impacts, risks, and opportunities, The Group has established a comprehensive framework of business conduct policies that promote compliance, ethical business conduct and accountability. AT's governance policies are designed to mitigate risks, enhance transparency, and uphold ethical standards across the operations and value chain. These are:

Table 48

Policy Name	Description
Business Partners Code of Conduct	The BPCoC sets ethical standards for AT's business partners, emphasizing adherence to legal, social, and environmental standards. It prohibits corruption, bribery, child labor, and forced labor, and ensures compliance with data protection and fair competition laws.
Employee Code of Conduct	Establishes expectations for all staff to abide by the values of openness, trust, teamwork, and acceptance of diversity in all their dealings with one another and with our tenants and other stakeholders. It addresses discrimination, insider trading, and misconduct while mandating training to ensure compliance with EU regulations and internal standards.
Whistleblowing Policy	Provides mechanisms for confidential reporting of misconduct, ensuring protection from retaliation. The whistleblowing system includes a channel provided by the leading BKMS digital system, which allows internal and external parties to report legal and ethical misconduct. All reports are handled confidentially by the compliance team under strict protocols.
Anti-Corruption Policy	Outlines measures to prevent, detect, and address corruption and bribery. The policy includes mandatory training for employees and suppliers, clear reporting mechanisms, and disciplinary measures for violations. It aligns with the UN Convention against Corruption.
Data Protection Policy	Ensures compliance with GDPR and other data privacy laws, emphasizing safeguarding tenant, employee, and business data. It mandates secure data handling, staff training, and effective IT systems to prevent breaches and unauthorized access.
Human Rights Policy	Commits to upholding international human rights standards across the Group's operations and supply chain. It includes measures to prevent human rights violations, assess supply chain risks, and enforce corrective actions to address identified issues.
Anti-Discrimination Policy	Prohibits all forms of discrimination while promoting equal treatment and diversity. It supports inclusive practices, such as mentoring programs and flexible work arrangements, and aligns closely with the Diversity Policy.
Diversity Policy	Promotes an inclusive workplace by implementing cultural diversity programs and career development initiatives. It ensures fair representation and supports marginalized and underrepresented groups within the workforce.
Procurement Policy	Provides clear guidance in the procurement process, ensuring suppliers meet legal, environmental, and social responsibilities. In line with the Code of Conduct for Business Partners, it emphasizes transparency, fair competition, sustainability, and risk management, fostering long-term, responsible partnerships.
Occupational Health and Safety Policy	Ensures a safe working environment by identifying and managing risks, providing staff training, and adhering to safety regulations. Procurement decisions must be free from conflicts of interest and based on objective criteria like price, quality, and expertise. Employees are encouraged to report safety concerns through clear channels.
Investigation Policy	Describes clear steps of the investigation process should any issue of concern be reported, incl. cooperation with external authorities and the assurance of the protection of the whistleblower.

Supporting these policies is also the Global Information Security Policy. Aroundtown is also a signatory of the *Charta der Vielfalt* (German Diversity Charter). For more information on our anti-discrimination efforts, please refer to the section ESRS S1 "Own workforce". Another crucial subject in our compliance program is the management of ethical standards in our supply chain as described in the section ESRS S2 "Workers in the Value Chain".

Policy Scope and Applicability

The scope of Aroundtown's business conduct and corporate culture policies extends across all levels of operations, ensuring compliance for employees, suppliers, business partners, and contractors.

- Employee Code of Conduct, Diversity Policy, Anti-Discrimination Policy, Anti-Corruption Policy, Whistleblowing Policy, Procurement Policy, and Human Rights Policy apply to all employees, executives, and board members.
- Business Partner Code of Conduct, Procurement Policy, and Human Rights Policy cover suppliers, contractors, and external business partners, setting clear expectations towards them.
- Data Protection Policy and Occupational Health & Safety Policy ensure compliance with GDPR, workplace safety laws, and industry best practices and apply to all employees.

Governance and Oversight

The Board of Directors is responsible for ultimate oversight, ensuring that business conduct policies align with Aroundtown's corporate values, regulatory obligations, and long-term strategic goals. The internal controls and compliance of the Group are supervised by the Risk and Audit committees and are supported by the Management Body and the Chief Compliance Officer as well as other heads of departments, who work on the implementation and enforcement of anti-corruption, whistleblowing, and governance policies.

Alignment with Global Standards

Aroundtown strives to ensure that its policies align with globally recognized anti-corruption, business ethics, and human rights standards, ensuring best-in-class compliance and risk management.

Key frameworks and initiatives include:

- United Nations Convention Against Corruption ("UNCAC") – Governing anti-bribery, fraud prevention, and corporate integrity measures.

- General Data Protection Regulation ("GDPR") – Ensuring data privacy, security, and regulatory compliance.
- OECD Guidelines for Multinational Enterprises – Defining ethical corporate governance and responsible business conduct.
- International Labor Organization ("ILO") Core Conventions – Establishing protections against child labor, forced labor, and workplace discrimination.
- UN Global Compact Principles – Reinforcing corporate commitments to anti-corruption, labor rights, and sustainability.

Safeguards for Whistleblowers

Aroundtown takes its legal obligations regarding the protection of whistleblowers and its duty of care as an employer very seriously. The Group views every whistleblower as a valuable source of information regarding possible internal legal violations. The Whistleblowing Policy clearly states that "an employee who exposes a whistleblower or otherwise retaliates against the whistleblower for their reports […] may face sanctions under employment law." Therefore, no whistleblower should fear retaliation or similar for the conduct that they reported.

The Whistleblowing Policy provides a secure and confidential platform for employees, tenants, and partners to make reports. Among the possible reporting channels listed in the Whistleblowing Policy, one channel, the whistleblowing system is operated by an external service which ensures, enabling full anonymity, and therefore protection from possible retaliation. The Group's intranet and publicly available website feature a dedicated page on our breach reporting and whistleblowing process, providing direct access to one channel of the Group's whistleblowing system. This ensures that employees and external stakeholders are informed and can easily access the platform. Additionally, training on the whistleblowing system is included in our Welcome Days program for new employees.

All reports are managed through a structured process overseen by the Compliance Department, ensuring thorough investigation and resolution. In 2024, the whistleblowing system was enhanced with multilingual support and anonymous online reporting, reflecting feedback from employee and stakeholder surveys.

Reports submitted through the online platform of the whistleblowing system or other channels (such as phone calls or emails to the Compliance or HR departments) are tracked and investigated by the Group's Compliance Department. The internal investigation procedure for handling potential violations is outlined in our Investigation Policy. If a claim is confirmed, the accused employee or business partner may receive a warning, be fined, or be banned from further business with the Group. AT may also decide to consult with authorities if necessary.

Strengthening our Governance Practices

The Group uses an online learning platform to provide training on a wide range of topics related to business conduct. In line with the Group's corporate culture of acting responsibly and in accordance with ethical values and standards outlined in AT's corporate policies, regular training ensures continuous awareness of the importance of this topic. The intranet platform provides links to our e-learning platform, offering training on anti-corruption, anti-bribery and anti-money laundering, human rights and non-discrimination, as well as data protection topics. This continual training and communication ensure that our standards are consistently reinforced. Compliance trainings through the e-learning platform are included in our Welcome Days for new employees, along with training on the use of the whistleblowing platform. Furthermore, employees are required to complete annual refresher trainings on these policies, to reaffirm their commitment to maintaining these standards.

Typically, in a real estate business such as AT's, functions that are most at risk of corruption and bribery are those relating to business development, construction and transactions. Due to these functions' contact with authorities, developers and construction companies, as well as large land and real estate owners and brokers, could be subject to higher corruption and bribery risk. At Aroundtown, all of these functions – as do all other functions – receive training on the subject matters and abide to the same policies and standards.

G1-2 – Management of Relationships with Suppliers

To uphold our commitment to responsible business practices and mitigate risks associated with our supply chain, AT implements a structured approach to supplier oversight and due diligence.

Business Partner Code of Conduct and Human Rights Due Diligence

Firstly, our BPCoC is mandatory for all business partners with contracts above €5,000, except for large corporations, which have their own codes of conduct – provided that they are in line with the Group's standards - or those business partners operating in heavily regulated sectors. The BPCoC includes AT's expectation of its suppliers to observe all applicable environmental, health and safety regulations in their operations, as well as adherence to international human rights law and frameworks.

Secondly, with a view of potential human rights violations in the supply chain, Aroundtown conducts a human rights due diligence procedure on high-risk suppliers. Taking into account adverse impacts on human rights in the Group's materiality

assessments and risk management, we consider such risks associated with our suppliers according to their economic sector and countries of operation. The Group has identified and addressed potential risks, particularly in the areas of construction and refurbishment/maintenance, through a number of measures and processes. For instance, suppliers are categorized as low, medium, or high-risk based on their contract volume with AT, the region of business operation, and other relevant criteria. Depending on the business partner's risk level, an adequate due diligence process is conducted using different sources of information. In addition to desk-based due diligence checks, our construction and operations managers are fulfilling their legal monitoring obligations during the execution of the project according to the national law of the project location. For further information on the Group's Human Rights Due Diligence Process, please refer to section S2-1.

Finally, as mentioned in G1-1, Aroundtown has put in place obligatory compliance training for all its employees, including those working in procurement, as well as operations and construction departments which have most contact with our business partners and suppliers. In general, the procurement policy guides in the selection of suppliers also regarding sustainability criteria and construction contract templates which include environmental data requirements, such as meeting recycling rates and waste management data delivery, ensure that business partners take responsibility on social and environmental matters. In general, AT works with small and medium-sized, locally operating business partners for construction and maintenance projects, as well as larger, nationally, and internationally operating suppliers, including facility management companies.

Consideration of Social and Environmental Criteria in Supplier Selection

AT incorporates social and environmental criteria in selecting supply-side partners through:

1. **Adherence with Group's Business Partner Code of Conduct:** Signing the Business Partner Code of Conduct is mandatory for partners with contracts above €5,000. Our BPCoC includes our expectation of our suppliers to observe all applicable environmental, health and safety regulations in their operations, as well as adherence to international human rights law, fair labor standards, and non-discrimination.
2. **Due Diligence Screening:** Compliance with the Business Partner Code of Conduct is reviewed through our Human Rights Due Diligence process, as well as spot checks, in particular regarding health and safety on our construction sites by Construction and Operations departments. If issues are identified during the process relating to human rights or other social matters, or environmental topics, Aroundtown very carefully evaluates its business relationship with this concerned partner and may consider a termination of the relationship or contract. Further information is provided in section S2-1.
3. **Evaluation Methods:** AT project managers oversee construction projects, engage directly with contractors, and conduct site visits to assess compliance with environmental and health and safety standards. A Business Partner Questionnaire is used to verify adherence to the Group's standards.
4. **Environmental data delivery:** With our construction contract templates, Aroundtown requests suppliers to collaborate on collection for environmental data, in particular on the delivery of recycling data during construction projects, a confirmation of non-usage of prohibited chemical substances to prevent pollution and to provide documentation on efficient water appliances installed. With these contractual provisions, AT encourages supplier transparency and environmental action.

G1-3 – Prevention and Detection of Corruption and Bribery

The Group's Anti-Corruption Policy, which is aligned with the United Nations Convention Against Corruption, outlines the procedures and processes in place to prevent, detect and address allegations or incidents of corruption or bribery. It provides specific guidelines of conduct for handling donations in the private sector, including hospitality, events and gifts; charitable contributions; political engagement; dealing with public officials; dealing with "facilitation payments", as well as the extension of the Group's principles and behavioral standards to third parties. The policy, along with our Business Partner and Employee Codes of Conduct, is reviewed and acknowledged by signature by every new employee and is accessible to all employees on the Group's Compliance site of the intranet. Employees are further sensitized to the topic during the Group's Welcome Day, which includes a presentation on several compliance topics. Employees are also required to complete an online compliance training the Group's e-learning platform, including on corruption, bribery and anti-money laundering, and to refresh these annually. Through these trainings we ensure that our employees identify relevant cases and understand their responsibilities in preventing and reporting incidents of corruption or bribery.

In addition, AT takes a proactive approach to managing risks and leveraging opportunities within its governance framework. The Group's risk management strategy

includes regular audits, compliance monitoring, and risk assessments conducted by specialized teams. Furthermore, should an incident of corruption or bribery be reported via the Whistleblowing System or directly with the Compliance Department, our Investigation Policy provides guidance regarding the next steps of the investigation process, handling the potential case and its resolution. Depending on the severity of the case, the employee or business partner is warned, fined or banned from doing business with the Group or their employment terminated. AT may also decide to consult with authorities if necessary.

AT informs its suppliers on anti-corruption and its zero-corruption tolerance in the Business Partner Code of Conduct, which all suppliers with contracts of above €5,000 are required to sign. The BPCoC also requires business partners to set up appropriate systems to ensure that corrupt behavior does not occur.

Lastly, as the Group is subject to several obligations under Regulation (EU) No. 596/2014 (Market Abuse Regulation, MAR), as amended, it has established an insider register and a process to ensure that individuals on this list acknowledge their duties and are aware of the sanctions. The Group also provides notifications (including by way of training sessions) in accordance with MAR, to ensure all persons discharging managerial responsibilities understand their obligations regarding managers' transactions.

Compliance Governance Processes

Aroundtown's investigation process is initiated by either a responsible user of the system or a member of the Compliance Department, ensuring an objective and unbiased approach. By involving individuals independent from the chain of management related to the matter, the Group uphold impartiality and transparency throughout the investigation. This structure ensures that all findings are fair and free from any conflicts of interest.

Our Compliance Department is responsible for monitoring and investigating any reported violations of corruption and bribery. The outcomes of these investigations are reported directly to our Co-CEO/COO and CFO and a member of the Board of Directors. This ensures that the Board of Directors and the Management Body are promptly informed of the investigation's results, allowing for effective oversight and appropriate actions.

Compliance and Anti-Corruption Trainings

Besides the training program in the Group's e-learning platform mentioned above, we also operate a compliance site on our Group's intranet, where the above-mentioned compliance policies are available to all employees. This is a major step towards our overarching goal of unifying our internal policies across all our operating regions. Through the intranet platform, we can now also ensure that policies are available in a standard form across the organization, and any updates are immediately rolled out.

Our intranet page and our publicly available website also support the measures that ensure ongoing alignment with our compliance standards. It features a dedicated link for breach reporting on our whistleblowing platform. We recognize that maintaining alignment with our high ethical standards requires a frictionless way for employees to raise their concerns. This is a core principle behind our "Speak Up" approach, which encourages employees and externals to voice any concerns they may have about breaches of the law or contradiction of our Code of Conduct without any fear of repercussions, as dictated by the Whistleblower Protection Act.

To further raise awareness and ensure that compliance issues are considered at the regional level, AT operates a system of compliance ambassadors in its regional offices, to serve as first points of contact for employees on compliance matters, including anti-corruption and anti-bribery. These have currently been embedded in our UK and Cyprus offices, as well as some regional offices in Germany. To enable an open culture around compliance, these ambassadors are not officers of the Compliance Department but are empowered to serve as sources of information and guidance for staff across the organization.

The following table provides an overview of the nature, scope and depth of compliance trainings offered by Aroundtown:

Table 49

Training Program	Target Audience	Content Focus	Frequency	Delivery Method
Mandatory Compliance Training	All employees	Specific training of Antitrust, Anti-Money Laundering, Anti-Corruption, "Speak up" - whistleblowing-system	Annually	e-Learning platform
New Employee Onboarding	All new hires	Introduction to the Group's compliance standards, anti-corruption policies, and reporting channels.	Upon hiring	SharePoint Page, e-Learning & Handbook
Leadership Program	Department Heads & Leadership	Governance, risk mitigation, and enforcement of compliance policies.	During the Program	Seminars/ Workshops
Awareness Campaigns & Refreshers	All employees	Building awareness throughout the Group	Annually	Online and at the Head-quarters

All employees are required to complete AT's anti-corruption and anti-bribery trainings at employment entry and by annual refresher. Our training completion data shows that in 2024, 89.1% of all employees conducted the training, yet it may be that employees left the Group in which case it would show as a missing training. Currently, we do not track training data at the function or department level, however, the Group is reviewing its systems and processes to report this in upcoming years.

In 2024, the Board of Directors and Management Body did not receive specific training on anti-corruption or anti-bribery. However, they have in the past completed a training on Anti-Money Laundering, which is a component of Anti-Corruption. A refresher training on this topic for the Board and the Management Body is intended for 2025.

Key Actions on Corruption and Bribery and Governance

Aroundtown's actions in relation to managing its material impacts, risks and opportunities related to corruption and bribery are the following:

Table 50

Material impacts, risks and opportunities in ESRS G1 (Business conduct)		
Topic	**Sub-topic**	**Key action**
Corruption and bribery	Prevention and detection including training	• Compliance framework with policies in place • HRDD and Whistleblowing System in place for detection and resolution of any issues • Training of employees on compliance and human rights-related topics via the Group's e-learning platform.
	Incidents	Investigation of any reported incidents following the Group's Investigation Policy and subsequent corrective measures including warnings, fines or bans for business partners from doing business with the Group or the termination of employment for employees.
Investor relations	Access to capital	Strong governance and compliance regarding ethical business conduct are of utmost importance for investors, which is why Aroundtown puts great emphasis on both. Whereas issues with either governance or compliance could lead to difficulties in accessing capital, good performance facilitates easier access to capital. As part of ongoing actions, AT ensures its governance and compliance framework is following best practice and international standards. Our annual compliance and risk assessments focus on this.
	Reputation	Creating transparency regarding governance and compliance with anti-corruption and anti-bribery is part of ensuring the Group's good reputation on the topic.

The scope of AT's actions described above extends across all levels of the organization, including employees, management, board members, suppliers, contractors, and other external business partners.

The actions are part of the Group's ongoing operational activities and, therefore, do not have a defined completion date. Implementation is continuous and integrated into AT's broader strategy. The description of activities mentioned above are ongoing efforts by AT to adhere to international governance standards and our compliance framework.

Resource Allocation and Continuous Improvement

Aroundtown does not currently have the specific data available to provide this disclosure. The allocation of financial resources to the action plan is part of the Group's ongoing operational activities, and this information is not tracked at the required level of detail at this stage. The Group continuously reviews and enhances its reporting processes to improve transparency and provide further relevant disclosures where possible.

G1-4 – Incidents of Corruption or Bribery

In 2024, AT was not subject to any convictions or fines for violations of anti-corruption or anti-bribery laws. The Group did not experience any incidents of corruption or bribery, nor was involved in any public legal cases related to these matters. This reflects our ongoing commitment to upholding the highest ethical standards across our operations.

G1-6 – Payment Practices

In general, while Aroundtown does not have a specific policy addressing payment practices or late payments to suppliers, we clearly define the payment terms at the outset of our contracts to ensure alignment with suppliers. We are committed to adhering to these agreed-upon terms.

The data on average number of days to pay invoice from dates when contractual or statutory term of payment start to be calculated is currently not being tracked. Aroundtown is reviewing processes and its payments systems for possibilities to track this information in the future.

Whereas for construction suppliers a payment term of 30 days was determined by Aroundtown, payment terms with other suppliers or authorities are oftentimes determined by the parties themselves. Usually, payment terms with authorities amount to 10 days and with other types of suppliers to 21 days. We are currently working on setting up processes to report this data and aim to have more clarity in 2025. Yet, in 2024, the total number of outstanding legal proceedings for late payments amounted to 10 for Aroundtown, including GCP.

Appendix

ESRS 2 IRO 2: List of data points that derive from other EU legislation and information on their location in sustainability statement:

DR	Paragraph	Name	SFDR	P3	BMR	EUCL	Material (Yes/No)	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	X		X		Yes	55
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			X		Yes	55
ESRS 2 GOV-4	30	Statement on due diligence	X				Yes	59
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	X	X	X		No	
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	X		X		No	
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	X		X		No	
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			X		No	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				X	Yes	78-80
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		X	X		Yes	79
ESRS E1-4	34	GHG emission reduction targets	X	X	X		Yes	95
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	X				Yes	97-101
ESRS E1-5	37	Energy consumption and mix	X				Yes	97-101
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	X				Yes	102
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	X	X	X		Yes	102-105
ESRS E1-6	53-55	Gross GHG emissions intensity	X	X	X		Yes	103-104
ESRS E1-7	56	GHG removals and carbon credits				X	Yes	109
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks paragraph			X		No	
ESRS E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		X			No	
ESRS E1-9	66 (c)	Location of significant assets at material physical risk		X			No	
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency			X		No	
ESRS E2-4	28	Degree of exposure of the portfolio to climate-related opportunities paragraph	X				No	
ESRS E3-1	9	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	X				No	
ESRS E3-1	13	Water and marine resources	X				No	

Appendix

ESRS 2 IRO 2: List of data points that derive from other EU legislation and information on their location in sustainability statement:

DR	Paragraph	Name	SFDR	P3	BMR	EUCL	Material (Yes/No)	Page
ESRS E3-4	14	Dedicated policy	X				No	
ESRS 2 SBM-1	40 (d) ii	Sustainable oceans and seas	X				No	
ESRS E3-4	28 (c)	Total water recycled and reused	X				No	
ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	X				No	
ESRS 2 SBM-3 – E4	16 (a) i	-	X				No	
ESRS 2 SBM-3 – E4	16 (b)	-	X				No	
ESRS 2 SBM-3 – E4	16 (c)	-	X				No	
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	X				No	
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	X				No	
ESRS E4-2	24 (d)	Policies to address deforestation paragraph	X				No	
ESRS E5-5	37 (d)	Non-recycled waste	X				No	
ESRS E5-5	39	Hazardous waste and radioactive waste	X				No	
ESRS 2-SBM3 – S1	14 (f)	Risk of incidents of forced labour	X				No	
ESRS 2-SBM3 – S1	14 (g)	Risk of incidents of child labour	X				No	
ESRS S1-1	20	Human rights policy commitments	X				Yes	116-117
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			X		Yes	116-117
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	X				No	
ESRS S1-1	23	Workplace accident prevention policy or management system	X				Yes	116-117
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	X				Yes	118-119
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	X		X		Yes	125
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	X				Yes	125-126
ESRS S1-16	97 (a)	Unadjusted gender pay gap	X		X		Yes	126
ESRS S1-16	97 (b)	Excessive CEO pay ratio	X				No	

Appendix

ESRS 2 IRO 2: List of data points that derive from other EU legislation and information on their location in sustainability statement:

DR	Paragraph	Name	SFDR	P3	BMR	EUCL	Material (Yes/No)	Page
ESRS S1-17	103 (a)	Incidents of discrimination	X				Yes	127
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		Yes	127
ESRS 2-SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	X				No	
ESRS S2-1	17	Human rights policy commitments	X		X		Yes	130-131
ESRS S2-1	18	Policies related to value chain workers	X		X		Yes	130-131
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X		X		Yes	131
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			X		Yes	131-132
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	X				No	
ESRS S3-1	16	Human rights policy commitments	X				No	
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	X		X		No	
ESRS S3-4	36	Human rights issues and incidents	X				No	
ESRS S4-1	16	Policies related to consumers and end-users	X				Yes	137-138
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	X				Yes	137-138
ESRS S4-4	35	Human rights issues and incidents	X				Yes	139-140
ESRS G1-1	10 (b)	United Nations Convention against Corruption	X				Yes	148
ESRS G1-1	10 (d)	Protection of whistleblowers	X				Yes	149
ESRS G1-4	24 (a)	Fines for violation of anti- corruption and anti-bribery laws	X		X		Yes	152
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	X				Yes	152

Legislation	
SFDR	Sustainable Finance Disclosure Regulation
P3	EBA Pillar 3 disclosure requirements
BMR	EU Benchmark Regulation
EUCL	EU Climate Law

To the Board of Directors of
Aroundtown S.A.
37, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

INDEPENDENT LIMITED ASSURANCE REPORT

Limited Assurance Conclusion

We conducted a limited assurance engagement on the Consolidated Sustainability Statement of Aroundtown S.A. ("the Company") included in section "Consolidated Sustainability Statement" of the Board of Directors' Report, including the information incorporated in the sustainability statement by reference (the "Consolidated Sustainability Statement") as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with:

- the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Company to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in section 'IRO-1';
- the disclosures in section 'EU Taxonomy Disclosures' of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation"), altogether the "Criteria".

Basis for Limited Assurance Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised) ("ISAE 3000"), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, established by the International Auditing and Assurance Standards Board ("IAASB") as adopted for Luxembourg by the Institut des Réviseurs d'Entreprises ("IRE").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Responsibilities of réviseur d'entreprises agréé's section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements as adopted for Luxembourg by the

CSSF and accordingly maintains a comprehensive system of quality control including the design, implementation and operate a system of quality management, of audits or reviews of financial statements, or other assurance and related services engagements.

Emphasis of Matter

We draw attention to section 'General Information - ESRS 2 General Disclosures' of the Consolidated Sustainability Statement. This disclosure sets out that the Consolidated Sustainability Statement has been prepared in a context of new sustainability reporting standards requiring entity-specific and temporary interpretations and addressing inherent measurement or evaluation uncertainties. Additionally, the Table 1 and Table 2 in section 'BP-2' of the Consolidated Sustainability Statement identifies the metrics that are subject to measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the Company has made in measuring these in compliance with ESRS. The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

The section 'General Information ESRS 2 General Disclosures', explains the ongoing due diligence ('GOV 4') and double materiality assessment process ('IRO-1'), including robust engagement with affected stakeholders. Due diligence is an on-going practice that responds to and may trigger changes in the Company's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. The double materiality assessment process may also be impacted in time by sector-specific standards to be adopted. The Consolidated Sustainability Statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder (group) may consider important in its own particular assessment.

Our conclusion is not modified in respect of this emphasis of matter.

Other Matter - Corresponding information not subject to assurance procedures

No reasonable or limited assurance procedures have been performed on the Consolidated Sustainability Statement of prior year. Consequently, the corresponding sustainability information and thereto related disclosures for the year ended 31 December 2023 have not been subject to reasonable or limited assurance procedures.

The sustainability information and thereto related disclosures related to 2019 and included in section 'E1-4 – Targets related to climate change mitigation and adaptation' have not been subject to reasonable or limited assurance procedures.

Our conclusion is not modified in respect to this other matter.

Responsibilities of the Board of Directors for the Consolidated Sustainability Statement

The Board of Directors of the Company is responsible for:

- the preparation of the sustainability information in the Consolidated Sustainability Statement in accordance with the Criteria.
- Designing, implementing and maintaining such internal control that determines is necessary to enable the preparation of the sustainability information in the Consolidated Sustainability Statement, in accordance with the Criteria, that is free from material misstatement, whether due to fraud or error.

This responsibility includes:

- developing and implementing a process to identify the information reported in the Consolidated Sustainability Statement in accordance with ESRS and for disclosing this process in section 'IRO-1' of the Consolidated Sustainability Statement.
- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, Company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

The Board of Directors of the Company is further responsible for the preparation of the Consolidated Sustainability Statement, which includes the information identified by the Process, in accordance with the Criteria.

Those charged with governance are responsible for overseeing the Consolidated Sustainability Statement.

Those charged with governance are responsible for overseeing the Consolidated Sustainability Statement.

Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting forward looking information in accordance with ESRS, the of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, the Board of Directors of the Company interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

The references to external sources or websites in the sustainability information are not part of the sustainability information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Responsibilities of the réviseur d’entreprises agréé

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000, we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Statement, in relation to the Process, include:

- Performing procedures, including obtaining an understanding of internal control relevant to the engagement, to identify risks that the process to identify the information reported in the Consolidated Sustainability Statement does not address the applicable requirements of ESRS, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process to identify the information reported in the Consolidated Sustainability Statement is consistent with the Company’s description of its Process as disclosed in section ‘IRO-1’.

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company’s internal control;
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Consolidated Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. The procedures performed in a limited assurance engagement vary in nature and form, 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 nature, timing and extent of procedures selected depend on professional judgement, identification of disclosures where material misstatements are likely to arise in the Consolidated Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect of the Process, we among others:

- obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management and reviewing the Company’s internal documentation of its Process; and

- evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in section 'IRO-1' .

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we among others:

- obtained an understanding of the Company's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by inquiring and inspecting with relevant staff responsible for the Process to gain an understanding of the Company's approach to identifying material and non-material sustainability matters and corresponding reporting boundaries relevant to the preparation of the Consolidated Sustainability Statement:
- evaluated whether all material information identified by the Process is included in the Consolidated Sustainability Statement;
- evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the Criteria;
- evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- obtained and read the Company's policies and processes to address sustainability matters and reporting, including the related IT systems;
- observed the performance of the policies and processes by the relevant staff responsible;
- inquired and inspected the processes for determining the sustainability statement content and related controls implemented;
- interviewed relevant staff responsible for providing and preparing the sustainability statement, inquiring and inspecting the related controls implemented and methodologies used, including the IT systems;
- performed analytical and substantive procedures based on a limited sample basis on selected disclosures in the Consolidated Sustainability Statements;
- reconciled selected disclosures in the Consolidated Sustainability Statement with the corresponding disclosures in the financial statements and Board of Directors' report;
- obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement.

Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the Consolidated Annual report but does not include the Consolidated Sustainability Statement and our assurance report thereon.

Our conclusion on the Consolidated Sustainability Statement does not cover the other information and we do not express any form of assurance conclusion thereon.

Luxembourg, 26 March 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Muhammad Azeem

Management Discussion and Analysis

Berlin

Notes on Business Performance

Selected consolidated income statements data	Year ended December 31,	
	2024	2023
	in € millions	
Revenue	1,542.3	1,602.8
Net rental income	**1,180.9**	**1,192.8**
Property revaluations and capital gains / (losses)	(125.4)	(3,217.5)
Share of results from investment in equity accounted investees	(42.5)	(149.8)
Property operating expenses	(550.2)	(638.4)
Administrative and other expenses	(65.7)	(64.7)
Operating profit / (loss)	758.5	(2,467.6)
Adjusted EBITDA [1)]	**1,014.4**	**1,002.9**
Finance expenses	(235.2)	(230.1)
Current tax expenses	(124.5)	(120.4)
FFO I [2)]	**315.5**	**332.0**
FFO I per share (in €) [2)]	**0.29**	**0.30**
FFO II [2)]	**393.1**	**449.1**
Impairment of goodwill	(46.0)	(137.0)
Other financial results	(31.0)	(14.4)
Deferred tax (expense) / income	(12.5)	543.1
Profit / (loss) for the year	**309.3**	**(2,426.4)**

1) including AT's share in the adjusted EBITDA of companies in which AT has significant influence, excluding the contributions from commercial assets held for sale. For more details regarding the methodology, please see the Alternative Performance Measures section of this report
2) including AT's share in the FFO I of companies in which AT has significant influence, excluding FFO I relating to minorities and contributions from commercial assets held for sale. For more details regarding the methodology, please see the Alternative Performance Measures section of this report

REVENUE

	Year ended December 31,	
	2024	2023
	in € millions	
Recurring long-term net rental income	**1,171.5**	**1,179.7**
Net rental income related to properties marked for disposal	9.4	13.1
Net rental income	**1,180.9**	**1,192.8**
Operating and other income	361.4	410.0
Revenue	**1,542.3**	**1,602.8**

AT generated total revenue of €1,542 million in 2024, lower compared to €1,603 million in 2023, primarily due to lower operating and other income, and the impact from net disposals, partially offset by operational growth.

AT generated net rental income of €1,181 million in 2024 ("FY 2024"), 1% lower compared to €1,193 million recorded in 2023 ("FY 2023"). The small decline in net rental income was mainly driven by the impact from net disposals, which was mostly offset by robust operational growth reflected by 2.9% like-for-like rental growth. Since the start of 2023, AT has disposed ca. €2 billion of properties thereby strengthening the liquidity position but impacting total net rental income.

Like-for-like rental growth in the commercial portfolio was 2.1%, of which 2.2% derived from in-place rent growth and -0.1% from occupancy like-for-like. The in-place rental growth was generated from indexation, step-up rent increases, reversion on reletting, hotel repositioning and re-openings of closed hotels. The slight reduction in occupancy mainly derived from the office occupancy, which was impacted by the macro-economic environment in 2024, which negatively impacted tenant demand. The residential portfolio recorded like-for-like rental growth of 4.4%, driven by strong in-place rent growth. The residential portfolio continues to benefit from the significant supply and demand imbalance in portfolio locations and as a result vacancy levels remain at a low level.

AT further breaks down its net rental income into the recurring long-term net rental income and net rental income generated by properties marked for disposal. As AT intends to dispose the held-for-sale properties, AT views their contribution as non-recurring and therefore presents their contributions in a separate line item. In 2024, the net rental income related to properties marked for disposal was €9.4 million compared to €13.1 million in 2023. The lower contribution in 2024 was mainly due to lower disposals volume and the composition of the properties in the asset held for sale. Recurring net rental income totaled €1,172 million in 2024, compared to €1,180 million in 2023. Recurring net rental income also includes immaterial rental income from properties classified as development rights & invest which is excluded from the run rate.

Operating and other income totaled €361 million in 2024, decreasing by 12% compared to €410 million in 2023, and is the main reason for the decrease in revenue. Operating income is mainly linked to ancillary expenses that are reimbursed by tenants such as utility costs (heating, energy, water, insurance, etc.) and charges for services provided to tenants (cleaning, security, etc.). The reduction recorded was primarily due to the lower cost of utilities, mainly heating and electricity, compared to 2023 and the impact from net disposals. Accordingly, this reduction in the cost of utilities is also reflected in the lower recoverable property operating expenses. Other income also includes income from vendor loans and loans-to-own investments in the amount of ca. €45 million.

PROPERTY REVALUATIONS AND CAPITAL GAINS / (LOSSES)

	Year ended December 31,	
	2024	2023
	in € millions	
Property revaluations	(127.2)	(3,174.8)
Capital gains / (losses)	1.8	(42.7)
Property revaluations and capital gains / (losses)	**(125.4)**	**(3,217.5)**

Property revaluations and capital gains / (losses) amounted to a loss of €125 million in 2024, significantly lower compared to the loss of €3,218 million in 2023. The full portfolio was revalued as part of the 2024 annual report by external independent and certified appraisers. In total, AT recorded a small devaluation amounting to €127 million and reflecting a like-for-like value decline of 0.5% in 2024, compared to €3,175 million and a like-for-like value decline of 11% in 2023. The property value recovery started in the second half of 2024, driven by operational growth and reflected by the 2.9% like-for-like rental growth. AT recorded like-for-like value increase of 1.9% for H2 2024, compared to a decrease of 2.4% in H1 2024. Residential and hotel assets led the valuation recovery, which was driven by stronger operational growth compared to the other asset classes.

As of December 2024, the portfolio had an average value of €2,521 per sqm and net rental yield of 5.1%, compared to €2,421 per sqm and 5.0% respectively as of December 2023. Additional information on valuations parameters can be found in note 13 of the audited consolidated financial statements.

Capital gains or losses represent disposal values compared to their book values. In 2024, AT closed approx. €740 million of disposals at a slight premium of €1.8 million to book values and resulting in a minor capital gain. AT successfully completed disposals across all asset types, including 77% in offices, residential and hotels, 13% in development & invest properties, and 10% in retail and logistics/other. These disposals consisted of 45% in non-core locations, 18% in London, 10% in Berlin, 10% in Brussels and Paris, 3% in NRW and 14% in other locations.

SHARE OF RESULTS FROM INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

	Year ended December 31,	
	2024	2023
	in € millions	
Share of results from investment in equity accounted investees	**(42.5)**	**(149.8)**

The share of results from investment in equity-accounted investees amounted to a loss of €43 million in 2024, lower compared to a loss of €150 million in 2023. This loss was mainly driven by valuation losses in investees' assets and slowed significantly over the prior year. This line item represents AT's share of profits from investments which are not consolidated in AT's financial statements, but over which AT has a significant influence. As of December 2024, the largest equity-accounted investee was the investment in Globalworth Real Estate Investments Limited ("Globalworth" or "GWI") which is a leading publicly listed office landlord in Central and Eastern European markets, mainly focused on Warsaw and Bucharest. The equity-accounted investee balance also includes stakes in assets where AT does not have control, including several real estate properties and investment in real estate related funds specialized among others in proptech, digitalization and technology in the real estate sector, as well as yielding real estate loan funds and additional investments in co-working and renewable energy projects. AT's share in the operational profits and dividends from these investments are included in the operational results of the Company.

The operational contribution of investees increased with an adjusted EBITDA and FFO I contribution of €68 million and €58 million in 2024, compared to €57 million and €47 million in 2023, respectively.

PROPERTY OPERATING EXPENSES

	Year ended December 31,	
	2024	2023
	in € millions	
Ancillary expenses and purchased services	(348.3)	(409.8)
Maintenance and refurbishment	(55.0)	(49.3)
Personnel expenses	(63.0)	(62.7)
Depreciation and amortization	(20.2)	(17.9)
Other operating costs (*)	(63.7)	(98.7)
Property operating expenses	**(550.2)**	**(638.4)**

(*) of which Extraordinary expenses for uncollected hotel rents amounts to €33 million in 2023 and null in 2024

Property operating expenses totaled €550 million in 2024, decreasing by 14% compared to €638 million in 2023. The reduction in property operating expenses was mainly due to lower utility costs throughout the year mirroring the decline in the operating income, no extraordinary expenses for uncollected hotel rents, and the impact from the smaller portfolio size as a result of net disposals. The largest component of property operating expenses are ancillary expenses and purchased services which are mainly recoverable from tenants and include utility costs (heating, energy, water, insurance, etc.), charges for services provided to tenants (cleaning, security, etc.) and other services contracted in relation to the operations of properties. In 2024, operating personnel expenses totaled €63 million, flat compared to €63 million in 2023 as increased efficiencies and the impact of a smaller portfolio were offset by wage growth. Other operating costs include various expenses such as marketing, letting and legal fees, transportation, travel, communications, insurance, IT and VAT. Other operating costs decreased mainly as no extraordinary provisions for uncollected hotel rents were recorded in 2024 as a result of the full post-pandemic recovery of the hotel portfolio, as well as the impact from the smaller portfolio.

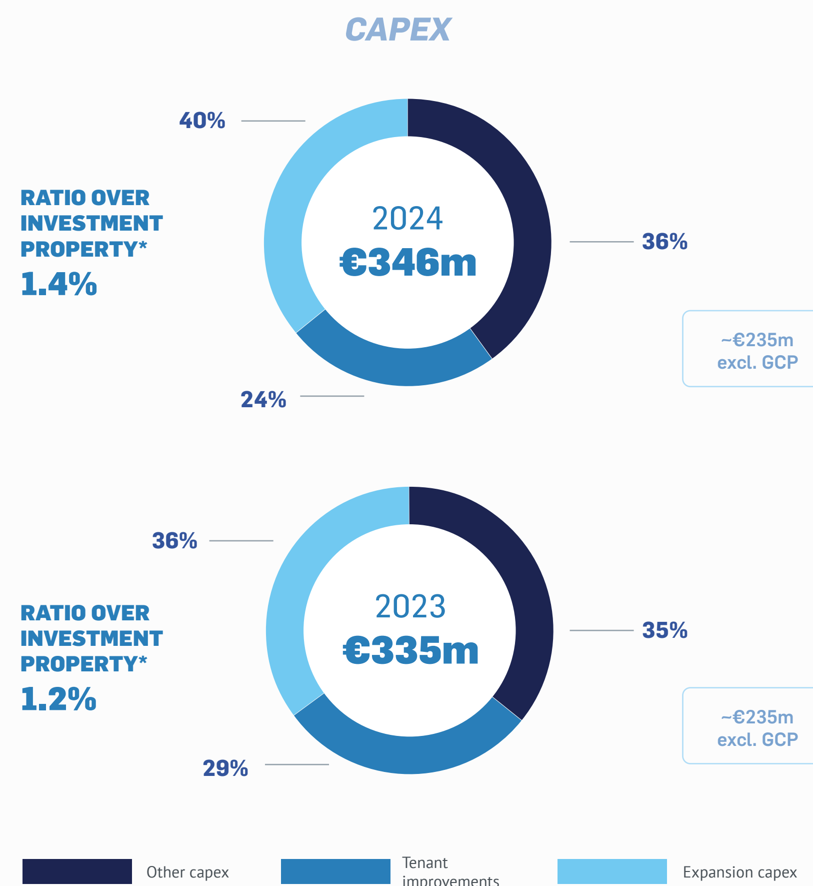
Frankfurt

MAINTENANCE AND CAPEX

Maintenance and refurbishment expenses amounted to €55 million in 2024, increasing by 12% compared to €49 million in 2024. The increase was mainly due to higher input costs for materials and labor, partially offset by the smaller portfolio size due to the impact from disposals. The maintenance expenses ratio over the average investment property value (including the properties held for sale) was 0.22% in 2024, compared to 0.18% in 2023.

AT constantly evaluates its portfolio to determine capex requirements thereby ensuring the sustained high quality of its assets. This approach enhances the portfolio's appeal, supports the leasing process, and addresses the needs of both current and potential tenants. AT invested €346 million in total capex in 2024, reflecting a ratio of 1.4% over average investment property value (including properties held for sale), slightly higher compared to €335 million and 1.2% in 2023, respectively. In line with the capex strategy in 2023, AT carried out projects in a selective manner in 2024, targeting projects with the highest returns.

AT divides its capex into three different main categories, which are composed of Expansion capex, Tenant improvements and Other capex. Expansion capex is made up of projects that are targeted at creating additional income drivers or significant value creation potential which result in additional lettable space or significant enhancement of the existing space. These selective projects are mostly major refurbishments but also conversions and new-builds and they are mainly done at low risk with high pre-let ratios. Expansion capex additionally includes GCP's pre-letting modification and modernization capex. In 2024, Expansion capex projects totaled €138 million and represented 40% of total capex, compared to €122 million and representing 36% of total capex in 2023, higher in both absolute and percentage terms as larger projects were undertaken mainly in relation to the extensive repositioning efforts of several hotels. Tenant improvements include capex for fit-out works that are targeted at retaining existing tenants and/or attracting new tenants, increasing the quality of the asset and the tenant structure. In 2024, Tenant improvement projects totaled €84 million and representing 24% of total capex, compared to €96 million and representing 29% of total capex in 2023, lower as smaller amount of these projects were undertaken. Other capex includes ongoing capital expenditures that are targeted at sustaining the high quality of assets as well as improving sustainability standards to reduce energy consumption, CO_2 emissions, and the associated CO_2 tax, benefitting both AT and its tenants. These projects include green installations such as solar panels, combined heat and power engines and electric vehicle charging stations as well as green refurbishments such as roof, insulation and lighting replacements. Other capex also includes GCP's repositioning capex which amounted to €83 million in 2024, or 67% of the total other capex. In 2024, Other capex projects totaled €124 million and representing 36% of total capex, compared to €117 million and representing 35% of total capex in 2023, higher due to an increase in the GCP repositioning capex as well slightly higher spending on AT projects.



* including properties held for sale. Portfolio value is average of the beginning and end of the period

ADMINISTRATIVE AND OTHER EXPENSES

	Year ended December 31,	
	2024	2023
	in € millions	
Personnel expenses	(31.0)	(30.9)
Legal and professional fees	(13.8)	(13.4)
Audit and accounting expenses	(7.6)	(7.1)
Marketing and other administrative expenses	(13.3)	(13.3)
Administrative and other expenses	**(65.7)**	**(64.7)**

Administrative and other expenses totaled €66 million in 2024, broadly stable compared to €65 million in 2023, as cost inflation has mostly stabilized in 2024. Administrative personnel expenses represent the largest component and totaled €31 million in 2024, stable compared to €31 million in 2023. Administrative and other expenses also include expenses such as fees for legal, professional, consultancy, accounting and audit services, as well as sales, marketing, IT and other administrative expenses.

FINANCE EXPENSES

	Year ended December 31,	
	2024	2023
	in € millions	
Finance expenses	**(235.2)**	**(230.1)**

AT recorded finance expenses totaling €235 million in 2024, increasing by 2% compared to €230 million in 2023. Finance expenses are primarily made up of net interest expenses on bonds and bank debt. Finance expenses increased mainly due to new debt for refinancing purposes having been raised above the current average cost of debt as a result of the higher interest rate environment, as well as the expiry of certain hedging instruments since the beginning of 2023 which caused some debt to become variable at higher rates, and higher rates within the capped portion of the debt. These impacts were partially offset by higher interest income earned on AT's large liquidity balance, the new hedging measures taken to hedge and fix variable and capped debt at lower fixed rates, the buyback of bonds at a slight discount and debt redemptions. In 2024, AT made debt repayments of bonds and bank debt in the amount of approx. €1.3 billion. These repayments included approx. €740 million of bond buybacks made at a discount as well as scheduled and early bond redemptions in the amount of ca. €445 million. AT repaid/deconsolidated bank debt in the amount of approx. €120 million, mainly associated with early repayments tied to disposals. On the other hand, AT raised approx. €1.5 billion in new debt in 2024, consisting of the newly issued €1.15 billion of new senior unsecured bonds and signed €360 million in new bank debt. Issuing new bonds and raising bank debt at longer maturities and repaying shorter term debt helped to reduce the refinancing risk further. AT's average debt maturity is 3.8 years with an average cost of debt at 2% as of December 2024, compared to 4.4 years and 2.2% as of December 2023. As a result of the proactive hedging measures taken in 2024, the hedging ratio increased to 98% as of December 2024, as compared to 83% as of December 2023.

OTHER FINANCIAL RESULTS

	Year ended December 31,	
	2024	2023
	in € millions	
Other financial results	**(31.0)**	**(14.4)**

AT recorded other financial results amounting to an expense of €31 million in 2024, compared to an expense of €14 million in 2023. The other financial results line item records the net change in the fair value of financial assets and liabilities, hedging instruments, and derivative instruments which are mainly non-recurring and/or non-cash and thus the result varies from one period to another. Other financial results also include one-off finance related costs incurred to optimize the debt profile like those associated with debt repayments, and expenses related to new financing, currency hedging and others. The result in 2024 was mainly driven by costs associated with refinancing and hedging while the result in 2023 was mainly impacted by negative change in the net fair value of financial assets and liabilities, partially offset by the gains recorded on bond buybacks at discount in that period.

IMPAIRMENT OF GOODWILL

	Year ended December 31,	
	2024	2023
	in € millions	
Impairment of goodwill	**(46.0)**	**(137.0)**

AT conducts an impairment test once a year or when there is an indication of impairment of an asset. The impairment amount reflects the amount by which the carrying amount of an asset or cash generating unit exceeds its recoverable amount.

AT recorded impairment of goodwill in the amount of €46 million in 2024, lower compared to €137 million recorded in 2023. As of December 2024, €525 million of goodwill is attributed to GCP and €572 million is attributed to the goodwill on TLG. The goodwill is mainly attributed to GCP's and TLG's deferred taxes which were mainly impacted by the disposals conducted throughout the year. EPRA NAV KPI's exclude goodwill and therefore any change in the goodwill balance does not impact these KPIs.

TAXATION

	Year ended December 31,	
	2024	2023
	in € millions	
Current tax expenses	(124.5)	(120.4)
Deferred tax (expense) / income	(12.5)	543.1
Current and deferred tax (expense) / income	**(137.0)**	**422.7**

AT recorded current tax expenses in the amount of €125 million in 2024, increasing by 3% compared to €120 million in 2023. Current tax expenses are comprised of both corporate income taxes and property taxes. The increase in current tax expenses was mainly due to provisions from the Pillar II regulations which increased the income taxes in some jurisdictions, offset by lower property tax as a result of the smaller portfolio size due to disposals. Deferred tax expenses totaled €13 million in 2024, compared to an income of €543.1 million in 2023, mainly due to the impact of property revaluations excluding the impact from capex in 2024 as compared to the significant property devaluations in 2023.

Berlin

RESULTS FOR THE YEAR & RESULTS PER SHARE

	Year ended December 31,	
	2024	2023
	in € millions	
Profit / (loss) for the year	**309.3**	**(2,426.4)**
Profit / (loss) attributable to:		
Owners of the Company	52.9	(1,987.6)
Perpetual notes investors	203.4	153.4
Non-controlling interests	53.0	(592.2)
Basic earnings / (loss) per share (in €)	**0.05**	**(1.82)**
Diluted earnings / (loss) per share (in €)	**0.05**	**(1.82)**
Weighted average basic shares (in millions)	1,093.5	1,093.0
Weighted average diluted shares (in millions)	1,094.8	1,094.5
Profit / (loss) for the year	**309.3**	**(2,426.4)**
Other comprehensive income	(3.6)	(24.4)
Total comprehensive income for the year	**305.7**	**(2,450.8)**

AT recorded a net profit amounting to €309 million in 2024, compared to a net loss of €2,426 million in 2023. The net profit in 2024 was mainly due to the strong operational performance, lower property operating expenses, partially offset by the lower other financial results, higher finance expenses and a relatively small amount of property devaluations. The shift to net profit in 2024 from net loss in 2023 was mainly due to the significantly smaller property devaluations booked in 2024. Correspondingly, a profit of €53 million was attributed to shareholders in 2024, compared to a loss of €1,988 million in 2023. A profit of €53 million was attributed to non-controlling interests in 2024, compared to a loss of €592 million in 2023. The profit attributable to perpetual notes investors amounted to €203 million in 2024, increasing by 33% compared to €153 million in 2023. The increase was mainly due to the reset of perpetual notes since the beginning of 2023 and until the end of 2024, partially offset by perpetual note exchanges and tender offers. In 2024, the Group issued €2.6 billion of new perpetual notes across five series, of which two notes were tapped in the September 2024 exchange. The exchanges targeted a total of eight perpetual note series, comprising the perpetual notes which were not called on their first call date as of the launch of the first exchange in April 2024, as well as the perpetual notes with upcoming first call dates in the twelve months following the first exchange. The exchange transactions reduced the long-term coupon payments and support the credit metrics by S&P. Further details can be found under the Equity section of this Board of Directors' report, and in the notes to the consolidated financial statements. Under IFRS accounting standards and AT's bond covenants, perpetual notes are fully classified as 100% equity whether they are called or not called.

The basic and diluted earnings per share amounted to €0.05 in 2024, increasing compared to a basic and diluted loss per share of €1.82 in 2023.

In 2024, AT recorded total comprehensive income of €306 million, compared to a loss of €2,451 million in 2023. The other comprehensive income amounted to a loss of €4 million in 2024, compared to a loss of €24 million in 2023, mainly from the foreign currency impacts related to hedging activities.

ADJUSTED EBITDA

	Year ended December 31,	
	2024	2023
	in € millions	
Operating profit / (loss)	758.5	(2,467.6)
Total depreciation and amortization	20.2	17.9
EBITDA	**778.7**	**(2,449.7)**
Property revaluations and capital gains / (losses)	125.4	3,217.5
Share of results from investment in equity accounted investees	42.5	149.8
Other adjustments [1]	5.2	5.3
Contribution of assets held for sale	(5.7)	(10.0)
Add back: Extraordinary expenses for uncollected hotel rents	-	33.0
Adjusted EBITDA before JV contribution	**946.1**	**945.9**
Contribution of joint ventures' adjusted EBITDA [2]	68.3	57.0
Adjusted EBITDA	**1,014.4**	**1,002.9**

1) including expenses related to employees' share incentive plans
2) the adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated

Adjusted EBITDA is a key performance measure used to evaluate the operational results of the Group, derived by deducting from the EBITDA non-operational and/or non-recurring items such as revaluation and capital gains, extraordinary expenses, and some other minor adjustments. Additionally, in order to mirror the operational results of the Group, the results from investments in equity-accounted investees is subtracted as this also include the Group's share in non-operational results generated by these investees. Instead, to reflect their operational earnings, the Group includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where the Group has a significant influence in accordance with its effective holding rate over the period.

In 2024, AT generated Adjusted EBITDA before JV contribution totaling €946 million, flat compared to €946 million in 2023. The increase from the like-for-like rental growth of 2.9% and higher profitability was offset by the impact from net disposals. Including JV`s adjusted EBITDA contribution, AT recorded an Adjusted EBITDA of €1,014 million in 2024, higher by 1% compared to €1,003 million recorded in 2023.

AT's adjusted EBITDA also accounts for other adjustments in the amount of €5.2 million in 2024, compared to €5.3 million in 2023, which are related to share incentive plans for employees. Additionally, AT conservatively does not include the contributions from properties marked for disposal as they are intended to be sold and therefore, their contributions are nonrecurring. This adjustment amounted to €5.7 million in 2024, lower compared to €10 million in 2023, mostly as a result of the lower disposals volume and composition of the properties in the assets held for sale.

FUNDS FROM OPERATIONS (FFO I, FFO II)

	Year ended December 31,	
	2024	2023
	in € millions	
Adjusted EBITDA before JV contribution	**946.1**	**945.9**
Finance expenses	(235.2)	(230.1)
Current tax expenses	(124.5)	(120.4)
Contribution to minorities [1]	(127.8)	(127.0)
Adjustments related to assets held for sale [2]	2.3	2.9
Perpetual notes attribution	(203.4)	(153.4)
FFO I before JV contribution	**257.5**	**317.9**
Contribution of joint ventures' FFO I [3]	58.0	47.1
Extraordinary expenses for uncollected hotel rents	-	(33.0)
FFO I	**315.5**	**332.0**
FFO I per share (in €)	**0.29**	**0.30**
Weighted average basic shares (in millions) [4]	1,093.5	1,093.0
FFO I	**315.5**	**332.0**
Result from the disposal of properties [5]	77.6	117.1
FFO II	**393.1**	**449.1**

1) including the minority share in TLG's and GCP's FFO
2) the net contribution which is excluded from the FFO amounts to €3.4 million in 2024 and €7.1 million in 2023
3) the adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated
4) weighted average number of shares excludes shares held in treasury; base for share KPI calculations
5) the excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)

Funds from Operations I (FFO I) is an industry standard performance indicator, reflecting the recurring operational profitability. FFO I starts by deducting the finance expenses, current tax expenses and perpetual notes attribution from the adjusted EBITDA. The calculation further includes the relative share in the FFO I of joint venture positions and excludes the minorities' share in operational profits. Furthermore, AT included in previous periods the extraordinary expenses for uncollected hotel rents and makes an adjustment related to assets held for sale.

In addition, AT provides the FFO II, which is an additional key performance indicator used in the real estate industry to evaluate the recurring operational profits including the disposal gains during the relevant period.

In 2024, AT generated an FFO totaling €316 million, decreasing by 5% compared to €332 million in 2023. The reduction in FFO was mainly due to the higher perpetual notes attribution as a result of the higher coupon rates for the perpetual notes and the higher finance expenses as result of the higher interest rate environment, partially offset by operational growth reflected in the 1% increase in adjusted EBITDA. In order to mitigate the negative impacts resulting from the higher interest rate environment, AT successfully executed perpetual note exchanges with tender options which are FFO accretive in the long-term and successfully undertook proactive liability management exercise such as hedging and fixing variable and capped debt at lower fixed rates. The contribution from assets held for sale, which is excluded from the FFO, amounted to €3.4 million in 2024 compared to €7.1 million in 2023.

AT reported an FFO I per share of €0.29 in 2024, decreasing by 3% compared to €0.30 in 2023.

AT recorded an FFO II of €393 million in 2024, lower by 12% compared to €449 million in 2023. The decrease was mainly due the lower volume of disposals executed as well as the lower FFO I result in 2024. In 2024, AT closed ca. €740 million of disposals at a 12% margin over cost compared to €1.2 billion in 2023.

CASH FLOW

	Year ended December 31,	
	2024	2023
	in € millions	
Net cash from operating activities	820.5	772.1
Net cash from investing activities	152.6	608.2
Net cash used in financing activities	(495.9)	(1,051.6)
Net changes in cash and cash equivalents	**477.2**	**328.7**
Cash and cash equivalents as at the beginning of the year	2,641.2	2,305.4
Other changes [1]	10.0	7.1
Cash and cash equivalents as at the end of the year	**3,128.4**	**2,641.2**

1) including change in balance of assets held for sale and movements in exchange rates on cash held

€821 million of net cash was generated from operating activities in 2024, increasing by 6% compared to €772 million in 2023. The increase in operational cash flow was mainly due to the like-for-like rental growth of 2.9%, the improved performance of the hotel segment with no extraordinary expenses for uncollected rent, and higher dividends received from investees, partially offset by the impacts from net disposals.

€153 million of net cash was received from investing activities in 2024, lower compared to €608 million in 2023. In 2024, €730 million was received from disposals and cash flow from repayment of vendor loans, net of new vendor loans granted, transaction costs and taxes. In 2024, €493 million was used mainly for capex and a small amount for acquisitions, while €65 million refers to net investment in short and long term financial assets.

€496 million of net cash was used in financing activities in 2024, lower compared to €1,052 million used in financing activities 2023. The main uses of cash in 2024 included approx. €1.3 billion in debt repayments which included the bond buybacks at a slight discount, scheduled redemptions, and early redemption, as well as repayment of bank loans. Payments to perpetual notes investors amounted to €486 million, mainly related to the perpetual note exchanges and tender offers executed in 2024, through which the nominal outstanding amount of perpetual notes reduced by ca. €300 million, as well as coupon payments. Other uses of cash included net finance expenses and loan amortizations. The Company recorded a small outflow from transactions with non-controlling interests mainly from dividend distributions to non-controlling interests, which was mostly offset by the disposal by GCP of the majority of its treasury shares in the amount of ca. €45 million. These cash uses were partially offset by the net proceeds from the issuance of €1.15 billion nominal amount of new bonds as well as new bank debt raised. In 2024 the Company recorded a small amount of proceeds from hedge relations, derivatives and others.

In total, €477 million of net cash was generated in 2024. Including other liquid assets, AT's liquidity position reached €3.6 billion at the end of December 2024, representing 25% of the total debt position.

ASSETS

	Note	Dec 2024	Dec 2023
		in € millions	
Total Assets	**(a)**	**33,619.9**	**33,559.3**
Non-current assets	**(a)**	**28,020.2**	**28,867.5**
Investment property	(b)	24,375.3	24,632.4
Goodwill and intangible assets	(c)	1,119.6	1,165.7
Investment in equity-accounted investees	(d)	925.7	1,086.5
Long term financial investments and other assets	(e)	1,161.8	1,458.1

(a) Total assets

Total assets amounted to €33.6 billion as of December 2024, flat compared to €33.6 billion as of December 2023. The positive impact of cash proceeds from new bonds and bank debt raised as well as operational profits was offset by liability management measures such as debt repayments, the use of cash for the perpetual notes tenders and a small amount of property devaluations. Non-current assets totaled €28.0 billion as of December 2024, lower by 3% compared to €28.9 billion as of December 2023.

(b) Investment property

Investment property represents the largest item under non-current assets and amounted to €24.4 billion as of December 2024, decreasing by 1% compared to €24.6 billion as of December 2023. The lower balance was mostly due to a small amount of property devaluations and disposals activities. These impacts were partially offset by capex and some additions. On a like for like basis, AT recorded -0.5% value decline in 2024, compared to -11% in 2023. Property valuations started to recover in mid 2024 as discount rates, cap rates and rental yields have started to stabilize and sentiment and activity have improved in the transaction market. Operational growth continues to be supportive driving positive revaluation in the second half of 2024. The residential and hotel assets showed a stronger operational growth than other asset classes, in line with the rental income growth in these assets. Independent and certified external appraisers revalued the full portfolio as part of the 2024 annual report.

In 2024, AT closed approx. €740 million in disposals at an average premium of 0.2% to book values, compared to over €1.2 billion in 2023 at an average discount of 3% to book values. Furthermore, AT signed approx. €935 million of new disposals in 2024 and approx. €330 million of disposals are signed in 2024 but not closed as of December 2024. Disposals consisted of 77% residential, office, and hotel assets, 13% development & invest assets, and 10% retail and logistics/other assets and were located mainly in non-core locations, London, Berlin, Brussels and Paris, NRW and others.

New investment properties in the amount of ca. €420 million were added in 2024. These additions consisted of hotels, residential and office properties primarily in the UK, Germany and Israel, with operational upside potential. The majority of these assets were previously held indirectly, e.g. as loan-to-own assets, or through joint venture structures, and converted into investment property as the Company obtained control over the underlying properties. Furthermore, AT started acquiring properties as the general partner through its recently launched acquisition fund to target properties with significant upside potential at very attractive pricing to benefit from the recent periods' arisen distress opportunities due to the market environment challenges of refinancing and ESG-implementation. AT is expected to be a minority in the fund with the majority of the funds to be funded from institutional investors.

(c) Goodwill and intangible assets

Goodwill and intangible assets amounted to €1.1 billion as of December 2024, lower compared to €1.2 billion as of December 2023. The decrease was due to the goodwill impairment in 2024 as explained under the section *Impairment of goodwill* above. Goodwill in the amount of €572 million is related to the TLG takeover and goodwill in the amount of €525 million is related to the consolidation of GCP. All EPRA NAV KPI's exclude the goodwill so any change in the goodwill balance has no impact on these KPI's.

(d) Investment in equity-accounted investees

Investment in equity-accounted investees totaled €0.9 billion as of December 2024, lower compared to €1.1 billion at the end of December 2023. The decrease was mainly due to some valuation losses recorded in investees, the consolidation of some investees, as well as repayments from investees offset by minor additions to investees. This line item represents the Group's long-term investment in joint ventures in which the Group has a significant influence, but which are not consolidated. The largest investment in this item as of December 31, 2024, which represents ca. 50% of the total balance of this item,

is AT's stake in Globalworth, a leading publicly listed office landlord in Central Eastern European markets, mainly in Warsaw and Bucharest. The holding rate in Globalworth is slightly above 30% as of December 2024, indirectly held through a joint venture. The remaining balance of equity-accounted investees mainly include several positions in real estate properties mainly in Germany and Greece, and investment in real estate related funds specialized among others in proptech, digitalization and technology in the real estate sector, as well as yielding real estate loan funds, which work in a similar profile to the Group's loans-to-own investments and may provide future access to attractive deals, and additional investments in co-working and renewable energy projects.

(e) Long term financial investments and other assets

Long term financial investments and other assets are mainly comprised of vendor loans that are related to disposals, long-term financial investments and loans-to-own assets. Vendor loans support the facilitation of transactions and were given to several selected buyers of assets that were sold. The loans generally have a maturity of 1-3 years and are expected to be paid in installments mostly until the end of 2026. The loans are secured against the property sold at an initial LTV in the range of 40%-70% at the time of disposal and in case of default gives AT the ability to get the asset back with a penalty to the defaulted buyer (through a process involving a receiver). The average interest rate of the vendor loans is ca. 5%. The balance as of December 2024 is ca. €0.55 billion, down from €0.65 billion as of December 2023, which supported the liquidity and reduced the leverage. The future liquidity coming from the repayments of the vendor loans in the next periods will reduce the Group's leverage as they are conservatively not included in the LTV calculation. After the reporting period the Group received further vendor loan repayments.

Loans-to-own assets are asset-backed and yielding loans where, under certain conditions, the default of the loan will enable the Group to take over the underlying asset at a discount. Loans-to-own assets were provided to a diverse number of property owners and sourced through the Group's wide deal sourcing network established over the years. As of December 2024, the loans-to-own balance amounted to ca. €0.25 billion, down from ca. €0.4 billion in December 2023, mostly from repayments and partially from the taking over of assets.

The loans-to-own assets are expected to be repaid or converted into properties and will reduce the Group's leverage. Although the loans-to-own balance is a relatively small part of the Group's balance sheet, it is extending the Group's deal sourcing opportunities, which under certain circumstances may provide attractive options for alternative acquisition opportunities. During 2024, AT was able to utilize this source to gain control of investment properties primarily in London and Germany, previously included in the loans-to-own balance.

Financial investments amounted to ca. €0.4 billion which comprise over 20 investments mainly in real estate related funds as well as proptech funds and potentially co-investments in their attractive deals and financial assets with the expectation for long-term yield.

The long term financial investments and other assets also include ca. €65 million of tenant deposits which are used as a security for rent payments, ca. €50 million of receivables due to revenue straight-lining effect arising from rent-free periods granted to tenants, long-term minority positions in real estate properties and other receivables.

Furthermore, non-current assets also include long-term derivative financial assets, deferred tax assets, and advance payments and deposits which mainly refer to advance payments for signed deals, deposits for deals in the due diligence phase and deposits for committed capex programs.

Current assets amounted to €5.6 billion as of December 2024, increasing by 19% compared to €4.7 billion as of December 2023. The increase was mainly attributable to the higher balance of cash and liquid assets.

	Dec 2024	Dec 2023
	in € millions	
Current assets	**5,599.7**	**4,691.8**
Cash and liquid assets [1]	3,642.1	3,026.1
Trade and other receivables	1,035.1	1,008.3
Assets held for sale [2]	702.2	409.4

1) including cash in assets held for sale, short term deposits and financial assets at fair value through profit or loss
2) excluding cash in assets held for sale

The cash and liquid assets balance amounted to €3.6 billion as of the end of 2024, 20% higher compared to €3.0 billion as of December 2023. The increase in the liquid position was mainly due to new debt drawn, net cash proceeds from disposals, operational profits, and repayment of vendor loans and loans-to-own, partially offset by debt repayments and redemptions and cash used in relation to the Group's perpetual

notes transactions. AT's substantial liquidity position represents 25% of total debt.

The trade and other receivables balance totaled €1 billion as of year-end 2024, stable compared to €1 billion as of year-end 2023. Operating costs and operational rent receivables, pre-paid expenses, and tax assets make up the largest portion and totaled approx. €705 million as of December 2024, lower compared to approx. €775 million as of December 2023. Operating cost receivables relate to ancillary services and other charges billed to tenants. These services include utility and service costs which include heating, water, insurance, cleaning, waste, etc. These operating cost receivables are mainly settled once per year against the advance payments received from tenants and are therefore correlated to pre-payments for ancillary services received from tenants presented under short-term liabilities. Current assets also include financial assets with a maturity of less than 1 year, which comprise the current portion of loans-to-own assets, vendor loans and other receivables which totaled approx. €330 million as of year-end 2024, higher compared to approx. €230 million as of year-end December 2023, as a larger share of the balance is expected to be repaid in the next 12 months, and explained further above as part of the non-current assets.

The assets held for sale balance amounted to €702 million as of December 2024, higher compared to €409 million as of December 2023, mainly due to proactive disposal activity of the Company and therefore the reclassifications of investment property into the held for sale balance, partially offset by the closing of disposals included previously. The assets in held for sale are expected to be sold within the next 12 months and approx. 50% of this balance is signed but not yet closed. The expected proceeds will further strengthen AT's liquidity position and support future deleveraging.

AVERAGE VALUATION PARAMETERS	2024	2023
Rental multiple	19.8	19.9
Value per sqm	€2,521	€2,421

VALUATION ASSUMPTIONS SET BY INDEPENDENT VALUERS		2024	2023
DCF method	Rent growth p.a.	1,9%	2,0%
	Average discount rate	6,3%	6,1%
	Average cap rate	5,1%	5,1%

December 2024	Investment properties (in €M)	Area (in k sqm)	EPRA vacancy	Annualized net rent (in €M)	In-place rent per sqm (in €)	Value per sqm (in €)	Rental yield	WALT (in years)
Office	8,268	2,993	12.7%	431	13.3	2,763	5.2%	4.3
Residential	7,802	3,506	3.5%	383	9.3	2,225	4.9%	NA
Hotel	5,164	1,565	2.6%	254	13.5	3,299	4.9%	14.2
Logistics/Other	400	433	6.7%	26	5.2	925	6.4%	4.8
Retail	1,024	493	13.5%	52	10.0	2,077	5.1%	4.5
Development rights & Invest	1,717							
Total	**24,375**	**8,990**	**7.5%**	**1,146**	**11.2**	**2,521**	**5.1%**	**7.6**
Total (GCP at relative consolidation)	**21,093**	**7,530**	**8.1%**	**989**	**11.6**	**2,583**	**5.1%**	**7.7**

LIABILITIES

	Dec 2024	Dec 2023
	in € millions	
Long and short term loans and borrowings	2,501.1	2,204.1
Long and short term straight bonds	12,010.9	12,038.0
Deferred tax liabilities (including those under held for sale)	2,120.9	2,125.1
Long and short term derivative financial instruments and other long-term liabilities	942.9	1,076.1
Other current liabilities [1]	1,034.4	966.3
Total Liabilities	**18,610.2**	**18,409.6**

1) excluding current liability items that are included in the lines above

Total liabilities amounted to €18.6 billion as of December 2024, higher by 1% compared to €18.4 billion as of December 2023. The increase was mainly due to new debt raised, through the Group's issuance of two new straight bonds and new bank debt, mostly offset by debt repayments as a result of debt buybacks and debt redemptions. Total debt from bank loans and bonds totaled €14.5 billion at year-end 2024, higher by 2% compared to €14.2 billion at year-end 2023. In 2024, the Group returned to bond markets and issued €1.15 billion in new senior unsecured bonds, one of which was issued by GCP, and which received broad investor demand and extended the debt maturity profile. In addition, AT signed approx. €360 million in new secured bank debt throughout the year and consolidated approx. €90 million of loans borrowings. Proceeds from the new debt raised were used for liability management purposes by repurchasing and redeeming ca. €1.2 billion of shorter-term bonds at or prior to their maturity date. In 2024, ca. €120 million of bank debt was reduced mostly related to disposals and deconsolidation. All together in 2024, AT repaid ca. €1.3 billion of shorter-term debt, the majority of which at a discount, while raising €1.5 billion in new longer-term debt, thereby extending the maturity profile and proactively reducing the refinancing risk. After the reporting period, AT redeemed Series K bond and Series M bond with an aggregate nominal amount of ca. €480 million. In addition, the Group signed ca. €75 million in new bank debt in 2024 which has not yet been drawn. As of December 2024, AT also retains undrawn revolving credit facilities, of which €0.8 billion have been extended in 2024, and €16.9 billion in unencumbered assets which can be utilized to raise additional secured financing.

Deferred tax liabilities amounted to €2.1 billion as of December 2024, stable compared to €2.1 billion as of December 2023, as the impact of net disposals was mostly offset by the deferred tax expense. Deferred tax liabilities are non-cash items that are predominantly tied to revaluation gains, calculated by assuming theoretical future property disposals in the form of asset deals and as such the full corporate tax rate is applied in the relevant jurisdictions. Deferred tax liabilities represented 11% of total liabilities as of the end of December 2024.

The long and short term derivative financial instruments and other long-term liabilities amounted to €0.9 billion as of December 2024 compared to €1.1 billion as of December 2023. Other long-term liabilities also include tenancy deposits, lease liabilities mainly in relation to right-of-use assets, and non-current payables to third parties. The derivative financial instruments include a contingent liability created as part of the takeover of TLG.

Other current liabilities amounted to €1.0 billion as of year-end 2024, higher compared to €1.0 billion at the end of December 2023. The largest item in other current liabilities is trade and other payables, which mainly comprise of pre-payments for ancillary services received from tenants that are correlated with the operating costs receivables under current assets. Other current liabilities also include tax payables, provisions for other liabilities and accrued expenses and other liabilities in properties held for sale which are not included above. Current assets cover current liabilities by approx. 2 times.

DEBT METRICS

LOAN-TO-VALUE (LTV)	Dec 2024	Dec 2023
	in € millions	
Investment property [1]	24,350.5	24,581.1 [2]
Investment property of assets held for sale	691.8	408.3
Investment in equity-accounted investees [3]	708.2	857.1
Total value (a)	**25,750.5**	**25,846.5**
Total financial debt [4]	14,512.0	14,242.1
Less: Cash and liquid assets [4]	(3,642.1)	(3,026.1)
Net financial debt (b)	**10,869.9**	**11,216.0**
LTV (b/a)	**42%**	**43%**

UNENCUMBERED ASSETS	Dec 2024	Dec 2023
	in € millions	
Rent generated by unencumbered assets [5]	825.8	855.8
Rent generated by the total Group [5]	1,159.2	1,158.7
Unencumbered assets ratio	**71%**	**74%**

INTEREST COVER RATIO (ICR)	Year ended December 31, 2024	2023
	in € millions	
Finance expenses	235.2	230.1
Adjusted EBITDA [6]	951.8	955.9
ICR	**4.0x**	**4.2x**

1) including advance payments and deposits and owner-occupied property and excluding right-of-use assets
2) Owner-occupied property was reclassified for FY 2023
3) including property related JV's
4) including balances under held for sale
5) annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale
6) including the contributions from assets held for sale, excluding extraordinary expenses for uncollected hotel rents. Not including contributions from JV`s

AT's disciplined debt management approach, strong credit profile, and high financial strength are reflected in the solid debt metrics. AT had an LTV of 42% as of December 2024, lower compared to 43% as of December 2023. The impact of a small amount of negative property revaluations year over year was more than offset by the positive impacts of net disposals, operational profitability, the suspension of dividends, debt repayments at a discount, and the repayment and conversion of loans to own and of vendor loans. Aroundtown's leverage and financial metrics retain a very significant headroom to bond covenants. The Board of Directors has set an internal LTV guidance of 45% on a sustainable basis, significantly lower than the bond covenants.

The Group's high operational profitability and financial discipline resulted in a high ICR of 4.0x in 2024, slightly lower compared to 4.2x in 2023, as a result of the larger proportional increase in finance expense compared to the increase in adjusted EBITDA. AT had an unencumbered investment property ratio of 71% (by rent) representing a total value of €16.9 billion (excluding held for sale assets) as of December 2024. The large pool of unencumbered assets highlights the Group's financial flexibility and provides additional liquidity potential, along with undrawn revolving credit facilities of which €0.8 billion have been extended in 2024.

Affirmed in
Dec 2024

EQUITY

	Dec 2024	Dec 2023
	in € millions	
Total equity	**15,009.7**	**15,149.7**
of which equity attributable to the owners of the Company	7,630.2	7,643.3
of which equity attributable to perpetual notes investors	4,540.6	4,756.9
of which non-controlling interests	2,838.9	2,749.5
Equity ratio	**45%**	**45%**

Total equity amounted to €15.0 billion as of December 2024, stable compared to €15.1 billion as of December 2023. The decline from the lower perpetual notes balance mainly due to the exchange and tender offers was partially offset by the net profit recorded in 2024. Shareholders' equity amounted to €7.6 billion as of year-end 2024, stable compared to €7.6 billion as of year-end 2023. In 2024, AT did not pay a dividend for the year 2023 due to the macro-economic uncertainty and the strategic focus on liquidity and deleveraging. Non-controlling interests totaled €2.8 billion as of December 2024, higher compared to €2.7 billion as of December 2023, mainly due to the positive property revaluations in GCP, GCP's sale of treasury shares and the investment through the recently launched acquisition fund. AT's stake in GCP was 62% as of year-end 2024.

Equity attributable to perpetual notes investors amounted to €4.5 billion as of year-end 2024, lower by 5% compared to €4.8 billion as of year-end 2023. The nominal perpetual balance reduction of ca. €300 million was due to the impact of the perpetual note exchanges, including tendered perpetuals repurchased at a discount, the impact from hedging measures, and a small amount of buybacks. In 2024, the Group successfully executed perpetual note exchanges and tender offers. The exchanges targeted a total of eight perpetual note series, comprising the perpetual notes which were not called on their first call date as of the launch of the first exchange in April 2024, as well as the perpetual notes with upcoming first call dates in the twelve months following the first exchange. These perpetual notes exchanges had a high average acceptance rate of ca. 85% and €2.6 billion of new perpetual notes were issued across 5 series, of which 2 notes were tapped in the exchange transaction in September 2024. The perpetual exchange and tender offers support credit metrics under S&P methodology and the impacts are long-term FFO accretive. The Board of Directors of Aroundtown decided not to call the perpetual notes with first call dates in 2024. As a result, the perpetual notes with a first call date in January 2024 had its coupon adjusted to 4.542%, the GBP perpetual notes with a first call date in June 2024 had its coupon adjusted and subsequently swapped to 6.85%, and the perpetual notes with a first call date in December 2024 had its coupon adjusted to 6.193%. In addition, the coupon on the remaining USD perpetual notes that had a first call date in July 2023 was swapped to 5.756%. In December 2024 the Board of Directors of Aroundtown announced its decision not to call AT's perpetual note with a first call date in January 2025, which subsequently reset to 5.871% after the reporting period. The Group does not have any additional perpetual notes with first call dates before mid-2026. Following IFRS accounting treatment, perpetual notes are classified as equity as they do not have a repayment date, are subordinated to debt, do not have default rights nor covenants and coupon payments are deferrable at the Company's discretion. The perpetual notes are 100% equity under IFRS regardless of whether they are called or not and therefore have no impact on the bond covenants. Perpetual notes remain an important part of the Company's capital structure as they provide a security cushion during volatile times by allowing issuers to manage the timing of any refinancing and conserve cash despite the higher coupon payments. For additional details please see the relevant notes to the consolidated financial statements.

EPRA Performance Measures

The European Public Real Estate Association (EPRA) is the widely-recognized market standard guidance and benchmark provider for the European real estate industry. EPRA's best practices recommendations dictate the ongoing reporting of a set of performance metrics intended to enhance the quality of reporting by bridging the gap between the regulated IFRS reporting presented and specific analysis relevant to the European real estate industry. These standardized EPRA performance measures provide additional relevant earnings, balance sheet and operating metrics, and facilitate for the simple and effective comparison of performance-related information across the industry. The information presented below is based on the Best Practice Recommendations by EPRA and on the materiality and importance of information.

in € millions unless otherwise indicated	**2024**	Change	2023
EPRA NRV	10,032.3	1%	9,920.8
EPRA NRV per share (in €)	9.1	-	9.1
EPRA NTA	8,165.4	1%	8,058.7
EPRA NTA per share (in €)	7.4	-	7.4
EPRA NDV	6,772.7	(11%)	7,592.1
EPRA NDV per share (in €)	6.2	(10%)	6.9
EPRA Earnings(*)	272.1	(9%)	298.4
EPRA Earnings per share (*) (in €)	0.25	(7%)	0.27
EPRA Earnings (excl. perp) (*)	459.8	5%	438.8
EPRA Earnings (excl. perp) per share (*) (in €)	0.42	5%	0.40
EPRA LTV	59.6%	(1.2%)	60.8%
EPRA LTV (including RETT)	55.7%	(1.3%)	57.0%
EPRA Net initial yield (NIY)	4.0%	-	4.0%
EPRA 'Topped-up' NIY	4.1%	-	4.1%
EPRA Vacancy	7.5%	(0.4%)	7.9%
EPRA Vacancy including JV	7.9%	(0.2%)	8.1%
EPRA Cost Ratio (including direct vacancy costs)	20.2%	(2.8%)	23.0%
EPRA Cost Ratio (excluding direct vacancy costs)	18.0%	(2.8%)	20.8%
EPRA Capital Expenditure (**)	766.9	40%	546.1

(*) according to the updated EPRA methodology. For more details, refer to the EPRA Performance Measures section of the report, 2023 figures adjusted accordingly

(**) including acquisitions and capex, for more details see the EPRA Performance Measures section of this report

EPRA NAV KPI'S

The European Public Real Estate Association (EPRA) provides three key Net Asset Value (NAV) metrics designed to provide stakeholders with the most relevant information on the fair value of the Group's assets and liabilities. With the evolving nature of their business models, real estate companies progressed into actively managed entities, engaging in non-property operating activities, actively recycling capital and accessing capital markets for balance sheet financing. In line with these developments, EPRA has provided the market with the following three NAV KPI's: EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA) and EPRA Net Disposal Value (EPRA NDV).

The EPRA NRV's purpose is to reflect the value of net assets required to re-build a company on a long-term basis assuming entities do not sell assets. Therefore, balance sheet items that are not expected to crystallize in normal circumstances such as the fair value movements of financial derivatives and deferred tax liabilities are added back to the equity. Additionally, gross purchasers' costs are added back since this metric is aiming to reflect what would be needed to recreate a company through the investment markets based on its capital financing structure.

The EPRA NTA aims to reflect the tangible value of a company's net assets assuming entities buy and sell assets, crystallizing certain levels of unavoidable deferred tax liabilities. Therefore, EPRA NTA excludes intangible assets and goodwill, and adds back the portion of deferred tax liabilities that is not expected to crystallize as a result of long-term hold strategy.

The EPRA NDV provides the shareholders with the value under the scenario that a company's assets are sold or its liabilities are not held until maturity. For this purpose, it assumes that deferred taxes, financial instruments and other adjustments are calculated to the full extent of their liability, net of any resulting tax.

	Dec 2024			Dec 2023		
	in € millions			in € millions		
	EPRA NRV	**EPRA NTA**	**EPRA NDV**	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
Equity attributable to the owners of the Company	**7,630.2**	**7,630.2**	**7,630.2**	**7,643.3**	**7,643.3**	**7,643.3**
Deferred tax liabilities [1]	1,857.5	1,597.3	-	1,841.2	1,564.8	-
Fair value measurement of derivative financial instruments [2]	55.7	55.7	-	14.2	14.2	-
Goodwill in relation to TLG [3]	(572.4)	(572.4)	(572.4)	(604.0)	(604.0)	(604.0)
Goodwill in relation to GCP [4]	(525.4)	(525.4)	(525.4)	(539.8)	(539.8)	(539.8)
Intangibles as per the IFRS balance sheet [5]	-	(20.0)	-	-	(19.8)	-
Net fair value of debt	-	-	240.3	-	-	1,092.6
Real estate transfer tax [6]	1,586.7	-	-	1,565.9	-	-
NAV	**10,032.3**	**8,165.4**	**6,772.7**	**9,920.8**	**8,058.7**	**7,592.1**
Number of shares (in millions) [7]	1,096.6			1,094.4		
NAV per share (in €)	**9.1**	**7.4**	**6.2**	**9.1**	**7.4**	**6.9**

1) excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations. EPRA NRV additionally includes DTL of assets held for sale
2) excluding significant minority share in derivatives
3) deducting the goodwill resulting from the business combination with TLG
4) deducting the goodwill resulting from the consolidation of GCP
5) excluding significant minority share in intangibles
6) including the gross purchasers' costs of assets held for sale and relative share in GCP's relevant RETT
7) excluding shares in treasury, base for share KPI calculations

The EPRA NAV KPIs were positively impacted by the profit attributable to the owners of the Company, driven primarily by the positive operational result mainly from the like-for-like rental growth of 2.9% and the lower property operating expenses, which was partially offset by higher finance expenses and perpetual note attribution, the lower other financial results, and the small amount of property devaluations. The reduction in goodwill had no impact on the EPRA KPIs as goodwill is excluded from the EPRA NAV KPIs, thus any change is neutral.

EPRA NRV

The EPRA NRV amounted to €10.0 billion or €9.1 per share as of December 2024, slightly higher by 1% and flat respectively, compared to €9.9 billion or €9.1 per share as of December 2023. The higher EPRA NRV was mainly the result of higher shareholder equity as a result of the net profit and the higher adjustment impact for the fair value measurement of derivative financial instruments.

EPRA NTA

The EPRA NTA amounted to €8.2 billion or €7.4 per share as of December 2024, increasing by 1% and flat respectively, compared to €8.1 billion or €7.4 per share as of December 2023.

As EPRA NTA aims to reflect the tangible value of a company's net assets assuming entities buy and sell assets, certain levels of deferred tax liabilities are assumed to be crystallized. As a result, AT only adds back the deferred tax liabilities with regards to its long-term portfolio. This item, as with EPRA NRV, is net of significant minority share in deferred tax liabilities as well as deferred tax assets on certain financial instruments in line with EPRA recommendations. The remaining portfolio is treated as follows:

Investment property of assets held for sale:

Assets held for sale are properties which are expected to be disposed within the next 12 months. Conservatively, deferred taxes on these properties are not added back, although Aroundtown has a track record of benefitting from a lower tax ratio for its disposals due to the disposal structure.

Retail portfolio:

Aroundtown actively seeks to reduce the share of retail assets in its portfolio on an opportunistic basis. Therefore, deferred tax liabilities related to these properties are conservatively not added back.

GCP's portfolio cities classified as "Others":

Aroundtown follows GCP's approach to not add back deferred tax liabilities related to these properties.

Development rights & Invest portfolio:

As an additional value creation driver, Aroundtown pursues a selective development program which is designed to unlock further potential through identifying and selling development rights at high gains or developing at low risks with high pre-let ratios. Since the decision is based on an opportunistic basis, Aroundtown conservatively does not add back deferred tax liabilities related to these assets.

PORTFOLIO ITEMS	Dec 2024		
in € millions unless otherwise indicated	Fair value [1]	as % of total portfolio	as % of deferred tax added back to EPRA NTA per classification
Portfolio to be held long term	21,523.4	86%	77%[2]
Investment property of assets held for sale	691.8	3%	0%
Retail portfolio	696.4	3%	0%
GCP's Portfolio cities classified as "Others"	896.2	3%	0%
Development rights & Invest portfolio	1,259.3	5%	0%
Total	**25,067.1**	**100%**	

1) fair value breakdown according to exact portfolio classification may vary following the main use approach used to determine the deferred tax
2) excluding the significant minority share in DTL and others

EPRA NDV

The EPRA NDV amounted to €6.8 billion or €6.2 per share as of December 2024, lower by 11% and 10% respectively, compared to €7.6 billion or €6.9 per share at year-end 2023. EPRA NDV declined due to the higher net fair value of debt from lower market volatility and lower interest rates compared to December 2023 which offset the higher shareholders equity.

EPRA EARNINGS*

	Year ended December 31,		Excl. perp. Year ended December 31,	
	2024	2023	**2024**	2023
	in € millions			
Earnings per IFRS income statement	**309.3**	**(2,426.4)**	**309.3**	**(2,426.4)**
Property revaluations and capital gains / (losses)	125.4	3,217.5	125.4	3,217.5
Impairment of goodwill	46.0	137.0	46.0	137.0
Changes in fair value of financial assets and liabilities, buy-backs and early repayment costs, net	0.8	(14.8)	0.8	(14.8)
Deferred tax expense (expense) / income	12.5	(543.1)	12.5	(543.1)
Perpetual notes attribution	(203.4)	(153.4)	-	-
Share of results from investment in equity accounted investees	42.5	149.8	42.5	149.8
Adjustment for investment in equity-accounted investees [1]	58.0	47.1	58.0	47.1
EPRA Earnings contribution to minorities [2]	(119.0)	(115.3)	(134.7)	(128.3)
EPRA Earnings	**272.1**	**298.4**	**459.8**	**438.8**
Weighted average basic shares (in millions) [3]	1,093.5	1,093.0	1,093.5	1,093.0
EPRA Earnings per share (in €)	**0.25**	**0.27**	**0.42**	**0.40**
Bridge to FFO I				
Add back: Total depreciation and amortization	20.2	17.9	20.2	17.9
Add back: Finance-related costs	30.2	29.2	30.2	29.2
Add back: Other adjustments	5.2	5.3	5.2	5.3
Less: FFO items related to minorities [2]	(8.8)	(11.7)	6.9	1.3
Less: FFO contribution from asset held for sale	(3.4)	(7.1)	(3.4)	(7.1)
Less: Perpetual notes attribution	-	-	(203.4)	(153.4)
FFO I	**315.5**	**332.0**	**315.5**	**332.0**
FFO I per share (in €)	**0.29**	**0.30**	**0.29**	**0.30**

1) including AT's share in joint venture positions.
2) adjusting for the minority share in GCP's FFO adjustments
3) weighted average number of shares excludes shares held in treasury; base for share KPI calculations
(*) EPRA BPR adjustments not disclosed have a zero value

EPRA Earnings is intended to serve as a key indicator of the Group's underlying operational profits for the year in the context of a European real estate company. Given AT's strategic joint venture investments, the proportional share in these joint venture investments' EPRA Earnings for the year is included in accordance with the average holding rate for the period. In line with the updated change in EPRA's methodology, AT presents the updated EPRA Earnings KPI as "EPRA Earnings" and for enhanced transparency includes a calculation following the former methodology, presented as "EPRA Earnings Excl. perp.". The detailed breakdown as to the change in the calculation methodology of EPRA Earnings can be found in the Alternative Performance Measures section of this report. As Funds from Operations (FFO I) is the widely-recognized industry standard KPI for operational performance, an additional reconciliation from both EPRA Earnings calculations to the FFO I is provided above.

EPRA Earnings amounted to €272 million in 2024, decreasing by 9% compared to €298 million in 2023. EPRA Earnings per share amounted to €0.25 in 2024, lower by 7% compared to €0.27 per share in 2023. The decrease was mainly due to higher perpetual notes attribution, higher finance expenses, slightly higher minorities, and higher finance-related costs, offset by the operational growth despite net disposals, driven by solid like-for-like rental growth, lower property operating expenses, and additionally supported by a higher contribution from equity accounted investees.

EPRA LTV*

EPRA LTV	Dec 2024			
in € millions	**Consolidated (as reported)**	**Share of joint ventures**	**Material non-controlling interests**	**Proportionate consolidation**
Total financial debt [1]	14,512.0	653.1	(1,826.0)	13,339.1
Foreign currency derivatives	(144.0)	-	3.0	(141.0)
Equity attributable to perpetual notes investors	4,540.6	-	(462.4)	4,078.2
EPRA Gross debt	**18,908.6**	**653.1**	**(2,285.4)**	**17,276.3**
Less:				
Cash and liquid assets [1]	(3,642.1)	(113.6)	610.1	(3,145.6)
EPRA Net debt	**15,266.5**	**539.5**	**(1,675.3)**	**14,130.7**
Investment property (incl. advance payments and excl. right-of-use assets)	24,248.6	1,137.7	(3,536.9)	21,849.4
Investment property of assets held for sale	691.8	10.9	(98.0)	604.7
Owner-occupied property	101.9	-	(18.1)	83.8
Intangibles as per the IFRS balance sheet	21.8	-	(1.8)	20.0
Net receivables [1]	96.6	68.4	(45.8)	119.2
Financial assets	784.3	296.5	(54.9)	1,025.9
EPRA Total property value	**25,945.0**	**1,513.5**	**(3,755.5)**	**23,703.0**
Real Estate Transfer Tax (RETT)	1,801.5	80.7	(214.8)	1,667.4
EPRA Total property value (including RETT)	**27,746.5**	**1,594.2**	**(3,970.3)**	**25,370.4**
EPRA LTV	**58.8%**			**59.6%**
EPRA LTV (including RETT)	**55.0%**			**55.7%**

1) including balances under held for sale
(*) EPRA BPR adjustments not disclosed have a zero value, adjustment for share of material associates not shown and has zero value

EPRA LTV*

EPRA LTV	Dec 2023			
in € millions	Consolidated (as reported)	Share of joint ventures	Material non-controlling interests	Proportionate consolidation
Total financial debt [1]	14,242.1	686.9	(1,801.4)	13,127.6
Foreign currency derivatives	(84.2)	-	18.7	(65.5)
Equity attributable to perpetual notes investors	4,756.9	-	(461.6)	4,295.3
EPRA Gross debt	**18,914.8**	**686.9**	**(2,244.3)**	**17,357.4**
Less:				
Cash and liquid assets [1]	(3,026.1)	(129.7)	512.3	(2,643.5)
EPRA Net debt	**15,888.7**	**557.2**	**(1,732.0)**	**14,713.9**
Investment property (incl. advance payments and excl. right-of-use assets)	24,506.1	1,161.5	(3,499.7)	22,167.9
Investment property of assets held for sale	408.3	15.3	(78.2)	345.4
Owner-occupied property [2]	75.0	-	(17.8)	57.2
Intangibles as per the IFRS balance sheet	21.9	-	(2.1)	19.8
Net receivables [1]	155.6	75.1	(63.0)	167.7
Financial assets	1,027.2	444.8	(48.2)	1,423.8
EPRA Total property value	**26,194.1**	**1,696.7**	**(3,709.0)**	**24,181.8**
Real Estate Transfer Tax (RETT)	1,770.0	84.7	(204.1)	1,650.6
EPRA Total property value (including RETT)	**27,964.1**	**1,781.4**	**(3,913.1)**	**25,832.4**
EPRA LTV	**60.7%**			**60.8%**
EPRA LTV (including RETT)	**56.8%**			**57.0%**

1) including balances under held for sale
2) Owner-occupied property was reclassified for FY 2023
(*) EPRA BPR adjustments not disclosed have a zero value, adjustment for share of material associates not shown and has zero value

The EPRA LTV is a metric that aims to assess the leverage of shareholder equity within a real estate company. The main difference between EPRA LTV and the Group's calculated LTV is the wider categorization of liabilities and assets with the largest impact coming from the inclusion of perpetual notes as debt, inclusion of financial assets in the net assets and proportionate consolidation adjustments. Under IFRS, the Group's perpetual notes are considered as equity as they do not have a maturity date, are subordinated to all debt types and do not carry covenants. As a result, the Group views its LTV metric as a more suitable measure of leverage, as it more closely matches the LTV under its debt covenants. As of the 2024 Consolidated Annual Report, following EPRA BPR methodology changes, AT also presents EPRA LTV (including RETT). EPRA LTV is presented on a fully consolidated (as reported) basis, and on a proportionate consolidated basis.

EPRA LTV amounted 59.6% as of December 2024, lower compared to 60.8% as of December 2023. The impact from negative property revaluations, lower financial assets and net receivables was offset by operational profits, the impacts from disposals, liability management measures such as the tendered perpetual notes repurchased at discount and bond buybacks at a slight discount, suspension of dividends, and the repayment of vendor loans and loans-to-own. EPRA LTV (including RETT) amounted to 55.7% as of December 2024, lower compared to 57.0% as of December 2023.

Berlin

EPRA NET INITIAL YIELD (NIY) AND 'TOPPED-UP' NIY*

	Dec 2024	Dec 2023
	in € millions	
Investment property	24,375.3	24,632.4
Investment property of assets held for sale	691.8	408.3
Share of JV investment property [1]	1,078.6	1,103.3
Less: Classified as Development rights & Invest	(1,716.8)	(1,891.8)
Complete property portfolio	**24,428.9**	**24,252.2**
Allowance for estimated purchasers' costs [1]	1,845.0	1,784.5
Grossed up complete property portfolio value	**26,273.9**	**26,036.7**
End of period annualized net rental income [1]	1,239.5	1,233.9
Operating costs [2]	(186.4)	(189.9)
Annualized net rent, after non-recoverable costs	**1,053.1**	**1,044.0**
Notional rent expiration of rent-free periods or other lease incentives	12.7	12.6
Topped-up net annualized rent	**1,065.8**	**1,056.6**
EPRA NIY	**4.0%**	**4.0%**
EPRA 'TOPPED-UP' NIY	**4.1%**	**4.1%**

1) including AT's share in joint venture positions
2) to reach annualized operating costs, cost margins were used for each respective period
(*) EPRA BPR adjustments not disclosed have a zero value

The EPRA Net Initial Yield (NIY) is calculated by subtracting the non-recoverable operating costs from the net rental income as of the end of the period and dividing the result by the fair value of the full property portfolio plus an allowance for estimated purchasers' costs. EPRA 'Topped-up' NIY is an additional calculation that factors into consideration the effects of rent-free period and other lease incentives. Given the strategic investment in joint venture positions, they are proportionately consolidated in accordance with the holding rate at the end of the period.

The EPRA NIY was 4.0% as of December 2024, stable compared to 4.0% as of December 2023. The yield was mainly driven by the like-for-like rental growth of 2.9% while recording a small amount of property devaluations, partially offset by disposals of assets with higher-than-average yields. Additionally, the lower cost margin, also reflected in the lower EPRA cost ratios, impacted the EPRA NIY. These impacts were offset by a smaller share of the portfolio classified as Development rights & invest as well as a higher allowance for estimated purchasers' costs impacting the grossed up complete property portfolio value. EPRA 'Topped-up' NIY amounted to 4.1% as of year-end 2024, also stable compared to 4.1% as of year-end 2023.

Frankfurt

EPRA VACANCY

EPRA VACANCY	Dec 2024	Dec 2023
	in € millions	
Estimated Rental Value (ERV) of the vacant space	93.4	98.4
Dec annualized net rent including vacancy rented at ERV	1,239.7	1,240.7
EPRA VACANCY	**7.5%**	**7.9%**

EPRA VACANCY INCLUDING JV	Dec 2024	Dec 2023
	in € millions	
Estimated Rental Value (ERV) of the vacant space including JV [1]	104.6	106.9
Dec annualized net rent including vacancy rented at ERV including JV [1]	1,324.9	1,322.7
EPRA VACANCY INCLUDING JV	**7.9%**	**8.1%**

1) including AT's share in joint venture positions

EPRA Vacancy is an operational measure that calculates a real estate company's economic vacancy rate as based on the prevailing market rental rates. It is calculated by dividing the market rental value of the vacant space in the portfolio by the annualized rental value of the portfolio, including vacancy at market rents. The EPRA Vacancy including JV further includes AT's share in joint venture investments, including its holding in Globalworth, the leading publicly listed office landlord in Central and Eastern European markets, mainly in Warsaw and Bucharest.

EPRA Vacancy stood at 7.5% as of December 2024, lower compared to 7.9% as of December 2023, mainly due to disposals of assets with above average vacancy levels and repositioning and conversion efforts of hotel and office assets. EPRA Vacancy including JV also reduced to 7.9% as of December 2024, compared to 8.1% as of December 2023 with the slight decline in occupancy in joint ventures offsetting some of reduction in vacancy.

Amsterdam

EPRA COST RATIOS*

	Year ended December 31,	
	2024	2023
	in € millions	
Administrative and other expenses	65.7	64.7
Maintenance and refurbishment	55.0	49.3
Ancillary expenses and purchased services, net	(13.1)	(0.2)
Personnel expenses	63.0	62.7
Other operating costs	63.7	98.7
Depreciation and amortization	20.2	17.9
Share of equity-accounted investees [1]	22.1	19.5
Exclude:		
Depreciation and amortization	(20.2)	(17.9)
EPRA Costs (including direct vacancy costs)	**256.4**	**294.7**
Direct vacancy costs [1]	(28.6)	(27.9)
EPRA Costs (excluding direct vacancy costs)	**227.8**	**266.8**
Revenue	1,542.3	1,602.8
Less: Operating and other income	(361.4)	(410.0)
Add: Share of net rental income from equity-accounted investees [1]	87.4	87.0
Net rental income	**1,268.3**	**1,279.8**
EPRA Cost Ratio (including direct vacancy costs)	**20.2%**	**23.0%**
EPRA Cost Ratio (excluding direct vacancy costs)	**18.0%**	**20.8%**

1) including AT's share in joint venture positions
(*) EPRA BPR adjustments not disclosed have a zero value

The EPRA Cost Ratios provide an overview of a company's operating cost structure and provide for increased comparability across companies. The cost ratios are derived by dividing the administrative expenses and property operating expenses (including non-recoverable service charges) by the net rental income. The ratio is calculated both including and excluding the direct vacancy costs. Given the strategic importance of its joint venture investments, AT includes in its calculations their relative contributions at the average holding rate during the year.

The EPRA cost ratios were 20.2% including direct vacancy costs and 18.0% excluding direct vacancy costs in 2024, lower compared to 23.0% and 20.8% in 2023 respectively. The decrease in the EPRA cost ratios is the result of the like-for-like net rental growth, efficiency gains, and the disposal of assets with a higher-than-average cost structure.

EPRA CAPITAL EXPENDITURE*

	Year ended December 31,	
	2024	2023
	in € millions	
Acquisitions	421.0	211.5
Investment properties:		
Expansion capex	137.6	121.8
Tenant improvements	84.0	95.7
Other capex	124.3	117.1
Total capex	345.9	334.6
EPRA property-related capex	**766.9**	**546.1**

(*) EPRA BPR adjustments not disclosed have a zero value

EPRA property-related capex is made up of expenditures made in relation to acquisitions, expansion capex, tenant improvements and other capex. EPRA property-related capex amounted to €767 million in 2024, higher by 40% compared to €546 million in 2023, mainly due to the higher amount of additions in the period, resulting in a higher number of acquisitions for EPRA capex. Further explanations on the additions and capex can be found in the notes above.

Alternative Performance Measures

Aroundtown follows the real estate reporting criteria and provides Alternative Performance Measures. These measures provide more clarity on the business and enables benchmarking and comparability to market levels. In the following section, Aroundtown presents a detailed reconciliation for the calculations of its Alternative Performance Measures.

ADJUSTED EBITDA

The adjusted EBITDA is a performance measure used to evaluate the operational results of the Group by deducting from the *EBITDA*, which includes the *Total depreciation and amortization* on top of the *Operating profit / (loss)*, non-operational items such as the *Property revaluations and capital gains / (losses)* and *Share of results from investment in equity accounted investees*, as well as *Contributions of assets held for sale*. Aroundtown adds to its adjusted EBITDA a non-recurring and/or non-cash item called *Other adjustments* which is mainly the expenses for employees' share incentive plans. In order to reflect only the recurring operational profits, Aroundtown excludes the *Share of results from investment in equity accounted investees* as this item also includes non-operational profits generated by Aroundtown's equity accounted investees. Instead, Aroundtown includes in its adjusted EBITDA its share in the adjusted EBITDA generated by investments where Aroundtown has significant influence in accordance with its economic holding rate over the period. This line item is labelled as *Contribution of joint ventures' adjusted EBITDA*. Prior to the third quarter of 2021, this line item was mostly attributed to Aroundtown's share in GCP's adjusted EBITDA, however, starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts.

Aroundtown created extraordinary expenses for uncollected hotel rents. Adjusted EBITDA excludes (adds back) these expenses which are called *Extraordinary expenses for uncollected hotel rents*.

Adjusted EBITDA Calculation
Operating profit / (loss) [1]
(+) Total depreciation and amortization
(=) EBITDA
(-) Property revaluations and capital gains / (losses) [2]
(-) Share of results from investment in equity accounted investees [3]
(+) Other adjustments [4]
(-) Contribution of assets held for sale [5]
(+) Add back: Extraordinary expenses for uncollected hotel rents [6]
(=) Adjusted EBITDA before JV contribution [7]
(+) Contribution of joint ventures' adjusted EBITDA [8]
(=) Adjusted EBITDA

1) Named as „Operating profit" in FY 2020, 2021 and 2022. Named as „Operating (loss) / profit" in FY 2023
2) Named as „Property revaluations and capital gains" in FY 2020, 2021 and 2022. Named as „Property revaluations and capital (losses) / gains" in FY 2023
3) Named as „Share in profit from investment in equity-accounted investees" in FY 2020 and „Share of profit from investment in equity-accounted investees" in FY 2021 and 2022. Named as „Share of (loss) / profit from investment in equity accounted investees" in FY 2023
4) Including expenses related to employees' share incentives plans. Named as „Other adjustments" in FY 2023 as no one-off expenses related to TLG merger were recorded in FY 2023. Named as „Other adjustments incl. one-off expenses related to TLG merger" after the takeover of TLG in FY 2020, 2021 and 2022.
5) Named as „Contribution from assets held for sale" in FY 2020
6) Named as "Extraordinary expenses for uncollected hotel rents" in FY 2023. Named as „Extraordinary expenses for uncollected rent" in FY 2020, 2021 and 2022. The adjustment started in 2020 after the Covid pandemic in order to reflect the recurring adjusted EBITDA excluding these extraordinary expenses
7) Named as „Adjusted EBITDA commercial portfolio, recurring long-term" in FY 2020
8) The adjustment is to reflect AT's share in the adjusted EBITDA of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021, GCP is consolidated. Named as „Adjustment for GCP's and other investments' adjusted EBITDA contribution" in FY 2020

FUNDS FROM OPERATIONS I (FFO I)

Funds from Operations I (FFO I) is an industry standard performance indicator for evaluating operational recurring profits of a real estate firm. Aroundtown calculates *FFO I* by deducting from the *Adjusted EBITDA before JV contribution*, the *Finance expenses, Current tax expenses, Contribution to minorities* and adds back *Adjustments related to assets held for sale. Adjustments related to assets held for sale* refers to finance expenses and current tax expenses related to assets held for sale. *Contribution to minorities* additionally include the minority share in GCP's FFO I (starting from July 1, 2021) and the minority share in TLG's FFO I excluding the contribution from assets held for sale. Aroundtown additionally deducts the *Perpetual notes attribution* to reach at *FFO I before JV contribution*. Prior to 2021, this figure did not deduct the perpetual notes attribution.

Due to the exclusion of the *Share of results from investment in equity accounted investees* in the adjusted EBITDA calculation which includes the operational profits from those investments, Aroundtown adds back its relative share in the FFO I of joint venture positions in accordance with the holding rate over the period to reflect the recurring operational profits generated by those investments. This item is labelled as *Contribution of joint ventures' FFO I*. Prior to the third quarter of 2021, this item was mostly attributed to Aroundtown's share in GCP's FFO I, however, starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts. Aroundtown created *Extraordinary expenses for uncollected hotel rents*. Therefore, Aroundtown's *FFO I* included these expenses.

FFO I per share is calculated by dividing the *FFO I* by the *Weighted average basic shares* which excludes the shares held in treasury.

In FY 2020 and FY 2021, Aroundtown additionally showed *FFO I before extraordinary Covid adjustment* and *FFO I per share before extraordinary Covid adjustment* (named as *FFO I before Covid* and *FFO I per share before Covid* in FY 2020), which excluded the *Extraordinary expenses for uncollected rent*. Starting from FY 2022, this line item is not shown in the table to maintain the focus on the main FFO I KPI.

Funds From Operations (FFO I) Calculation
Adjusted EBITDA before JV contribution
(-) Finance expenses
(-) Current tax expenses
(-) Contribution to minorities [1]
(+) Adjustments related to assets held for sale
(-) Perpetual notes attribution
(=) FFO I before JV contribution [2]
(+) Contribution of joint ventures' FFO I [3]
(-) Extraordinary expenses for uncollected hotel rents [4]
(=) FFO I [5]

1) Including minority share in GCP's FFO I (since the consolidation in Q3 2021) and TLG's FFO (since the takeover in Q1 2020)
2) Named as „FFO I commercial portfolio, recurring long-term" in FY 2020. In order to align FFO I better with the market standards, Aroundtown started deducting perpetual notes attribution from its main FFO I KPI in 2020 and from this line item in 2021
3) The adjustment is to reflect AT's share in the FFO I of companies in which AT has significant influence and that are not consolidated. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated. Named as „Adjustment for GCP's and other investments' FFO I contribution" in FY 2020
4) Named as „Extraordinary expenses for uncollected rent" in FY 2020, 2021 and 2022.
5) In order to align this KPI better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution from this KPI

FFO I Per Share Calculation
(c) FFO I
(b) Weighted average basic shares [1]
(=) (c/b) FFO I per share [2]

1) Weighted average number of shares excludes shares held in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes
2) In order to align this KPI better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution from FFO I

FUNDS FROM OPERATIONS II (FFO II)

Funds from Operations II (FFO II) is an additional measurement used in the real estate industry to evaluate operational recurring profits including the impact from disposal activities. To derive the *FFO II*, the *Results from disposal of properties* are added to the *FFO I*. The results from disposals reflect the profit driven from the excess amount of the sale price, net of transactions costs, to cost price plus capex of the disposed properties.

Funds From Operations II (FFO II) Calculation
FFO I
(+) Result from the disposal of properties [1]
(=) FFO II [2]

1) The excess amount of the sale price, net of transaction costs and total costs (cost price and capex of the disposed properties)
2) In order to align FFO I better with market standards, in 2020, Aroundtown started deducting the perpetual notes attribution

RENTAL YIELD AND RENT MULTIPLE

The rental yield and rent multiple are industry standard indicators to measure the rent generation of a property portfolio relative to its value and are generally used as key valuation indicators.

The *Rental yield* is derived by dividing the *End of period annualized net rental income*, by the *Investment property*. The *End of period annualized net rental income* is the annualized monthly in-place rent of the related *Investment property* as at the end of the period. The *Rent multiple* is the inverse of *Rental yield* and is derived by dividing the *Investment property* by the *End of period annualized net rental income*. As the assets that classified as *Development rights & invest* do not generate material rental income, these are excluded from the calculation.

AT additionally reports rental yield and/or rent multiple on a more granular basis, such as in its portfolio breakdown or in relation to specific transactions, to provide enhanced transparency and comparability on its property portfolio in specific locations and/or in relation to transaction activity.

Rental Yield and Rent Multiple Calculation
(a) End of period annualized net rental income [1]
(b) Investment property [1]
(=) (a/b) Rental yield
(=) (b/a) Rent multiple

1) Excluding properties classified as Development rights & Invest

LOAN-TO-VALUE (LTV)

The Loan-to-Value (LTV) is a measurement aimed at reflecting the leverage of a company. The purpose of this metric is to assess the degree to which the total value of the real estate properties can cover financial debt and the headroom against a potential market downturn. With regards to Aroundtown's internal LTV guidance due to its conservative financial policy, the LTV shows as well the extent to which Aroundtown can comfortably raise further debt to finance additional growth. *Total value* is calculated by adding together the *Investment property* which includes *Advance payments and deposits* and starting from FY 2023 *Owner-occupied property* but excludes the right-of-use assets, *Investment property of assets held for sale* and *Investment in equity-accounted investees* which starting from Dec 2022 include only property related JV's. *Net financial debt* is calculated by deducting the *Cash and liquid assets* from the *Total financial debt* which is a sum of *Long and short term loans and borrowings* and *Long and short term straight bonds*. *Cash and liquid assets* are the sum of *Cash and cash equivalents, Short-term deposits* and *Financial assets at fair value through profit or loss,* as well as cash balances of assets held for sale. Aroundtown calculates the LTV ratio through dividing the *Net financial debt* by the *Total value*.

LTV Calculation
(+) Investment property (incl. advance payments and deposits and owner-occupied property and excl. right-of-use assets) [1]
(+) Investment property of assets held for sale
(+) Investment in equity-accounted investees [2]
(=) (a) Total value
(+) Total financial debt [3]
(-) Cash and liquid assets [4]
(=) (b) Net financial debt
(=) (b/a) LTV

1) It included inventories - trading property before the item was disposed and starting in Dec 2023 includes Owner-occupied property
2) Including property related JV's starting from Dec 2022
3) Total of bank loans, straight bonds and exluding lease liabilities. It included convertible bonds and schuldscheins prior to their repayment
4) Including balances under held for sale

EQUITY RATIO

Equity Ratio is the ratio of *Total Equity* divided by *Total Assets*, each as indicated in the consolidated financial statements. Aroundtown believes that Equity Ratio is useful for investors primarily to indicate the long-term solvency position of Aroundtown.

Equity Ratio Calculation
(a) Total Equity
(b) Total Assets
(=) (a/b) Equity Ratio

UNENCUMBERED ASSETS RATIO

The Unencumbered assets ratio is an additional indicator to assess Aroundtown's financial flexibility. As Aroundtown is able to raise secured debt over the unencumbered asset, a high ratio of unencumbered assets provides Aroundtown with additional potential liquidity. Additionally, unencumbered assets provide debt holders of unsecured debt with a headroom. Aroundtown derives the *Unencumbered assets ratio* from the division of *Rent generated by unencumbered assets* by *Rent generated by the total Group. Rent generated by unencumbered assets* is the net rent on an annualized basis generated by assets which are unencumbered, including the contribution from joint venture positions but excluding the net rent from assets held for sale. In parallel, *Rent generated by the total Group* is the net rent on an annualized basis generated by the total Group including the contribution from joint venture positions but excluding the net rent from assets held for sale.

Unencumbered Assets Ratio Calculation
(a) Rent generated by unencumbered assets [1]
(b) Rent generated by the total Group [1]
(=) (a/b) Unencumbered Assets Ratio

1) Annualized net rent including the contribution from joint venture positions and excluding the net rent from assets held for sale

INTEREST COVER RATIO (ICR)

The Interest Cover Ratio (ICR) is widely used in the real estate industry to assess the strength of a firm's credit profile. The multiple indicates the degree to which Aroundtown's operational results are able to cover its debt servicing costs. *ICR* is calculated by dividing the *Adjusted EBITDA* including the contributions from assets held for sale by the *Finance expenses*. ICR previously included the contribution from joint venture positions in both the finance expenses and adjusted EBITDA but it was reclassified during 2021 to exclude these contributions in order to reflect the interest cover ratio of the Group's standalone operations excluding its joint venture investments, as well as to simplify this KPI. Aroundtown additionally provides the *ICR, including extraordinary expenses for uncollected hotel rents* and which was previously reported as *ICR, Covid adjusted* and which is calculated by dividing the *Adjusted EBITDA* including extraordinary expenses for uncollected hotel rents and the contributions from assets held for sale by the *Finance expenses.*

ICR Calculation
(a) Finance expenses [1]
(b) Adjusted EBITDA [2]
(=) (b/a) ICR

1) Previously included contributions from joint venture positions and named as „Group finance expenses" in FY 2020
2) Including the contributions from assets held for sale and previously included contributions from joint venture positions

ICR, Including Extraordinary Expenses for Uncollected Hotel Rents Calculation
(a) Finance expenses
(c) Adjusted EBITDA [2] [4]
(=) (c/a) ICR, including extraordinary expenses for uncollected hotel rents [3]

1) Previously included contributions from joint venture positions and named as „Group finance expenses" in FY 2020
2) Including the contributions from assets held for sale and previously included contributions from joint venture positions
3) Named as ICR, Covid adjusted in FY 2022
4) Including extraordinary expenses for uncollected hotel rents.

EPRA NAV KPI'S
EPRA NET REINSTATEMENT VALUE (EPRA NRV)

The EPRA NRV is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net assets on a long-term basis, assuming entities never sell assets. This KPI aims to represent the value required to rebuild the company. Aroundtown's *EPRA NRV* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which includes balances in assets held for sale and excludes significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority share in derivative financial instruments. These items are added back in line with EPRA's standards as they are not expected to materialize on an ongoing and long-term basis. Aroundtown then deducts the *Goodwill in relation to TLG, Goodwill in relation to GCP* and adds *Real estate transfer tax* which is the gross purchasers' costs in line with EPRA's standards which includes Aroundtown's share in TLG's and GCP's relevant real estate transfer taxes (RETT). Following the consolidation of GCP, the goodwill recognized in relation to GCP became relevant for EPRA NRV calculations. *EPRA NRV per share* is calculated by dividing the *EPRA NRV* by the *Number of shares* which excludes the treasury shares.

The EPRA NAV was discontinued by EPRA starting from FY 2020. Following EPRA guidelines, Aroundtown provided the bridge between the former EPRA NAV and the new EPRA NRV in its FY 2020 report and discontinued reporting EPRA NAV thereafter. The main difference between the former EPRA NAV and the EPRA NRV is the addition of real estate transfer taxes in the EPRA NRV.

EPRA NRV and EPRA NRV Per Share Calculation
Equity attributable to the owners of the Company
(+) Deferred tax liabilities [1]
(+/-) Fair value measurement of derivative financial instruments [2]
(-) Goodwill in relation to TLG [3]
(-) Goodwill in relation to GCP [4]
(+) Real estate transfer tax [5]
(=) (a) EPRA NRV
(b) Number of shares (in millions) [6]
(=) (a/b) EPRA NRV per share

1) Excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations, including DTL of assets held for sale
2) Excluding significant minority share in derivatives
3) Deducting the goodwill resulting from the business combination with TLG
4) Deducting the goodwill resulting from the consolidation of GCP
5) Including the gross purchasers' costs of assets held for sale and relative share in TLG's and GCP's relevant RETT
6) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA NET TANGIBLE ASSETS (EPRA NTA) AND EPRA NTA with RETT

The EPRA NTA is defined by the European Public Real Estate Association (EPRA) as a measure to highlight the value of a company's net tangible assets assuming entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred taxes. Aroundtown's *EPRA NTA* calculation begins by adding to the *Equity attributable to the owners of the Company* the *Deferred tax liabilities* which excludes the deferred tax liabilities of properties held for sale, retail portfolio, development rights & invest portfolio, GCP's portfolio cities classified as "Others" and significant minority share in deferred tax liabilities, as well as excluding deferred tax assets on certain financial instruments in line with EPRA recommendations. Aroundtown also adds/deducts *Fair value measurement of derivative financial instruments* which includes the derivative financial instruments related to interest hedging and excludes significant minority share in derivative financial instruments. Furthermore, Aroundtown deducts the *Goodwill in relation to TLG, Goodwill in relation to GCP* and *Intangibles as per the IFRS balance sheet* which excludes significant minority share in intangibles. The *EPRA NTA* was reclassified in Dec 2022 to exclude *RETT* in order to align better with market standards. The *EPRA NTA per share* is calculated by dividing the *EPRA NTA* by the *Number of shares* which excludes the treasury shares. The *EPRA NTA with RETT* adds gross purchasers' cost of properties which enable RETT optimization at disposal based on track record, including the relative share in GCP's relevant RETT. The *EPRA NTA with RETT per share* is calculated by dividing the *EPRA NTA with RETT* by *Number of shares*.

EPRA NTA (& per share) and EPRA NTA with RETT (& per share) Calculation
Equity attributable to the owners of the Company
(+) Deferred tax liabilities [1]
(+/-) Fair value measurement of derivative financial instruments [2]
(-) Goodwill in relation to TLG [3]
(-) Goodwill in relation to GCP [4]
(-) Intangibles as per the IFRS balance sheet [5]
(=) (a) EPRA NTA [6]
(+) (b) Real estate transfer tax [7]
(=) (c=a+b) EPRA NTA with RETT [8]
(a) EPRA NTA [6]
(d) Number of shares (in millions) [9]
(=) (a/d) EPRA NTA per share [6]
(c) EPRA NTA with RETT [8]
(d) Number of shares (in millions) [9]
(=) (c/d) EPRA NTA with RETT per share [8]

1) Excluding significant minority share in deferred tax liabilities (DTL), as well as deferred tax assets on certain financial instruments in line with EPRA recommendations
2) Excluding significant minority share in derivatives
3) Deducting the goodwill resulting from the business combination with TLG
4) Deducting the goodwill resulting from the consolidation of GCP. Prior to the consolidation of GCP as of July 1, 2021, there was an adjustment related to surplus on investment in GCP, named as „Goodwill as per the IFRS balance sheet (related to GCP surplus)"
5) Excluding significant minority share in intangibles
6) Changed in Dec 2022 to exclude RETT
7) Including only the gross purchasers' costs of properties where RETT optimization at disposal can be achieved. Additionally including relative share in GCP's relevant RETT
8) Previously defined as „EPRA NTA" or „EPRA NTA per share" in FY 2020 and FY 2021
9) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA NET DISPOSAL VALUE (EPRA NDV)

The EPRA NDV is defined by the European Public Real Estate Association (EPRA) as a measure that represents the shareholders' value under a disposal scenario, where deferred taxes, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. Aroundtown calculates its *EPRA NDV* by deducting from the *Equity attributable to the owners of the Company*, the *Goodwill in relation to TLG* and *Goodwill in relation to GCP* and deducting/adding the *Net fair value of debt* which is the difference between the market value of debt and the book value of debt, adjusted for taxes. The *EPRA NDV per share* is calculated by dividing the *EPRA NDV* by the *Number of shares* which excludes the treasury shares.

The EPRA NNNAV was discontinued by EPRA starting from FY 2020. Following EPRA guidelines, Aroundtown provided the bridge between the former EPRA NNNAV and the new EPRA NDV in its FY 2020 report and discontinued reporting EPRA NNNAV thereafter. The main difference between the former EPRA NNNAV and the EPRA NDV is the exclusion of deferred tax liabilities in the EPRA NDV and goodwill related to GCP surplus prior to the consolidation of GCP as of July 1, 2021.

EPRA NDV and EPRA NDV Per Share Calculation
Equity attributable to the owners of the Company
(-) Goodwill in relation to TLG [1]
(-) Goodwill in relation to GCP [2]
(+/-) Net fair value of debt
(=) (a) EPRA NDV
(b) Number of shares [3]
(=) (a/b) EPRA NDV per share

1) Deducting the goodwill resulting from the business combination with TLG
2) Deducting the goodwill resulting from the consolidation of GCP. Prior to the consolidation of GCP as of July 1, 2021, there was an adjustment related to surplus on investment in GCP, named as „Goodwill as per the IFRS balance sheet (related to GCP surplus)"
3) Excluding shares in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

EPRA LOAN-TO-VALUE (EPRA LTV)

The EPRA LTV is a metric that aims to assess the leverage of shareholder equity within a real estate company. The main difference between EPRA LTV and the Company's calculated LTV is the wider categorization of liabilities and assets with the largest impact coming from the inclusion of perpetual notes as debt, inclusion of financial assets in the net assets and proportionate consolidation adjustments. *EPRA LTV* is calculated by dividing the *EPRA Net debt* by *EPRA Total property value*. *EPRA Net debt* is derived by deducting *Cash and liquid assets* from *EPRA Gross debt*. *Cash and liquid assets* are defined under LTV section above. *EPRA Gross debt* is the sum of *Total financial debt* described under LTV section above, an adjustment related to *Foreign currency derivatives*, *Equity attributable to perpetual notes investors* and *Net payables*. *EPRA Total property value* is the sum of *Investment property* which includes *Advance payments and deposits* but excludes the right-of-use assets, *Investment property of assets held for sale*, *Owner-occupied property*, *Intangibles as per the IFRS balance sheet*, *Net receivables* and *Financial assets*. *Net payables* or *Net receivables* is the sum of *Trade and other receivables* and *Long term financial investments and other assets* (both of which excluding loans-to-own assets and vendor loans), net of *Trade and other payables, Long term financial liabilities and other payables* (excluding lease liabilities), *Tax payable* and *Provisions for other liabilities and accrued expenses*, including balances in held for sale. If *Net receivables* are larger than *Net payables* in absolute values, the netted sum is shown in *EPRA Total property value*, otherwise in *EPRA Net debt*. *Financial assets* are the sum of loans-to-own assets and vendor loans. The calculation above reaches at *EPRA LTV – Consolidated (as reported)*. Following EPRA guideline, Aroundtown adds its *Share of joint ventures* and deducts *Material non-controlling interests* relating to GCP and TLG for all respective items where relevant which results in *EPRA LTV – Proportionate consolidation* also named as *EPRA LTV*.

EPRA LTV Calculation (*)
(+) Total financial debt [1]
(+/-) Foreign currency derivatives
(+) Equity attributable to perpetual notes investors
(+) Net payables [3]
(=) EPRA Gross debt
(-) Cash and liquid assets [1]
(=) (a) EPRA Net debt
(+) Investment property [2]
(+) Investment property of assets held for sale
(+) Owner-occupied property
(+) Intangibles as per the IFRS balance sheet
(+) Net receivables [3]
(+) Financial assets
(=) (b) EPRA Total property value
(=) (a/b) EPRA LTV [4]

1) The components are described under the LTV section
2) Starting in Dec 2023, Investment property under the LTV section was changed to include Owner-occupied property which is added separately below in EPRA LTV
3) If Net receivables are larger than Net payables in absolute values, the netted sum is shown in EPRA Total property value, otherwise in EPRA Net debt
4) Following EPRA guidelines, Aroundtown adds its share of joint ventures and deducts material non-controlling interests relating to GCP and TLG for all items where relevant

(*) EPRA BPR adjustments not disclosed have a zero value

EPRA EARNINGS

The EPRA Earnings is defined by the European Public Real Estate Association (EPRA) as the earnings from operational activities and serves as an indicator of a company's underlying operational profits for the period in context of a European real estate company. Aroundtown calculates its *EPRA Earnings* by deducting from the *Earnings per IFRS income statement*, the *Property revaluations and capital gains / (losses)* and *Impairment of goodwill,* non-cash and non-linear profit or loss items, adding back *Changes in fair value of financial assets and liabilities, buy-backs and early repayment costs, net* a non-cash and non-operational expense item, taking out *Deferred tax (expense) / income* deducting the *Share of results from investment in equity accounted investees* and adding back their recurring earnings called *Adjustment for investment in equity-accounted investees* and deducting *EPRA Earnings contribution to minorities*. With regard to *Adjustment for investment in equity-accounted investees*, given Aroundtown's strategic joint venture investments, the proportional share in these joint venture investments' EPRA Earnings for the year is included in accordance with the average holding rate throughout the year. Prior to the third quarter of 2021, these contributions were mostly attributed to GCP. Starting from July 1, 2021, GCP is consolidated in AT's financial accounts and the minority share in GCP's EPRA Earnings is deducted instead. EPRA updated the BPR guidelines in September 2024, introducing an updated methodology for calculating EPRA Earnings. The updated methodology includes now an Adjustment for perpetual notes attribution, starting FY 2024.

EPRA Earnings per share is calculated by dividing the *EPRA Earnings* by the *Weighted average basic shares* which excludes the shares held in treasury.

As FFO I is the widely-recognized indicator for a company's operational performance, an additional reconciliation is provided from the *EPRA Earnings* to the *FFO I*. In this regard, on top of *EPRA Earnings, Total depreciation and amortization, Finance-related costs* and *Other adjustments* are added back. *Other adjustments* are made up of share-based payments and previously included one-off expenses related to TLG merger. Furthermore, *FFO items related to minorities and FFO contribution from assets held for sale* are deducted. *FFO items related to minorities* refers to Aroundtown's share in GCP's FFO I bridge adjustment for its depreciation, finance-related costs and other FFO adjustments, additionally adjusting for the minority share in these adjustments starting from the third quarter of 2021. In-line with the updated EPRA Earnings methodology, which now includes the Adjustment for perpetual notes attribution, such adjustment is no longer required in the bridge. In accordance with the EPRA guidelines, AT reports the updated EPRA Earnings KPI under EPRA Earnings while also providing the previous calculation methodology under EPRA Earnings (excl. perp.) for reference.

EPRA Earnings and EPRA Earnings Per Share Calculation [*]
Earnings per IFRS income statement
(-) Property revaluations and capital gains / (losses) [1]
(-) Impairment of goodwill
(-) Changes in fair value of financial assets and liabilities, buy-backs and early repayment costs, net [2]
(-) Deferred tax (expense) / income [3]
(-) Perpetual notes attribution [4]
(-) Share of results from investment in equity accounted investees [5] [6]
(+) Adjustment for investment in equity-accounted investees [6] [7]
(-) EPRA Earnings contribution to minorities [8]
(=) (a) EPRA Earnings
(b) Weighted average basic shares [9]
(=) (a/b) EPRA Earnings per share

1) Named as „Fair value adjustments, capital gains and other income" in FY 2017, and „Property revaluations and capital gains" in FY 2018, 2019, 2020, 2021 and 2022. Named as „Property revaluations and capital (losses) / gains" in FY 2023
2) Named as „Changes in fair value of financial assets and liabilities, net" in FY 2017, 2018, 2019, 2020 and 2021
3) Named as „Deferred tax expense" in FY 2017, 2018, 2019, 2020 and 2021. Named as „Deferred tax income (expenses)" in FY 2022 and „Deferred tax income" in FY 2023
4) Following EPRA methodology update Adjustment for perpetual notes attribution is included in the EPRA Earnings calculation starting FY 2024
5) Named as „Share in profit from investment in equity-accounted investees" in FY 2017, 2018, 2019 and 2020, „Share of profit from investment in equity accounted investees" in FY 2021 and 2022, and „Share of (loss) / profit from investment in equity accounted investees" in FY 2023
6) In FY 2017, 2018 and 2019, share of profit from investment in equity-accounted investees and adjustment for investment in equity-accounted investees were summed up and presented in a single line item called „Adjustments for investment in equity-accounted investees"
7) Including AT's share in joint venture positions. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated.
8) Additionally adjusting for the minority share in GCP's FFO to EPRA Earnings bridge. Named as „Contribution from minorities" in FY 2017 and „Contribution to minorities" in FY 2018, 2019 and 2020
9) Weighted average number of shares excludes shares held in treasury, base for share KPI calculations. Prior to their conversion, it included the conversion impact of mandatory convertible notes

(*) EPRA BPR adjustments not disclosed have a zero value

EPRA NET INITIAL YIELD (NIY) AND EPRA 'TOPPED-UP' NIY

The EPRA Net Initial Yield (NIY) and EPRA 'Topped-up' NIY are comparable yield measures provided by EPRA for portfolio valuations. The *EPRA NIY* calculation begins by subtracting the non-recoverable *Operating costs* from *End of period annualized net rental income* which includes Aroundtown's share in joint venture positions' net rental income and net rental income from assets held for sale. In order to reach annualized operating costs, Aroundtown uses cost margins for each respective periods. This *Annualized net rent, after non-recoverable costs* is divided by the *Grossed up complete property portfolio value* which is the sum of *Complete property portfolio* and *Allowance for estimated purchasers' costs*. The *Complete property portfolio* is the sum of *Investment property, Investment property of assets held for sale* and *Share of JV investment property*, excluding the part of the portfolio that is *Classified as Development rights & Invest*. On the other hand, *EPRA 'Topped-up' NIY* divides the *Topped-up net annualized rent* which includes additionally *Notional rent expiration of rent-free periods or other lease incentives* by the *Grossed up complete property portfolio value*.

EPRA NIY and 'TOPPED-UP' NIY Calculation (*)
(+) Investment property
(+) Investment property of assets held for sale [1]
(+) Share of JV investment property [2]
(-) Classified as Development rights & Invest [3]
(=) Complete property portfolio
(+) Allowance for estimated purchasers' costs [4]
(=) (a) Grossed up complete property portfolio value
(+) End of period annualized net rental income [4] [5]
(-) Operating costs [6]
(=) (b) Annualized net rent, after non-recoverable costs
(+) Notional rent expiration of rent-free periods or other lease incentives
(=) (c) Topped-up net annualized rent
(=) (b/a) EPRA NIY
(=) (c/a) EPRA 'TOPPED-UP' NIY

1) Named as „Investment properties of assets held for sale" in FY 2017, 2018 and 2019
2) Named as „Share of GCP investment property" in FY 2017
3) Named as „Classified as development rights and new buildings" in FY 2018 and 2019. Prior to that, such classification did not exist
4) Including AT's share in joint venture positions
5) Including the net rent contribution of assets held for sale
6) To reach annualized operating costs, cost margins were used for each respective periods

(*) EPRA BPR adjustments not disclosed have a zero value

EPRA VACANCY

The EPRA Vacancy is a key benchmark for providing comparable vacancy reporting across real estate companies. Aroundtown provides *EPRA Vacancy* and *EPRA Vacancy including JV*. *EPRA Vacancy* is calculated by dividing the *Estimated Rental Value (ERV) of the vacant space* by the *Dec annualized net rent including vacancy rented at ERV*. This figure was previously defined as EPRA Vacancy - Commercial portfolio but it was renamed following the consolidation of GCP as of July 1, 2021. *EPRA Vacancy including JV* includes the contribution from joint venture positions and is calculated by dividing the *Estimated Rental Value (ERV) of the vacant space including JV* by the *Dec annualized net rent including vacancy rented at ERV including JV*. This figure was previously defined as EPRA Vacancy - Group portfolio.

EPRA Vacancy Including JV Calculation
(a) Estimated Rental Value (ERV) of the vacant space including JV [1]
(b) Dec annualized net rent including vacancy rented at ERV including JV [2]
(=) (a/b) EPRA Vacancy including JV [3]

EPRA Vacancy Calculation
(c) Estimated Rental Value (ERV) of the vacant space [4]
(d) Dec annualized net rent including vacancy rented at ERV [5]
(=) (c/d) EPRA Vacancy [6]

1) Named as „Estimated Rental Value (ERV) of the vacant space - Group portfolio" in FY 2020. The breakdown of the calculation wasn't provided prior to that
2) Named as „Dec annualized net rent including vacancy rented at ERV - Group portfolio" in FY 2020. The breakdown of the calculation wasn't provided prior to that
3) Named as „EPRA Vacancy - Group portfolio" in FY 2017, 2018, 2019 and 2020
4) Named as „Estimated Rental Value (ERV) of the vacant space - Commercial portfolio" in FY 2020. The breakdown of the calculation wasn't provided prior to that
5) Named as „Dec annualized net rent including vacancy rented at ERV - Commercial portfolio" in FY 2020. The breakdown of the calculation wasn't provided prior to that
6) Named as „EPRA Vacancy - Commercial portfolio" in FY 2017, 2018, 2019 and 2020

EPRA COST RATIOS

The EPRA Cost Ratios are key benchmarks provided by Aroundtown in line with EPRA guidelines in order to enable meaningful measurement of changes in its operating costs, as well as to provide for increased comparability across companies. The *EPRA Costs* is derived by adding together the *Administrative and other expenses, Maintenance and refurbishment, Ancillary expenses and purchased services, net, Personnel expenses, Other operating costs* and *Share of equity-accounted investees* which refers to Aroundtown's share in joint venture positions' EPRA costs (including direct vacancy costs). Prior to the third quarter of 2021, these contributions were mostly attributed to GCP. Starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts. The EPRA Costs exclude *Depreciation and amortization* if included above and include *Extraordinary expenses for uncollected hotel rents*. To reach *EPRA Cost Ratio (including direct vacancy costs)*, the sum is then divided by the *Net rental income*, which is derived by deducting from the *Revenue*, the *Operating and other income* but adding *Share of net rental income from equity-accounted investees*, reflecting Aroundtown's share in joint venture positions' net rental income. Similar to the EPRA Costs, prior to the third quarter of 2021, these contributions from joint venture positions were mostly attributed to GCP. Starting from July 1, 2021, GCP is consolidated in Aroundtown's financial accounts. The *EPRA Cost Ratio (excluding direct vacancy costs)* is derived by dividing the *EPRA Costs (excluding direct vacancy costs)*, which deducts *Direct vacancy costs* (including Aroundtown's share in joint venture positions' direct vacancy costs) from *EPRA Costs (including direct vacancy costs)*, by the *Net rental income*.

EPRA Cost Ratios Calculation (*)
(+) Administrative and other expenses
(+) Maintenance and refurbishment
(+) Ancillary expenses and purchased services, net [1] [2]
(+) Personnel expenses [2]
(+) Other operating costs [2]
(+) Depreciation and amortization [2]
(+) Share of equity-accounted investees [3]
Exclude: [4]
(-) Depreciation and amortization
(=) (a) EPRA Costs (including direct vacancy costs)
(-) (b) Direct vacancy costs [3]
(=) (c=a-b) EPRA Costs (excluding direct vacancy costs)
(+) Revenue
(-) Operating and other income
(+) Share of net rental income from equity-accounted investees [3]
(=) (d) Net rental income [4]
(=) (e=a/d) EPRA Cost Ratio (including direct vacancy costs)
(=) (f=c/d) EPRA Cost Ratio (excluding direct vacancy costs)

1) Named as „Net Ancillary expenses and purchased services" in FY 2019 and FY 2020
2) These items were summed up and presented together as „Operational expenses" in FY 2017 and FY 2018
3) Including AT's share in joint venture positions. GCP contributed to this line item until June 30, 2021. Starting from July 1, 2021 GCP is consolidated
4) Prior to IFRS 16 reclassification, ground rents were excluded from EPRA Costs in FY 2017 and 2018. Following the reclassification, ground rents are no longer part of operating expenses

(*) EPRA BPR adjustments not disclosed have a zero value

EPRA CAPITAL EXPENDITURE

The EPRA capital expenditure disclosure aims to provide a detailed analysis of the Company's capital expenditures. *Acquisitions* represent the amount spent for the purchase of investment properties including capitalized transaction costs. *Expansion* capex represent projects that are targeted at creating additional income drivers or significant value creation potential which result in additional lettable space or significant enhancement of the existing space. Additionally includes GCP's pre-letting modification and modernization capex. *Tenant improvements* represent fit-out works that are targeted at retaining existing tenants and/or attracting new tenants, increasing the quality of the asset and the tenant structure. *Other capex* represent ongoing capital expenditures that are targeted at sustaining the high quality of assets as well as improving sustainability standards to reduce energy consumption, CO_2 emissions, and the associated CO_2 tax, benefitting both AT and its tenants. These projects include green installations such as solar panels, combined heat and power engines and electric vehicle charging stations as well as green refurbishments such as roof, insulation and lighting replacements. Other capex also includes GCP's repositioning capex.

EPRA Property-Related Capex Calculation (*)
(a) Acquisitions
Investment properties:
(+) Expansion capex
(+) Tenant improvements
(+) Other capex
(=) (b) Total capex
(=) (c=a+b) EPRA property-related capex

(*) EPRA BPR adjustments not disclosed have a zero value

Responsibility statement

To the best of our knowledge, the consolidated financial statements of Aroundtown SA, prepared in accordance with the applicable reporting principles for financials statements, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development of the business, and describes the main opportunities, risks, and uncertainties associates with the Group.

Disclaimer

The financial data and results of the Group are affected by financial and operating results of its subsidiaries. Significance of the information presented in this report is examined from the perspective of the Company including its portfolio with the joint ventures. In several cases, additional information and details are provided in order to present a comprehensive representation of the subject described, which in the Group's view is essential to this report.

By order of the Board of Directors, March 26, 2025

Frank Roseen
Executive Director

Jelena Afxentiou
Executive Director

Tuscany

02 Consolidated Financial Statements

Consolidated statement of profit or loss

	Note	Year ended December 31, 2024	2023
		in € millions	
Revenue	6	1,542.3	1,602.8
Property revaluations and capital gains / (losses)	7	(125.4)	(3,217.5)
Share of results from investment in equity-accounted investees	16	(42.5)	(149.8)
Property operating expenses	8	(550.2)	(638.4)
Administrative and other expenses	9	(65.7)	(64.7)
Operating profit / (loss)		**758.5**	**(2,467.6)**
Impairment of goodwill	14	(46.0)	(137.0)
Finance expenses	10	(235.2)	(230.1)
Other financial results	10	(31.0)	(14.4)
Profit / (loss) before tax		**446.3**	**(2,849.1)**
Current tax expenses	11.2	(124.5)	(120.4)
Deferred tax (expense) / income	11.4	(12.5)	543.1
Profit / (loss) for the year		**309.3**	**(2,426.4)**
Profit / (loss) attributable to:			
Owners of the Company		52.9	(1,987.6)
Perpetual notes investors		203.4	153.4
Non-controlling interests		53.0	(592.2)
Profit / (loss) for the year		**309.3**	**(2,426.4)**
Net earnings / (loss) per share attributable to the owners of the Company (in €)			
Basic earnings / (loss) per share	12.1	0.05	(1.82)
Diluted earnings / (loss) per share	12.2	0.05	(1.82)

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of other comprehensive income

	Note	Year ended December 31,	
		2024	2023
		in € millions	
Profit / (loss) for the year		**309.3**	**(2,426.4)**
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss, net of tax:			
Foreign operations – foreign currency translation difference, net of investment hedges of foreign operations		21.5	12.1
Cash flow hedges and cost of hedging		(25.4)	(33.6)
Items that will not be reclassified to profit or loss, net of tax:			
Revaluation of property and equipment	15	0.3	(2.9)
Total comprehensive income for the year		**305.7**	**(2,450.8)**
Total comprehensive income attributable to:			
Owners of the Company		43.1	(2,013.2)
Perpetual notes investors		203.4	153.4
Non-controlling interests		59.2	(591.0)
Total comprehensive income for the year		**305.7**	**(2,450.8)**

Consolidated statement of financial position

	Note	As at December 31,	
		2024	2023
		in € millions	
ASSETS			
Investment property	13	24,375.3	24,632.4
Goodwill and intangible assets	14	1,119.6	1,165.7
Property and equipment	15	209.3	213.5
Investment in equity-accounted investees	16	925.7	1,086.5
Advance payments and deposits		85.9	107.4
Derivative financial assets	25.4.1	82.0	138.1
Long term financial investments and other assets	17	1,161.8	1,458.1
Deferred tax assets	11.4	60.6	65.8
Non-current assets		**28,020.2**	**28,867.5**
Cash and cash equivalents	25.3.2	3,128.4	2,641.2
Short-term deposits		81.2	127.1
Financial assets at fair value through profit or loss	25.1	431.3	257.7
Trade and other receivables	18	1,035.1	1,008.3
Derivative financial assets	25.4.1	220.3	248.0
Assets held for sale	13.2.2	703.4	409.5
Current assets		**5,599.7**	**4,691.8**
Total assets		**33,619.9**	**33,559.3**

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of financial position (continued)

	Note	As at December 31, 2024	2023
		in € millions	
EQUITY			
Share capital	19.1.1	15.4	15.4
Treasury shares	19.1.2	(2,891.0)	(2,893.3)
Retained earnings and other reserves		10,505.8	10,521.2
Equity attributable to the owners of the Company		**7,630.2**	**7,643.3**
Equity attributable to perpetual notes investors	19.2.1	4,540.6	4,756.9
Equity attributable to the owners of the Company and perpetual notes investors		**12,170.8**	**12,400.2**
Non-controlling interests	19.3.1	2,838.9	2,749.5
Total equity		**15,009.7**	**15,149.7**
LIABILITIES			
Loans and borrowings	21.1	2,134.1	2,124.2
Straight bonds	21.3	10,629.0	11,698.0
Derivative financial liabilities	25.4.1	256.9	306.4
Long term financial liabilities and other payables	22	543.9	635.1
Deferred tax liabilities	11.4	2,098.0	2,106.5
Non-current liabilities		**15,661.9**	**16,870.2**
Current portion of long-term loans and loan redemptions	21.1	310.5	79.9
Straight bonds	21.3	1,381.9	340.0
Trade and other payables	24	689.4	671.5
Tax payable		98.0	72.5
Provisions for other liabilities and accrued expenses		234.4	215.3
Derivative financial liabilities	25.4.1	142.1	134.6
Liabilities associated with assets as held for sale	13.2.2	92.0	25.6
Current liabilities		**2,948.3**	**1,539.4**
Total liabilities		**18,610.2**	**18,409.6**
Total equity and liabilities		**33,619.9**	**33,559.3**

The Board of Directors of Aroundtown SA authorized these consolidated financial statements for issuance on March 26, 2025

Frank Roseen
Executive Director

Jelena Afxentiou
Executive Director

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of changes in equity

	Note	Attributable to the owners of the Company									
		Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
		in € millions									
Balance as at January 1, 2024		**15.4**	**5,073.7**	**20.2**	**(2,893.3)**	**5,427.3**	**7,643.3**	**4,756.9**	**12,400.2**	**2,749.5**	**15,149.7**
Profit for the year		-	-	-	-	52.9	52.9	203.4	256.3	53.0	309.3
Other comprehensive income for the year, net of tax		-	17.3	(27.1)	-	-	(9.8)	-	(9.8)	6.2	(3.6)
Total comprehensive income for the year		-	17.3	**(27.1)**	**-**	**52.9**	**43.1**	**203.4**	**246.5**	**59.2**	**305.7**
Transactions with owners of the Company											
Contributions and distributions											
Equity settled share-based payment and other effects		-	(1.0)	-	2.3	-	1.3	-	1.3	-	1.3
Total contributions and distributions		**-**	**(1.0)**	**-**	**2.3**	**-**	**1.3**	**-**	**1.3**	**-**	**1.3**
Changes in ownership interests											
Initial consolidations and deconsolidations	19.3.1	-	-	-	-	-	-	-	-	37.5	37.5
Transactions with and dividends distributed to non-controlling interests (NCI)	19.3.1	-	-	-	-	8.6	8.6	-	8.6	(7.3)	1.3
Total changes in ownership interests		**-**	**-**	**-**	-	**8.6**	**8.6**	**-**	**8.6**	**30.2**	**38.8**
Transactions with perpetual notes investors											
Payment to perpetual notes investors		-	-	-	-	-	-	(122.0)	(122.0)	-	(122.0)
Buyback and exchange of perpetual notes	19.2.2	-	(66.1)	-	-	-	(66.1)	(2,917.6)	(2,983.7)	-	(2,983.7)
Issuance of perpetual notes	19.2.2	-	-	-	-	-	-	2,619.9	2,619.9	-	2,619.9
Total transactions with perpetual notes investors		**-**	**(66.1)**	**-**	**-**	**-**	**(66.1)**	**(419.7)**	**(485.8)**	**-**	**(485.8)**
Balance as at December 31, 2024		**15.4**	**5,023.9**	**(6.9)**	**(2,891.0)**	**5,488.8**	**7,630.2**	**4,540.6**	**12,170.8**	**2,838.9**	**15,009.7**

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of changes in equity (continued)

	Note	Share capital	Share premium and capital reserves	Cash flow hedge and cost of hedge reserves	Treasury shares	Retained earnings	Equity attributable to the owners of the Company	Equity attributable to perpetual notes investors	Equity attributable to the owners of the Company and perpetual notes investors	Non-controlling interests	Total equity
		Attributable to the owners of the Company									
		in € millions									
Balance as at January 1, 2023		**15.4**	**5,186.0**	**59.6**	**(3,033.7)**	**7,358.0**	**9,585.3**	**4,747.7**	**14,333.0**	**3,490.4**	**17,823.4**
(Loss) / profit for the year		-	-	-	-	(1,987.6)	(1,987.6)	153.4	(1,834.2)	(592.2)	(2,426.4)
Other comprehensive income for the year, net of tax		-	13.8	(39.4)	-	-	(25.6)	-	(25.6)	1.2	(24.4)
Total comprehensive income for the year		**-**	**13.8**	**(39.4)**	**-**	**(1,987.6)**	**(2,013.2)**	**153.4**	**(1,859.8)**	**(591.0)**	**(2,450.8)**
Transactions with owners of the Company											
Contributions and distributions											
Settlement of mandatory convertible notes	19.1.4	-	(138.5)	-	138.5	-	-	-	-	-	-
Equity settled share-based payment		-	(1.7)	-	1.9	-	0.2	-	0.2	-	0.2
Total contributions and distributions		**-**	**(140.2)**	**-**	**140.4**	**-**	**0.2**	**-**	**0.2**	**-**	**0.2**
Changes in ownership interests											
Initial consolidations and deconsolidations	19.3.1	-	-	-	-	-	-	-	-	0.2	0.2
Transactions with and dividends distributed to NCI	19.3.1	-	-	-	-	56.9	56.9	-	56.9	(150.1)	(93.2)
Total changes in ownership interests		**-**	**-**	**-**	**-**	**56.9**	**56.9**	**-**	**56.9**	**(149.9)**	**(93.0)**
Transactions with perpetual notes investors											
Payment to perpetual notes investors	19.2.2	-	-	-	-	-	-	(118.2)	(118.2)	-	(118.2)
Buyback of perpetual notes	19.2.2	-	14.1	-	-	-	14.1	(26.0)	(11.9)	-	(11.9)
Total transactions with perpetual notes investors		**-**	**14.1**	**-**	**-**	**-**	**14.1**	**(144.2)**	**(130.1)**	**-**	**(130.1)**
Balance as at December 31, 2023		**15.4**	**5,073.7**	**20.2**	**(2,893.3)**	**5,427.3**	**7,643.3**	**4,756.9**	**12,400.2**	**2,749.5**	**15,149.7**

Consolidated statement of cash flows

	Note	Year ended December 31, 2024	2023
		in € millions	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		309.3	(2,426.4)
Adjustments to the profit / (loss):			
Depreciation and amortization	14, 15	20.2	17.9
Property revaluations and capital gains	7	125.4	3,217.5
Share of results from investment in equity-accounted investees	16.1	42.5	149.8
Impairment of goodwill	14	46.0	137.0
Finance expenses and other financial results	10	266.2	244.5
Current and deferred tax expenses / (income)	11	137.0	(422.7)
Share-based payment	20.2	5.2	5.3
Change in working capital		(55.3)	(58.5)
Dividend received	16	36.8	19.1
Tax paid		(112.8)	(111.4)
Net cash from operating activities		**820.5**	**772.1**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property, equipment and intangible assets		(19.3)	(16.2)
Proceeds from disposals of investment property and proceeds from investees	13.2.1, 16.1	730.0	970.4
Acquisitions of investment property and associates, investment in capex and advances paid	13.1, 16.1	(492.9)	(395.6)
Proceeds from (investments in) traded securities and other financial assets, net		(65.2)	49.6
Net cash from investing activities		**152.6**	**608.2**

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of cash flows (continued)

		Year ended December 31,	
		2024	2023
	Note	in € millions	
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issuance of straight bonds	21.3(q)(r)	1,117.0	-
Buyback and redemption of bonds	21.3.1	(1,193.1)	(1,128.6)
Payments to perpetual notes investors and buybacks made	19.2.2	(485.8)	(126.2)
Proceeds of loans from financial institutions and others, net of repayments	21.4	301.1	812.9
Amortization of loans from financial institutions and others	21.4	(21.3)	(16.6)
Transactions with non-controlling interests	19.3.1	(3.0)	(84.4)
Payments to mandatory convertible notes investors		-	(5.9)
Payments in connection with hedge relations, derivatives and others, net		22.5	(288.6)
Interest and other financial expenses paid, net	21.4	(233.3)	(214.2)
Net cash used in financing activities		**(495.9)**	**(1,051.6)**
Net changes in cash and cash equivalents		**477.2**	**328.7**
Cash and cash equivalents as at January 1		2,641.2	2,305.4
Assets held for sale – change in cash	13.2.2	(1.0)	9.1
Effect of changes in foreign exchange rates		11.0	(2.0)
Cash and cash equivalents as at December 31		**3,128.4**	**2,641.2**

Notes to the consolidated financial statements

For the year ended December 31, 2024

1. GENERAL

1.1 Incorporation and principal activities

Aroundtown SA (the "Company" or "Aroundtown"), a public limited liability company (Société Anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg (formerly: 40, Rue du Curé, L-1368, Luxembourg). Aroundtown's shares are listed on the Prime Standard of the Frankfurt Stock Exchange and included in the MDAX index of the Deutsche Börse (symbol: AT1).

Aroundtown is a real estate company with a focus on income generating quality properties with value-add potential in central locations in top tier European cities, primarily in Germany, the Netherlands and London. Aroundtown and its investees invest in commercial and residential real estate which benefits from strong fundamentals and growth prospects.

These consolidated financial statements for the year ended December 31, 2024, consist of the financial statements of the Company and its investees (the "Group").

1.2 Group rating

Aroundtown's credit rating is 'BBB+' with a negative outlook given by Standard and Poor's (S&P). The rating of 'BBB+' also applies to the Company's unsecured debt. The Group`s subordinated perpetual notes' rating is 'BBB-'.

The corporate credit rating of Grand City Properties S.A. (a subsidiary of the Company, "GCP") is 'BBB+' with a negative outlook given by S&P, and 'Baa1' with a negative outlook given by Moody's Investors Service (Moody's), which maintains its public rating on GCP on an unsolicited basis since 2021. The 'BBB+' and 'Baa1' ratings, both with a negative outlook. GCP's subordinated perpetual notes are rated 'BBB-' and 'Baa3', by S&P and Moody's, respectively.

Aroundtown's and GCP's S&P credit ratings were reaffirmed in December 2024.

1.3 Definitions

Throughout these notes to the consolidated financial statements following definitions apply:

Term	Definition
The Company	Aroundtown SA
The Group	The Company and its investees
Subsidiaries	Companies that are controlled by the Company (as defined in IFRS 10) and whose financial statements are consolidated with those of the Company
Associates and Joint Ventures	Companies over which the Company has significant influence (as defined in IAS 28) and that are not subsidiaries. The Company's investment therein is included in the consolidated financial statements of the Company using equity method of accounting
Investees	Subsidiaries, joint venture entities and associates
GCP	Grand City Properties S.A. (subsidiary of the Company; listed for trade in the Prime Standard of the Frankfurt Stock Exchange)
TLG	TLG Immobilien AG (subsidiary of the Company)
Related parties	As defined in IAS 24, additionally see note 23
The reporting period	The financial year ended on December 31, 2024

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The consolidated financial statements were authorized for issuance by the Company's Board of Directors on March 26, 2025.

2.2 Basis of measurement

The consolidated financial statements have been prepared on a going concern basis, applying the historical cost convention, except for the measurement of the following:

- Financial assets at fair value through profit or loss;
- Investment property is measured at fair value;
- Owner-occupied properties are measured at fair value;
- Investment in equity-accounted investees – measured using the equity method;
- Derivative financial assets and liabilities – measured at fair value;
- Assets and liabilities classified as held for sale – measured at fair value less costs to sell, when applicable;
- Deferred tax assets and liabilities – measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in accordance with IFRS as adopted by the EU requires from management the exercise of judgment, to make estimates and assumptions that influence the application of accounting principles and the related amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on current knowledge available at that time. Actual results may differ from such estimates.

The estimates and underlying assumptions are reassessed on a regular basis. Revisions in accounting estimates are recognized in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

- **Leases**

  Property lease classification (the Group as lessor)

  The Group has entered into property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease terms not constituting a major part of the economic life of the properties and the present value of the minimum lease payments not amounting to substantially all of the fair value of the properties, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

- **Revenue from contracts with customers**

  Determination of performance obligations

  In relation to the services provided to tenants of investment property as part of the lease agreements into which the Group enters as a lessor, the Group has determined that the promise is the overall property management service and that the service performed each day is distinct and substantially the same. Although the individual activities that comprise the performance obligation vary significantly throughout the day and from day to day, the nature of the overall promise to provide management service is the same from day to day. Therefore, the Group has concluded that the services to tenants represent a series of daily services that are individually satisfied over time, using a time-elapsed measure of progress, because tenants simultaneously receive and consume the benefits provided by the Group. With respect to the sale of property, the Group concluded the goods and services transferred in each contract constitute a single performance obligation.

  Principal versus agent considerations (services to tenants)

  The Group arranges for certain services provided to tenants of investment property included in the contract the Group enters into as a lessor, to be provided by third parties. The Group has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services

and obtain the benefits from them. In making this determination, the Group has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints and it is primarily responsible for the quality or suitability of the services. Therefore, the Group has concluded that it is the principal in these contracts. In addition, the Group has concluded that it transfers control of these services over time, as services are rendered by the third-party service providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

Determining the timing of revenue recognition on the sale of property

The Group has evaluated the timing of revenue recognition on the sale of property based on a careful analysis of the rights and obligations under the terms of the contract and legal advice from the Group's external counsels in various jurisdictions. The Group has generally concluded that contracts relating to the sale of completed property are recognized at a point in time when control transfers. For unconditional exchanges of contracts, control is generally expected to transfer to the customer together with the legal title. For conditional exchanges, this is expected to take place when all the significant conditions are satisfied.

- **Business combinations**

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary. When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized.

Estimates and assumptions

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when these consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- *Valuation of investment property* - The Group uses external valuation reports issued by independent professionally qualified valuers to determine the fair value of its investment property. Changes in its fair value are recognized in the consolidated statement of profit or loss.

  The fair value measurement of investment property requires valuation experts and the Company's management to use certain assumptions regarding rates of return on the Group's assets, future rent, occupancy rates, contract renewal terms, the probability of leasing vacant areas, asset operating expenses, the tenants' financial stability and the implications of any investments made for future development purposes in order to assess the future expected cash flows from the assets. Any change in the assumptions used to measure the investment property could affect its fair value.

- *Valuation of financial assets and liabilities* - Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period.
- *Taxes* - Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax in the period in which such determination is made.

  Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount

of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Deferred tax liabilities predominantly relate to the investment property. These are non-cash items that are largely tied to revaluation gains, and consider the theoretical future property disposals in the form of asset deals with a tax rate applied based on the nominal rate in the jurisdiction of the property.

- *Impairment of financial assets measured at amortized cost* - When measuring expected credit loss (ECL) the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.
- *Property leases - estimating the incremental borrowing rate* - The Group cannot readily determine the interest rate implicit in leases where it is the lessee, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available.
- *Impairment of non-financial assets (property, equipment and intangible assets)* - When there is an indication that an asset may be impaired or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit (CGU)'s fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.
- *Impairment of goodwill* - Goodwill is not amortized but is reviewed for impairment at least once a year. For the purpose of impairment testing, goodwill is allocated to each of the Group's CGUs (or groups of CGUs) expected to benefit from the synergies of the business combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is lower than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is non reversable in subsequent periods.
- *Legal claims* - In estimating the likelihood of outcome of legal claims filed against the Company and its investees, the Group relies on the opinion of their legal counsels. These estimates are based on the legal counsels' best professional judgment, taking into account the stage of proceedings and historical legal precedents in respect of the different issues. Since the outcome of the claims will be determined in court, the results could differ from these estimates.
- *Property leases - estimating the incremental borrowing rate* - The Group cannot readily determine the interest rate implicit in leases where it is the lessee, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, with a similar security and the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available.

2.4 Functional and presentation currency

The Group's consolidated financial statements are presented in euro, which is also the Group's functional currency, and reported in millions of euros rounded to one decimal point, unless stated otherwise. For each investee, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss, with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognized in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, liability, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates prevailing at the dates of the transactions are used. The exchange differences arising on translation for consolidation are recognized in other comprehensive income under the header of foreign operations – foreign currency translation difference, net of investment hedges of foreign operations and accumulated in the equity as share premium and capital reserves. Upon disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

As at December 31, 2024, the Group's main foreign exchange rates versus the euro were as follows:

	EUR/GBP ("British Pound")	**EUR/USD** ("US Dollar")
December 31, 2024	**0.829**	**1.039**
December 31, 2023	0.869	1.105
Average rate during the year 2024	0.847	1.082
Average rate during the year 2023	0.870	1.081
Changes (in %):		
Year ended December 31, 2024	(4.6%)	(6.0%)
Year ended December 31, 2023	(2.0%)	3.6%

3. MATERIAL ACCOUNTING POLICIES

3.1 Changes in accounting policies and disclosures

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

There were some new and amendments to standards and interpretations which are applicable for the first time in 2024, but either not relevant or do not have a material impact on the consolidated financial statements of the Group.

The following amendments were adopted for the first time in these consolidated financial statements, with effective date of January 1, 2024.

- **Amendments IFRS 16 Leases: Lease Liability in a Sale and Leaseback**

  In September 2022, the International Accounting Standards Board (IASB) issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed.

  These amendments had no material impact on the consolidated financial statements of the Group.

- **Amendments to IAS 1 *Presentation of Financial Statements:***

  » Classification of Liabilities as Current or Non-current (issued on January 23, 2020);

  » Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on July 15, 2020); and

  » Non-current Liabilities with Covenants (issued on October 31, 2022)

  In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer must exist at the end of the reporting period
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

  In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

  These amendments had no material impact on the consolidated financial statements of the Group.

- **Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on May 25, 2023)**

  The amendments relate to disclosure requirements in connection with supplier financing arrangements - also known as supply chain financing, financing of trade payables or reverse factoring arrangements.

  The new requirements supplement those already included in IFRS standards and include disclosures about:

  - Terms and conditions of supplier financing arrangements
  - The amounts of the liabilities that are the subject of such agreements, for which part of them the suppliers have already received payments from the financiers, and under which item these liabilities are shown in the balance sheet
  - The ranges of due dates
  - Information on liquidity risk

  These amendments had no material impact on the consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. See also note 3.29.

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date it ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity attributed to owners of the Company.

When the Group loses control over a subsidiary, profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests and other components of equity, and is recognized in the consolidated statement of profit or loss under 'Property revaluations and capital gains'.

When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e., reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or IAS 28 Investments in Associates and Joint Ventures.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied by all entities in the Group.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

3.3 Property acquisitions not part of business combination

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business. Where such acquisitions are not determined to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity or assets and liabilities is allocated between the identifiable assets and liabilities of the entity based on their relative values at the acquisition date. Such a transaction or event does not give rise to goodwill.

3.4 Business combinations and goodwill

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that, together, significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, at fair value or at the proportionate share of the acquiree's identifiable net assets. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

Acquisition-related costs are expensed as incurred and included in administrative and other expenses in the consolidated statement of profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date and included as part of the consideration transferred in a business combination. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the consolidated statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

When the Group acquires a business, it assesses the identifiable assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non- current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Any excess amount identified between the fair value of the asset or liability and their carrying amount upon initial recognition is amortized in accordance with the accounting treatment applicable to the respective underlying asset or liability.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed upon the business combination. If the fair value of the net assets acquired is

in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the gain (defined as a "bargain purchase") is immediately recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs or groups of CGUs that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is allocated shall represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and not be larger than an operating segment as defined by IFRS 8.

At the Group, each real estate property generally meets the requirements for classification as a CGU. As part of internal management, the real estate properties are grouped under managed portfolio clusters (TLG and GCP which is a public company, and the rest). These portfolio clusters are the lowest level within the Group at which goodwill is monitored for internal management purposes hence the impairment test is performed at property portfolio level of the acquiree. Other cash-generating assets that are expected to benefit from the synergies of the business combination and form part of the recoverable amount (e.g., investment in financial assets) are included within the same CGU.

Goodwill is subsequently measured at cost less any accumulated impairment losses (that are non-reversable in following years) as described above in the Estimates and assumptions section (part of note 2.3) and is not subject to amortization. An impairment testing is performed on an annual basis and whenever events or circumstances indicate on impairment arise.

Where goodwill has been allocated to a CGU or a group of CGUs and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the CGU or group of CGUs. A single real estate asset that forms part of the CGU under a managed portfolio cluster that is monitored together for internal management purposes does not constitute an operation within this group of CGUs. As such, disposals of single properties do not result in a derecognition of goodwill.

3.5 Investments in associates and equity-accounted investees

The Group's interest in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is an arrangement in which two or more parties have interest with joint control, and the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for under the equity method. They are initially recognized at cost, which includes transaction costs. Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as an investment surplus, which is included within the carrying amount of the investment. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

The results and assets and liabilities of associates and equity-accounted investees are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to

recognize the Group's share of the consolidated statement of profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. In the event of changes in the net assets of an investee that are recognized directly in the investee's equity, the Group accounts these for as equity transaction in the consolidated financial statements.

The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate. In the event of impairment indicators, the entire carrying amount of the investment (including the investment surplus) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount; any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When an entity in the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements, however only to the extent of interests in the associate that are not related to the Group.

3.6 Revenue recognition

The Group's key sources of income include:

- Rental income
- Revenue from contracts with customers – services to tenants including management charges and other expenses recoverable from tenants
- Other revenue

The accounting for each of these elements is discussed below:

Rental income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the consolidated statement of profit or loss due to its operating nature, except for contingent rental income which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are capitalized to the investment property and recognized as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognized as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option.

Revenue from services to tenants

For investment property held primarily to earn rental income, the Group enters as a lessor into lease agreements that fall within the scope of IFRS 16. These agreements include certain ancillary services offered to tenants (i.e., customers). The consideration charged to tenants for these services includes fees and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced. The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The Group allocates the consideration in the contract to the separate lease and revenue (non-lease) components on a relative stand-alone selling price basis.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

The Group arranges for third parties to provide certain of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer and therefore records this revenue on a gross basis.

Other revenue

Other revenue includes mainly management fee, consulting fees as well as income from loans in connection with real estate transactions.

3.7 Finance income and expenses and other financial results

Finance expenses comprise of interest expense on bank loans, third party borrowings and bonds, and presented net from finance income that comprises of interest income on funds invested including on cash deposits.

The interest portion of the lease payment is part of the "Interest and other financial expenses paid, net" in the consolidated statements of cash flows.

Other financial results represent changes in the time value of provisions, changes in the fair value of traded securities, gains or losses on derivative financial instruments, borrowing and redemption costs, loan arrangement fees, dividend income and other one-time payments.

Financial expenses are recognized as they are incurred in the consolidated statement of profit or loss, using the effective interest rate (EIR) method.

Interest and other financial expenses paid are presented in the cash flows arise from financing activities, net of interest income received in cash.

3.8 Current tax and property taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Property taxation includes taxes on the holding of real estate properties.

3.9 Deferred tax

Deferred tax is recognized in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of the transaction, affected neither accounting nor taxable profit or loss and did not give rise to equal taxable and deductible temporary differences.

  The amount of such unrecognized deferred tax on temporary differences arising from initial recognition exemptions ("IRE Amount") shall be examined in subsequent periods. Upon reduction in the temporary difference of the underlying asset or liability, the IRE Amount should decrease accordingly, but not permanently, and therefore could reverse over time.
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries of the Group.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date in the relevant jurisdiction where the assumed theoretical settlement applies. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

In accounting for the deferred tax relating to the lease, the Group considers both the lease asset and liability separately. The Group separately accounts for the deferred taxation on the taxable temporary difference and the deductible temporary difference, which upon initial recognition, are equal and offset to zero. Deferred tax is recognized on subsequent changes to the taxable and temporary differences. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if there is new information about changes in facts and circumstances. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

3.10 Property and equipment

Owner-occupied properties are measured at fair value less accumulated depreciation and accumulated impairment losses recognized after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation surplus.

The rest of property and equipment items are measured at cost less accumulated depreciation and impairment losses.

Equipment includes furniture, fixtures and office equipment and is measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognized in profit or loss using the straight line method over the useful lives of each part of an item of equipment.

The annual depreciation rates used for the current and comparative periods are as follows:

	%
Furniture, fixtures and office equipment	7-50
Buildings	2-3

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss.

3.11 Goodwill and intangible assets

The intangible assets of the Group consist of goodwill and software. Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses and the applied accounting policy is elaborated in the business combinations and goodwill section.

Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

	%
Software	20 – 33

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.12 Deferred income

Deferred income represents income which relates to future periods.

- **Prepayments**
  The Group receives prepayments from tenants for ancillary services and other charges (heating, water, insurance, cleaning etc.) on a monthly basis. These prepayments received from tenants are mainly settled once a year against the operating cost receivables. By the time of settlement, the prepayment and operating costs receivable balances are presented gross in the consolidated statement of financial position.

- **Tenancy deposits**
  Tenancy deposits are paid to ensure the property is returned in a good condition. The tenancy deposits can also be used if a loss of rent occurs.

3.13 Investment property

Investment property comprises completed property and property under development or re-development that is held, or to be held, to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Investment property comprises principally properties that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Investment property that comprises a portion that is occupied for use by, or in the operations of, the Group, and that can be sold separately or leased under financial lease, shall be accounted for separately as owner-occupied property as per IAS 16 or IFRS 16, depending on the case, and classified as property and equipment in the consolidated statement of financial position.

Investment property is measured initially at cost, including directly attributable expenditure such as transfer taxes, professional fees for legal services and other transaction costs.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Transfers are made to (or from) investment property only when there is evidence of a change in use (such as commencement of development or inception of an operating lease to another party). For a transfer from investment property to inventories, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognized in profit or loss. The Group considers as evidence the commencement of development with a view to sale (for a transfer from investment property to inventories) or inception of an operating lease to another party (for a transfer from inventories to investment property). For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the

Group accounts for such property in accordance with the policy stated under property, equipment and intangible assets up to the date of change in use.

Investment property is derecognized either when has been disposed of (i.e. at the date the recipient obtains control of the investment property in accordance with the requirements for determining when a performance obligation is satisfied in IFRS 15) or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in 'Property revaluations and capital gains' in the consolidated statement of profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Group considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction price in IFRS 15.

Refer to the note 3.14 "Non-current assets held for sale" on the accounting for investment property classified by held for sale.

3.14 Non-current assets classified as held for sale

The Group classifies non-current assets (principally investment property) and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset, and the sale is expected to be completed within one year from the date of the classification.

Investment property held for sale continues to be measured at fair value. Assets and liabilities classified as held for sale are presented separately in the consolidated statement of financial position.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

3.15 Financial instruments

A financial instrument is any contract that gives right to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(1) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. See note 3.6.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(2) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortized cost (debt instruments)
2. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
3. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)
4. Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the EIR method and are subject to impairment. Gains or losses are recognized in profit or loss when the asset is de-recognized, modified or impaired refer to expected credit loss model in determined impairmen.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon de-recognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Financial assets at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other financial results in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidate statement of profit or loss.

Dividends on equity instruments are recognized as revenue in the consolidated statement of profit or loss when the right of payment has established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the term of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified entirely as a financial asset at fair value through profit or loss.

(3) De-recognition

Financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(4) Impairment of financial assets

The Group recognizes an allowance for expected credit loss for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from defaults events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements

held by the Group or when there is a breach of financial covenants by the debtor. Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

(1) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs and are subsequently expensed via EIR.

(2) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(3) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

(c) Interbank Offered Rates (IBOR) Reform

IBOR reform Phase 2 requires, as a practical expedient, for changes to the basis for determining contractual cash flows that are necessary as a direct consequence of IBOR reform to be treated as a change to a floating rate of interest, provided the transition from IBOR to a risk-free rate (RFR) takes place on a basis that is 'economically equivalent'. To qualify as 'economically equivalent', the terms of the financial instrument must be the same before and after transition except for the changes required by IBOR reform. For changes that are not required by IBOR reform, the Group applies judgement to determine whether they result in the financial instrument being derecognized. Therefore, as financial instruments transition from IBOR to RFRs, the Group applied judgement to assess whether the transition had taken place on an economically equivalent basis. In making this assessment, the Group considered the extent of any changes to the contractual cash flows as a result of the transition and the factors that had given rise to the changes, with consideration of both quantitative and qualitative factors. Factors of changes that are economically equivalent include: changing the reference rate from an IBOR to a RFR; changing the reset days between coupons to align with the RFR; adding a fallback to automatically transition to an RFR when the IBOR ceases; and adding a fixed credit spread adjustment based on that calculated by the International Swaps and Derivatives

Association (ISDA) or which is implicit in the market forward rates for the RFR. The transition has been completed as of December 31, 2023.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously

3.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

3.17 Mandatory convertible notes

Mandatory convertible notes are classified as equity, and coupon related to the noteholders is recognized in the consolidated statement of changes in equity. Both the noteholders and the Company may convert the notes into Company's shares using a fixed ratio that does not vary with changes in fair value. At maturity, the unconverted notes are mandatorily converted into shares. The Company may, at its sole discretion, elect to defer the payment of interest on the notes (Arrears of Interest). Arrears of Interest are presented as liability and must be paid by the Company upon conversion event and should not compound interest. Issuance costs incurred are deducted from the initial carrying amount of the notes.

3.18 Treasury shares

When own shares are repurchased, the amount of the consideration paid including direct acquisition costs is recognized as a deduction from equity. Repurchased own shares are classified as treasury shares, presented in the treasury share reserve and are not revaluated after the acquisition. When treasury shares are subsequently sold or delivered, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented in the share premium.

3.19 Perpetual notes

Perpetual notes have no maturity date and may only be redeemed by the Group, at its sole discretion, on certain dates. The perpetual notes are recognized as equity attributable to its holders, which forms part of the total equity of the Group. The Company may, at its sole discretion, elect to defer the payment of interest on the notes (referred to as Arrears of Interest). Arrears of Interest must be paid by the Company upon the occurrence of certain events, including but not limited to, dividends, distributions or other payments made to instruments such as the Company's ordinary shares, which rank junior to the perpetual notes. Upon occurrence of such an event, any Arrears of Interest would be re-classified as a liability in the Group's consolidated financial statements. The deferred amounts shall not bear interest.

3.20 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swap and cross-currency swap contracts, to hedge its foreign currency risks, interest rate risks and fair value risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized commitment.
- Cash flow hedges when hedging the exposures to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
- Hedges of a net investment in foreign operations.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ration is determined). A hedging relationship qualifies for hedge accounting if it meets all the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group hedges and the quantity of the hedging instrument that the Group uses to hedge that quantity of hedge item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for and further described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI and accumulated in the hedge reserves, while any ineffective portion is recognized immediately in the consolidated statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The forward element is recognized in OCI and accumulated in a separate component of equity under other reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently become a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the cash flows hedge occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Fair value hedges

The change in the fair value of a hedging instrument is recognized in the consolidated statement of profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated statement of profit or loss.

In cases that the Group designates only the spot element of swap contracts as a hedging instrument, the forward element is recognized in OCI and accumulated in a component of equity under cost of hedging reserve as time period related element and amortized to the consolidated statement of profit or loss over the hedged period.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

Hedge of net investments in foreign operations

Hedges of a net investment in a foreign operation, including a hedge of monetary item that is accounted for as part of the net investment, are accounted for as follows:

- The Group designates only the spot element of a non-derivative financial liability and forward contracts as the hedging instrument. The forward element is recognized in OCI and accumulated in a separate component of equity under cost of hedging reserve as time period related element and amortized to the consolidated statement of profit or loss over the hedged period.
- Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI while any gains or losses relating to the ineffective portion are recognized in the consolidated statement of profit or loss.
- On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the consolidated statement of profit or loss.

Interbank offered rates (IBOR) reform

The Group applies the temporary reliefs provided by the IBOR reform Phase 1 amendments, which enable its hedge accounting to continue during the period of uncertainty, before the replacement of an existing interest rate benchmark with a risk-free rate (RFR). For the purpose of determining whether a forecast transaction is highly probable, the reliefs require it to be assumed that the IBOR on which the hedged cash flows are based is not altered as a result of IBOR reform. The reliefs end when the Group judges that the uncertainty arising from IBOR reform is no longer present for the hedging relationships that are referenced to IBORs. This applies when the hedged item has already transitioned from IBOR to an RFR.

3.21 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and in the consolidated statement of cash flow comprise cash at banks and on hand and short-term highly liquid deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3.22 Property operating expenses

This item includes operating costs that can be recharged to the tenants and direct management costs of the properties. Maintenance expenses for the upkeep of the property in its current condition, as well as expenditure for repairs are charged to the consolidated statement of profit or loss. Refurbishment that takes place subsequent to the property valuation, thus excluded in its additional value, will also be stated in this account, until the next property valuation.

3.23 Operating segments

The Group's reportable segments, as defined under IFRS 8, are based on the information provided to the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment. These segments consist of the Commercial Portfolio, which includes office, hotel, and other commercial properties primarily in Germany and the Netherlands, and the GCP Portfolio, focused on residential real estate in densely populated areas, predominantly in Germany and London. The Commercial Portfolio consists of assets leased to business tenants and is influenced by economic conditions in the commercial real estate market. The GCP Portfolio, focused on residential living solutions, operates under distinct regulatory environments and is subject to different economic factors, with a diverse tenant base and more granular lease structures. Each segment is managed separately due to their differing operational characteristics, regulatory environments, and customer bases.

3.24 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period and marked as "reclassified".

3.25 Earnings per share

Earnings per share are calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period. Basic earnings per share only include shares that were outstanding during the period. Potential ordinary shares (convertible securities such as convertible debentures, warrants and share-based payments for employee) are only included in the computation of diluted earnings per share when their conversion decreases earnings per share or increases loss per share from continuing operations. Further, potential ordinary shares that are converted during the period are included in diluted earnings per share only until the conversion date and from that date in basic earnings per share. The Company's share in earnings of investees is included based on the diluted earnings per share of the investees, multiplied by the number of shares held by the Company.

3.26 Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

3.27 Provisions for other liabilities and accrued expenses

Provisions are recognized when there is a present obligation, either legal or constructive, vis-à-vis third parties as a result of a past event, if it is probable that a claim will be

asserted, and the probable amount of the required provision can be reliably estimated. Provisions are reviewed regularly and adjusted to reflect new information or changed circumstances. Provisions include provisions for operating and administrative liabilities, as well as accruals of interest on straight and convertible bonds which have not become payable as at the reporting date.

3.28 Leased assets

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Initially, the right-of-use assets are measured at cost and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

In addition, the Group leases properties that meet the definition of investment property. These right-of-use assets are classified and presented as part of the line item 'Investment property' in the consolidated statement of financial position and subsequently measured at fair value.

(b) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. IFRS 16 requires certain adjustments to be expensed, while others are added to the cost of the related right-of-use asset.

The Group presents the cash payments for interest portion of lease liability under "interest and other financial expenses, net" and the cash payments for principal portion of lease liability under "Amortization of loans from financial institutions and others" in the consolidated statement of cash flows.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Refer to accounting policies on rental income in note 3.6.

3.29 Standards issued but not yet effective

The amended standards and interpretations that are issued and adopted by the EU, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are presented below, if they are relevant to the Group's consolidated financial statements. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- **Amendments to IAS 21 The effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on August 15, 2023)**

  In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

  These amendments are not expected to have a material impact on the consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Berlin

4. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

4.1 Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured and presented at fair value as at December 31, 2024, and as at December 31, 2023, on a recurring basis under the relevant fair value hierarchy. Also presented are the Group's financial assets and liabilities measured at amortized cost for which the carrying amount materially differs from the fair value.

	As at December 31, 2024					As at December 31, 2023				
		Fair value measurement using					Fair value measurement using			
	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Carrying amount	Total fair value	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in € millions					in € millions				
FINANCIAL ASSETS										
Financial assets at fair value through profit or loss (1)	623.9	623.9	296.8	282.2	44.9	418.7	418.7	240.6	135.2	42.9
Derivative financial assets	302.3	302.3	-	302.3	-	386.1	386.1	-	386.1	-
Total financial assets	**926.2**	**926.2**	**296.8**	**584.5**	**44.9**	**804.8**	**804.8**	**240.6**	**521.3**	**42.9**
FINANCIAL LIABILITIES										
Loans and borrowings (2)	2,501.1	2,526.5	-	2,526.5	-	2,204.1	2,221.3	-	2,221.3	-
Straight bonds (3)	12,010.9	11,556.3	11,372.5	183.8	-	12,038.0	10,373.8	10,157.2	216.6	-
Derivative financial liabilities	399.0	399.0	-	399.0	-	441.0	441.0	-	441.0	-
Total financial liabilities	**14,911.0**	**14,481.8**	**11,372.5**	**3,109.3**	**-**	**14,683.1**	**13,036.1**	**10,157.2**	**2,878.9**	**-**

(1) including non-current financial assets at fair value through profit or loss see note 17(3).
(2) includes current and non-current balances and portion classified as held for sale
(3) the carrying amount excludes accrued interest

Level 1: the fair value of financial instruments traded in active markets (such as debt and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant input required to fair value of financial instrument are observable, the instrument is included in level 2.

Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

When the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of input such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments and is discussed further below.

4.2 Valuation techniques used to determine fair values

The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted bonds are based on price quotations at the reporting date. The fair value of unquoted bonds is measured using the discounted cash flow method with observable inputs.
- There is an active market for the Company's listed equity investments and quoted debt instruments.
- For the fair value measurement of investments in unlisted funds, the net asset value is used as a valuation input and an adjustment is applied for lack of marketability and restrictions on redemptions as necessary. This adjustment is based on management judgment after considering the period of restrictions and the nature of the underlying investments.
- The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate and foreign exchange swap and forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation technique includes forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves.

5. OPERATING SEGMENTS

5.1 Reportable segments

Products and services from which reportable segments derive their data

Information reported to the Group's Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance is based on Aroundtown's commercial portfolio and GCP's portfolio, and contains the segments' revenue, net operating income and property revaluation and capital gains. The Group's reportable segments under IFRS 8 are therefore as follows:

Commercial portfolio

The commercial portfolio includes predominantly office and hotel properties as well as other commercial property types (e.g., retail & logistics). This portfolio is well-diversified and located across top tier cities in Europe, primarily in Germany and the Netherlands. The portfolio assets exhibit similar economic characteristics, including revenue generation patterns, operational risks, capital investment strategies and dependencies on economic conditions affecting commercial real estate. Furthermore, in terms of nature of products and services, the segment assets are leased to business tenants for use in commercial activities, where offices tenants provide business spaces primarily to their employees, while hotel tenants offer space for accommodation to the business community and tourists. The demand for these assets is subject to the economic market environment.

GCP portfolio

GCP is a specialist in residential real estate, investing in value-add opportunities in densely populated areas predominantly in Germany and in London. GCP's portfolio consists of approximately 61 thousand units, located in densely populated areas with a focus on Berlin, North Rhine-Westphalia, the metropolitan regions of Dresden, Leipzig and Halle, and other densely populated areas including London.

The GCP portfolio comprises primarily of properties intended for residential use. This segment is distinctly classified based on its primary customer base, being individuals and families, as well as its operational approach focused on residential living solutions, that is dependent on different economic conditions than those affecting commercial real estate and is subject to a distinctive regulatory environment. In this segment, rents may be regulated, properties are mostly multi-tenant properties with granular lease structures, and tenants benefit from stronger regulatory protections. As a result, such properties require a comprehensive administration that can manage the highly diverse and granular tenant base, as well as the distinct regulatory environments, and is therefore managed and reported separately to the Group's CODM.

5.2 Segment revenues and net operating income

The following is an analysis of the Group's revenue and results by reportable segment:

		Year ended December 31, 2024				
		in € millions				
	Note	Commercial portfolio	GCP portfolio	Total reportable segments	Adjustments	Total
Segment revenue	6	946.9	597.0	**1,543.9**	(1.6)	**1,542.3**
Net operating income		670.6	343.3	**1,013.9**	(1.6)	**1,012.3**
Property revaluations and capital gains	7	(169.4)	44.0	**(125.4)**	-	**(125.4)**
Impairment of goodwill	14	(31.6)	(14.4)	**(46.0)**	-	**(46.0)**
Share of results from investment in equity-accounted investees	16					(42.5)
Administrative and other expenses	9					(65.7)
Depreciation and amortization	14,15					(20.2)
Finance expenses	10					(235.2)
Other financial results	10					(31.0)
Profit before tax						**446.3**
Current tax expenses	11.2					(124.5)
Deferred tax expenses	11.4					(12.5)
Profit for the year						**309.3**

		Year ended December 31, 2023				
		in € millions				
	Note	Commercial portfolio	GCP portfolio	Total segments	Adjustments	Total
Segment revenue	6	996.8	607.7	**1,604.5**	(1.7)	**1,602.8**
Net operating income		655.3	328.7	**984.0**	(1.7)	**982.3**
Property revaluations and capital losses	7	(2,327.5)	(890.0)	**(3,217.5)**	-	**(3,217.5)**
Impairment of goodwill	14	(76.7)	(60.3)	**(137.0)**	-	**(137.0)**
Share of profit from equity-accounted investees	16					(149.8)
Administrative and other expenses	9					(64.7)
Depreciation and amortization	14,15					(17.9)
Finance expenses	10					(230.1)
Other financial results	10					(14.4)
Loss before tax						**(2,849.1)**
Current tax expenses	11					(120.4)
Deferred tax income	11					543.1
Loss for the year						**(2,426.4)**

Segment revenue, net operating income, revaluation and capital gains represent the results earned by each segment without allocation of the depreciation and amortization, administration expenses, share of results from equity-accounted investees, finance expenses, and tax expenses. These are the measures reported to the Group's CODM for the purpose of resource allocation and assessment of segment performance. The geographical disaggregation is not considered by the Group's CODM on how the operating results are monitored. For the geographical distribution of revenue and investment property see notes 6 and 13, respectively.

6. REVENUE

	Year ended December 31,	
	2024	2023
	in € millions	
Net rental income	1,180.9	1,192.8
Operating and other income	361.4	410.0
Total	**1,542.3**	**1,602.8**

Geographical distribution of revenue

	Year ended December 31,	
Country	**2024**	2023
	in € millions	
Germany	1,127.7	1,198.0
The Netherlands	154.6	176.6
United Kingdom	158.7	148.7
Belgium	32.4	27.3
Others	68.9	52.2
Total	**1,542.3**	**1,602.8**

The Group is not exposed to significant revenue derived from an individual customer. No consolidated revenue arises from Luxembourg, the Company's country of domicile.

7. PROPERTY REVALUATIONS AND CAPITAL GAINS / (LOSSES)

	Year ended December 31,	
	2024	2023
	in € millions	
Property revaluations	(127.2)	(3,174.8)
Capital gains / (losses)	1.8	(42.7)
Total	**(125.4)**	**(3,217.5)**

8. PROPERTY OPERATING EXPENSES

	Year ended December 31,	
	2024	2023
	in € millions	
Ancillary expenses and purchased services	(348.3)	(409.8)
Maintenance and refurbishment	(55.0)	(49.3)
Personnel expenses	(63.0)	(62.7)
Depreciation and amortization	(20.2)	(17.9)
Other operating costs (*)	(63.7)	(98.7)
Total	**(550.2)**	**(638.4)**

(*) the Group recognized an allowance for expected credit loss and other impairment on trade and other receivables in the total amount of €55.2 million (2023: €65.9 million, also containing an allowance for uncollected hotel rents)

As at December 31, 2024, the Group had 1,668 employees (2023: 1, 706 employees). On average, the Group had 1,651 employees (2023: 1,745 employees) for which the personnel expenses are presented in the property operating expenses and the administrative and other expenses.

The amount of direct operating expenses (including maintenance and refurbishment) arising from investment property that generates net rental income during the year amounted to €538.3 million (2023: €628.3 million). The amount of direct operating expenses (including maintenance and refurbishment) arising from investment property that did not generate net rental income during the year amounted to €6.7 million (2023: €10.1 million).

9. ADMINISTRATIVE AND OTHER EXPENSES

	Year ended December 31,	
	2024	2023
	in € millions	
Personnel expenses	(31.0)	(30.9)
Legal and professional fees	(13.8)	(13.4)
Audit and accounting expenses	(7.6)	(7.1)
Marketing and other administrative expenses	(13.3)	(13.3)
Total	**(65.7)**	**(64.7)**

The following table shows the breakdown of audit and audit-related services that are presented in the audit and accounting expenses above, as well as tax and other services rendered by KPMG audit firm network and by other audit firms:

	Year ended December 31,			
	2024		2023	
	in € millions			
	KPMG Network	**Other audit firms**	**KPMG Network**	**Other audit firms**
Audit services	3.2	3.0	3.4	3.1
Audit-related services	0.7	0.7	0.3	0.3
Tax and other services	0.1	1.5	0.2	0.7
Total	**4.0**	**5.2**	**3.9**	**4.1**

10. FINANCE EXPENSES AND OTHER FINANCIAL RESULTS

	Year ended December 31,	
	2024	2023
	in € millions	
Finance expenses		
Interest to financial institutions, bonds and third parties, net	(221.9)	(213.3)
Finance expenses on lease liabilities	(13.3)	(16.8)
Total	**(235.2)**	**(230.1)**
Other financial results		
Changes in fair value of financial assets and liabilities, buybacks and early repayment costs, net	(0.8)	14.8
Finance-related costs	(30.2)	(29.2)
Total	**(31.0)**	**(14.4)**

11. TAXATION

11.1 Tax rates applicable to the Group

The Company is subject to taxation under the laws of Luxembourg. The general corporation tax rate for Luxembourg companies in 2024 is 24.94% (2023: 24.94%).

In 2024, Luxembourg announced a reduction in the corporate income tax rates. The tax rate for companies with taxable income up to €175 thousand will decrease from 15% to 14%, and for companies with taxable income exceeding €200 thousand, it will decrease from 17% to 16%. These changes will impact the measurement of deferred tax assets and liabilities, as well as tax provisions. The Company has proactively evaluated the potential effect of these changes and has adjusted its deferred tax balances accordingly for future periods. The newly enacted tax legislation will be effective from January 1, 2025, and the new corporate tax rate for Luxembourg companies will be 23.87%.

The German subsidiaries containing real estate property are subject to taxation under the laws of Germany. Income taxes are calculated using a federal corporate tax of 15% for December 31, 2024 (2023: 15%), plus an annual solidarity surcharge of 5.5% (2023: 5.5%) on the amount of federal corporate taxes payable (aggregated tax rate: 15.825%). When applicable, an additional effective rate of approximately 14.5% is imposed as German trade tax (Gewerbesteuer). German property taxation includes taxes on the holding of real estate property based on the location and size of the property.

The Cypriot subsidiaries are subject to taxation under the laws of Cyprus. The general corporation tax rate for Cypriot companies is 12.5% (2023: 12.5%). Under certain conditions interest income of the Cypriot companies may be subject to special defense contribution at the rate of 17% (2023: 30%). In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to special defense contribution at the rate of 17% (2023: 17%). In such case, this dividend income will be exempt from Cyprus income (corporation) tax. Under certain conditions, dividend income earned from Cyprus tax resident companies is exempt from special defense contribution and Cyprus income (corporation) tax.

The Dutch subsidiaries are subject to taxation under the laws of the Netherlands. The Dutch corporation tax rate for the financial year 2024 is 25.8% (reduced rate of 19% applies to taxable income up to €200 thousand) (2023: 25.8% and 19%, respectively).

The United Kingdom subsidiaries containing real estate property, are subject to taxation under the laws of the United Kingdom. Income taxes are calculated using a corporate tax rate (also for capital gains) of 25% (reduced rate of 19% applies to taxable income up to GBP 250 thousand) for December 31, 2024 (2023: 25% and 19%, respectively). Where there are United Kingdom group subsidiaries this threshold is divided by the number of United Kingdom group entities.

Subsidiaries in other jurisdictions are subject to corporate tax rate of up to 27.9% (2023: 27.9%).

11.2 Current tax expenses

	Year ended December 31,	
	2024	2023
	in € millions	
Corporate income tax	(77.5)	(72.1)
Property tax	(47.0)	(48.3)
Total	**(124.5)**	**(120.4)**

11.3 Global minimum top-up tax

The OECD's Pillar Two framework, which introduces a global minimum tax of 15%, became effective in 2024 in several jurisdictions where the Group operates. The Group falls within the scope of these rules as its consolidated revenue exceeds €750 million, meeting the applicability threshold.

In line with the amendments to IAS 12 (Income Taxes) issued in May 2023, the Group has applied the temporary exception to recognizing deferred taxes related to Pillar Two. Among the jurisdictions in which the Group operates, Cyprus currently has a statutory corporate tax rate of 12.5%, hence below the 15% minimum threshold. Based on the Group's assessment, the impact of Pillar Two on 2024 annual results is expected at around €8 million. The Group continues to monitor legislative developments and will provide further disclosures in future reporting periods as additional guidance and implementation details become available.

11.4 Movements in the deferred tax assets and liabilities

Deferred tax liabilities	Derivative financial instruments and other deferred tax liabilities	Fair value gains on investment property	Total
		in € millions	
Balance as at December 31, 2022	**42.0**	**2,620.3**	**2,662.3**
Charged to:			
Consolidated statement of profit or loss	(3.7)	(542.5)	(546.2)
Other comprehensive income	(17.7)	(2.0)	(19.7)
Disposed of through deconsolidations	-	(10.3)	(10.3)
Transfer from liabilities held for sale and others	-	18.7	18.7
Movement in netting of deferred taxes (*)	-	1.7	1.7
Balance as at December 31, 2023	**20.6**	**2,085.9**	**2,106.5**
Charged to:			
Consolidated statement of profit or loss	(6.9)	56.5	49.6
Other comprehensive income	2.1	-	2.1
Disposed of through deconsolidations	0.3	(28.6)	(28.3)
Transfer from liabilities held for sale and others	-	(1.2)	(1.2)
Movement in netting of deferred taxes (*)	-	(30.7)	(30.7)
Balance as at December 31, 2024	**16.1**	**2,081.9**	**2,098.0**
Excess of deferred tax liabilities as at December 31, 2023			**2,040.7**
Excess of deferred tax liabilities as at December 31, 2024			**2,037.4**

As at December 31, 2024, the Group did not recognize cumulative deferred tax liabilities amounting to €549.7 million (2023: €555.8 million) on fair value gains on investment property due to the initial recognition exemption on acquisitions that did not meet the definition of business combination.

Deferred tax assets	Derivative financial instruments and other deferred tax assets	Losses carried forward	Total
		in € millions	
Balance as at December 31, 2022	**31.7**	**33.4**	**65.1**
Charged to:			
Consolidated statement of profit or loss	3.0	(6.1)	(3.1)
Disposed of through deconsolidations	-	(1.8)	(1.8)
Transfer from assets held for sale and others	-	3.9	3.9
Movement in netting of deferred taxes (*)	-	1.7	1.7
Balance as at December 31, 2023	**34.7**	**31.1**	**65.8**
Charged to:			
Consolidated statement of profit or loss	(1.3)	38.4	37.1
Disposed of through deconsolidations	-	(7.5)	(7.5)
Transfer from assets held for sale and others	-	(4.1)	(4.1)
Movement in netting of deferred taxes (*)	(6.7)	(24.0)	(30.7)
Balance as at December 31, 2024	**26.7**	**33.9**	**60.6**

(*) deferred tax assets and liabilities are netted against each other when the same taxable entity and the same taxation authority are involved, as well as the realization period and tax nature legally allow to set off current tax assets against current tax liabilities. As a result, as at December 31, 2024, a cumulative amount of €196.2 million was netted (2023: €165.5 million)

As of December 31, 2024, the Group had not recognized cumulative deferred tax assets amounting to €447.2 million (2023: €385.2 million) on carried forward losses, carried forward interest amounts and other tax attributes ("Carried Forward Items"), as it was not considered probable that there would be taxable profits available in the relevant entities in the foreseeable future. Set forth below is the breakdown of the unrecognized amounts per expiry date for the Carried Forward Items as of December 31, 2024.

Year of expiration	Carried Forward Items	Unrecognized deferred tax assets
	in € millions	
2025-2036	90.5	22.3
2037-2041	938.7	234.1
Unlimited	1,111.4	190.8
Total	**2,140.6**	**447.2**

11.5 Reconciliation of effective tax rate

	Year ended December 31,	
	2024	2023
	in € millions	
Profit / (loss) before tax	446.3	(2,849.1)
Tax using domestic rate	24.94%	24.94%
Tax computed at the statutory tax rate	111.3	(710.6)
Changes in taxes on income resulting from the following factors:		
Group's share in earnings from companies accounted for as equity-accounted investees	10.6	37.4
Effect of different tax rates of subsidiaries operating in other jurisdictions	(31.4)	225.1
Income and expenses on which the Group did not recognize deferred tax and others	46.5	25.4
Total current and deferred tax expenses (income)	**137.0**	**(422.7)**
Effective tax rate (in %)	**30.7**	**14.8**

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12. NET EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

12.1 Basic earnings (loss) per share

The calculation of basic earnings per share for the year ended December 31, 2024, is based on the profit attributable to the owners of €52.9 million (2023: loss of €1,987.6 million), and a weighted average number of ordinary shares outstanding of 1,093.5 million (2023: 1,093.0 million), calculated as follows:

	Year ended December 31,	
	2024	2023
	in € millions	
Profit (loss) for the year, attributable to the owners of the Company (basic)	**52.9**	**(1,987.6)**

	Year ended December 31,	
	2024	2023
	in millions of shares	
Issued ordinary shares on January 1, net of treasury shares	1,093.1	1,065.0
Share incentive effect (*)	0.4	0.3
Mandatory convertible notes effect	-	27.7
Weighted average number of ordinary shares	**1,093.5**	**1,093.0**
Basic profit (loss) per share (in €)	**0.05**	**(1.82)**

(*) weighted average amount

12.2 Diluted earnings (loss) per share

The calculation of diluted earnings per share for the year ended December 31, 2024, is based on diluted profit attributable to the owners of €52.9 million (2023: loss of €1,985.5 million), and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 1,094.8 million (2023: 1,094.5 million), calculated as follows:

	Year ended December 31,	
	2024	2023
	in € millions	
Profit (loss) for the year, attributable to the owners of the Company (basic)	52.9	(1,987.6)
Dilutive effect of the Company's share of profit in investees	-	2.1
Profit (loss) for the year, attributable to the owners of the Company (diluted)	**52.9**	**(1,985.5)**

	Year ended December 31,	
	2024	2023
	in millions of shares	
Issued ordinary shares on January 1, net of treasury shares	1,093.1	1,065.0
Share incentive effect (*)	1.7	1.8
Mandatory convertible notes effect	-	27.7
Weighted average number of ordinary shares	**1,094.8**	**1,094.5**
Diluted profit (loss) per share (in €)	**0.05**	**(1.82)**

(*) weighted average amount

13. INVESTMENT PROPERTY

13.1. Reconciliation of investment property

	Year ended December 31,	
	2024	2023
	(*) Level 3	(*) Level 3
	in € millions	
Balance as at January 1	**24,632.4**	**27,981.0**
Plus: investment property classified as held for sale	408.3	909.1
Total investment property	**25,040.7**	**28,890.1**
Additions	421.0	211.5
Modernization, pre-letting modification and capital expenditures	345.8	334.6
Disposals (see note 13.2.1)	(738.5)	(1,273.1)
Effect of foreign currency exchange differences	125.3	52.4
Fair value adjustments	(127.2)	(3,174.8)
Total investment property	**25,067.1**	**25,040.7**
Less: investment property classified as held for sale (see note 13.2.2)	(691.8)	(408.3)
Balance as at December 31	**24,375.3**	**24,632.4**

(*) classified in accordance with the fair vale hierarchy. Since one or more of the significant inputs is not based on observable market data, the fair value measurement is included in level 3 (see note 4 for definition)

The Group acquired investment property in the amount of €421.0 million that consisted of hotels, residential and office properties primarily in the UK, Germany and Israel. These acquisitions were made through initial consolidations of €330.2 million of investment property value that by takeover had been accounted for at equity and as asset-backed loans for which the underlying property was taken over, complemented by €90.8 million of asset deals. The cash amount invested during 2024 in acquisitions of investment property, capital expenditures and modernization activities and advanced paid amounted to €471.8 million (2023: €345.6 million).

Geographical distribution of investment property (*)	As at December 31,	
	2024	2023
	in € millions	
Germany	17,432.7	18,079.7
United Kingdom	2,539.7	2,299.5
The Netherlands	2,046.9	2,101.4
Belgium	711.5	609.9
Other locations	1,644.5	1,541.9
Total	**24,375.3**	**24,632.4**

(*) excluding investment property classified as held for sale

No investment property is located in Luxembourg, the Company's country of domicile.

13.2 Disposals of investment property and disposal group classified as held for sale

13.2.1 Disposals of investment property

The following table describes the amounts of assets and liabilities disposed as part of deconsolidation of companies and asset deals took place during 2024 and 2023:

	As at December 31,	
	2024	2023
	in € millions	
Investment property	738.5	1,273.1
Other assets, net	(55.6)	11.5
Deferred tax liabilities, net	(16.6)	(18.0)
Total net assets disposed of	**666.3**	**1,266.6**
Non-controlling interests deconsolidated	5.3	2.9
Total consideration (*)	662.8	1,221.0
Capital gains / (losses)	1.8	(42.7)

(*) the total cash amount received for disposals of investment property during 2024, including prepayment for signed future deals and proceeds from sales made in prior periods, was €712.2 million, net (2023: €959.3 million, net). The sales consideration in 2024 included vendor loans granted by the Group as a seller in the volume of €69.5 million (2023: €228.1 million), presented as part of other non-current assets or trade and other receivables (for the current portion thereof) in the consolidated statement of financial position.

13.2.2 Disposal group classified as held for sale

The Group resolved an intention to sell several properties. These properties were identified by the Group as either non-core, primarily due to the location or asset type of the properties, or mature properties which upside mainly has been lifted. The intention of the Group to dispose of non-core and / or mature properties is part of its capital recycling plan and is following a strategic decision to increase the quality of its portfolio and utilize the disposal proceeds into debt repayments.

Some properties are expected to be disposed through sale of subsidiaries. Accordingly, assets and liabilities relating to these subsidiaries ("Disposal Group") and some properties which are expected to be disposed of through asset deals are presented as assets held for sale and as liabilities held for sale in the consolidated statement of financial position. As at December 31, 2024, the Group has signed contracts to sell ca. €345 million of investment property and selling efforts of the rest classified properties are undergoing and expected to be completed within twelve months. See note 30 for sales completed after the reporting period.

The major classes of assets and liabilities comprising the Disposal Group classified as held for sale are as follows:

	As at December 31,	
	2024	2023
	in € millions	
Investment property	691.8	408.3
Cash and cash equivalents	1.2	0.2
Other assets	10.4	1.0
Total assets classified as held for sale	**703.4**	**409.5**
Loans and borrowings	56.5	-
Deferred tax liabilities	22.9	18.6
Other liabilities	12.6	7.0
Total liabilities associated with assets held for sale	**92.0**	**25.6**

13.3 Measurement of fair value

The fair value of the properties of the Group is determined at least once a year by external, independent and certified valuers, who are specialist in valuing real estate properties. The prime valuers, responsible for a major part of the portfolio are Jones Lang LaSalle, Savills, PwC and CBRE (the "Appraisers"), they are considered as the market leading valuers in the European real estate market. The fair value of the properties was prepared in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards (current edition) as well as the standards contained within The European Group of Valuers Associations (TEGoVA) European Valuations Standards, and in accordance with International Valuation Standards Council (IVSC) International Valuation Standard (IVS), the International Accounting Standard (IAS) of the IFRS as well as the current guidelines of the European Securities and Market Authority (ESMA) based on the Market Value. This is included in the General Principles and is adopted in the preparation of the valuations reports of the Appraisers. Therefore, the valuation is based on internationally recognized standards.

As part of the engagement, the Company and the valuers confirm that there is no actual or potential conflict of interest that may have influenced the valuers' status as external and independent. The valuation fee is determined on the scope and complexity of the valuation report.

As at December 31, 2024, 96% (2023: 91%) of investment property has been valued using the discounted cash flows method, 3% using the residual value approach (2023: 3%) and 1% using the comparable approach (2023: 6%).

- **Discounted cash flow method**

  Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

  The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, and refurbishment. The appropriate durations are typically driven by market behavior that is a characteristic of the class of real property. Key unobservable

input parameters for capitalization rate are determined based on historical similar transaction evidence for yield, modified to the specific characteristic of the appraised property (e.g., age, location and condition), pursuant to which other parameters such as long-term vacancy are also determined. Determination of the discount rate is effectively comprised of inflation (long term trend as of valuation date) plus a risk premium attributed to the level of risk attached to the realization of the projected cash flows.

Periodic cash flows are typically estimated as gross income less vacancy, non-recoverable expenses, collection losses on future rents, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

- **Comparable approach**

Under the market comparable approach, a property's fair value is estimated based on comparable transactions. The market comparable approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. The unit of comparison applied by the Group is the price per square meter.

Determination of the key input is made, inter alia, through enquiries that have been made by the valuers and examination of public databases, local sale offices and recent transactions. The main components of the valuation are the location of the property, the condition of the property with its units; provision of concierge and tenants' facilities, provision and layout of accommodation, as well as market sentiment and how the individual units would be received by the market. The most recent sales data for individual units within the subject property and comparable evidence within the immediate area will be considered and adjusted by premium according to the specifics of the property and its units. The achieved market sales price per square meter will be multiplied by the area of the property to achieve the property specific market value.

- **Residual value approach**

The residual value assesses the various factors associated with a conversion or a new development of a property. The goal of this method is to calculate an objective value for the site, which is either undeveloped or sub-optimally utilized.

The residual value is determined by first calculating the net capital value of the property after completion of the planned development project. This figure is derived by subtracting the non-recoverable operating costs (e.g., maintenance and management costs) from the potential gross sale value. To determine the net capital value, the purchaser's costs have to be deducted. The costs for the assumed development are subtracted from the net capital value, resulting in the remainder (residuum). These costs include building fees as well as other required fees, which are necessary for the construction of a building, depending on its type of use. The additional construction costs are also part of the total development costs. The following additional costs are common for constructions: planning, construction, official review and approval costs as well as financing required immediately for construction. The amount of additional construction costs depends on the type of building, its finishes and the location. All the construction and additional building costs as well as other project costs including financing costs and developer's profit are subtracted from the calculated gross sale value of the completed development. The difference of the gross sale value and the development costs results in the remainder (residuum). To acquire the residual value, financing and additional purchasing costs for the property are deducted from this remainder. The residual value represents the amount, which an investor would spend for the development of the property under specific economic conditions.

Determination of the key input for applying the residual approach are similar to those served in the DCF approach, with further reference to collecting market data (either through public or limited databases) for adequate developer profit margin as well as recent data for costs to develop and plausible sale prices.

The key assumptions used to determine the fair value of the investment property are further discussed below:

Valuation technique	Significant unobservable inputs	As at December 31, 2024	2023
		Range (weighted average)	
DCF method	Rent growth p.a. (%)	0.0 – 3.1 (1.9)	0.1 – 3.0 (2.0)
	Discount rate (%)	2.8 – 14.0 (6.3)	3.3 – 13.3 (6.1)
	Capitalization rate (%)	2.1 – 15.0 (5.1)	2.1 – 16.3 (5.1)
Market comparable approach	Price per sqm (in €)	1,100 – 13,900 (5,900)	2,000 – 13,200 (4,100)
Residual value approach	Rent price per sqm (in €)	17.8 – 62.7 (28.2)	7.7 – 59.3 (25.8)
	Sales price per sqm (in €)	3,100 – 14,800 (7,300)	1,550 – 14,000 (7,100)
	Development cost per sqm (in €)	1,100 – 7,000 (3,700)	800 – 7,200 (3,700)
	Developer margin (%)	5.0 – 21.0 (14.5)	7.5 – 20.0 (13.0)

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

The table below presents the weighted average and range of the discount rate and capitalization rate for nearly all the portfolio, per asset type:

		As at December 31, 2024		2023	
Asset type	Parameter	Discount rate	Capitalization rate	Discount rate	Capitalization rate
Office	Range	3.7% - 11.2%	3.5% - 11.9%	4.0% - 11.8%	3.6% - 11.5%
	Average	6.4%	5.4%	6.3%	5.4%
Hotel	Range	3.9% - 14.0%	3.6% - 12.0%	3.8% - 13.3%	3.5% - 11.1%
	Average	7.1%	5.7%	7.4%	5.9%
Residential	Range	2.8% - 9.0%	2.1% - 7.5%	4.0% - 8.4%	2.1% - 7.8%
	Average	5.4%	4.2%	5.2%	4.0%
Retail	Range	3.8% - 9.4%	3.6% - 11.5%	4.3% - 9.8%	3.6% - 10.4%
	Average	6.4%	6.0%	6.7%	6.1%
Logistics/ wholesale/ other	Range	3.0% - 9.9%	3.6% - 15.0%	3.3% - 9.9%	3.0% - 16.3%
	Average	6.9%	6.4%	5.7%	5.1%

- **Highest and best use**

  As at December 31, 2024, the current use of all investment property is considered the highest and best use, except for 5.7% (2023: 5.3%) of the investment property, for which the Group determined that fair value based on the development and sale of such properties is the highest and best use. These properties are currently being used to earn rental income, in line with the Group's business model of buying and holding investment property to earn rental income. By achieving increased rental value and implementing development projects, the value of these properties is expected to grow further and reflect the value expected for realization of the investments.

- **Climate-related considerations**

  The Group's external appraisers assess certain physical climate-related risks (e.g., flood risk) as part of their valuation methodology. Where relevant, these risks are implicitly reflected in the determination of risk premiums included in capitalization rates, which in turn affect the calculated fair values of investment properties. Other physical risks, such as heavy storms, heat waves, earthquakes, and wildfires, have not been incorporated into valuations, as the probability and frequency of occurrence were determined to be negligible based on current risk assessments. The Group acknowledges that transition risks, including regulatory changes related to energy efficiency and carbon reduction targets, may have a material impact on asset valuations over the next several years. However, due to uncertainties regarding how relevant EU Directives will be implemented at the national level in the Group's operating countries, a quantified impact on fair values is not yet available.

While the Group actively monitors climate risks, data limitations make it challenging to translate natural hazard projections from official climate models into precise financial impacts on asset valuations. Most climate-related physical risks are mitigated through insurance coverage across the Group's portfolio, limiting direct financial exposure.

14. GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Computer software and other intangible assets	Total
		in € millions	
COST			
Balance as at December 31, 2022	1,699.0	33.9	1,732.9
Additions, net	-	1.4	1.4
Balance as at December 31, 2023	1,699.0	35.3	1,734.3
Additions, net	-	2.7	2.7
Balance as at December 31, 2024	1,699.0	38.0	1,737.0
IMPAIRMENT / AMORTIZATION			
Balance as at December 31, 2022	408.8	16.0	424.8
Amortization for the year	-	6.8	6.8
Impairment for the year	137.0	-	137.0
Balance as at December 31, 2023	545.8	22.8	568.6
Amortization for the year	-	2.8	2.8
Impairment for the year	46.0	-	46.0
Balance as at December 31, 2024	591.8	25.6	617.4
CARRYING AMOUNTS			
Balance as at December 31, 2023	**1,153.2**	**12.5**	**1,165.7**
Balance as at December 31, 2024	**1,107.2**	**12.4**	**1,119.6**

14.1 Annual impairment test of goodwill

In July 2021, following the business combination with GCP, goodwill in the amount of €862.9 million was recognized. This followed the goodwill recognition of €822.0 million in 2020 arising from the business combination with TLG. The goodwill initially recognized in both business combination transactions is attributable mainly to deferred tax liabilities initially consolidated therein; while most of the identifiable assets and assumed liabilities were initially recognized at their fair value, the deferred tax liabilities were calculated pursuant to IAS 12 principles and reflected the nominal tax values of the variance between the real estate portfolios' carrying amount for tax purposes and their fair value.

The Group considers the operational real estate portfolios under TLG and GCP as each one being a single CGU for internal management purposes to which the full amount of goodwill is allocated. For GCP, there are some additional assets allocated to the CGU that are expected to benefit from the business combination. The Company assesses on an annual basis the impairment of each of the goodwill items by comparing the carrying amount of the CGU (together with the attributed goodwill and adjusted for the amount of the deferred tax liability based on temporary differences initially recognized in the business combination but not reversed at the date of the impairment test) to their recoverable amount. The recoverable amount of a CGU is calculated as the higher of (a) fair value less costs of disposal and (b) value in use.

During the year 2024, the goodwill on GCP and TLG was impaired in a total amount of €46.0 million, and as of December 31, 2024, amounted to €525.4 million and €572.4 million, respectively.

For testing of the goodwill on GCP, the examination of the carrying amount had to include all the business units and activities within the group of GCP to which the goodwill relates (i.e., the CGU assets, being the investment property, goodwill, specific additional financial assets and deferred tax liabilities recognized during the business combination but not yet reversed) and amounted to €8,900.0 million as at December 31, 2024 (2023: €8,921.8 million). The carrying amount was compared to the recoverable amount being the fair value of the CGU less assumed costs of disposal that amounted to €8,885.6 million (2023: recoverable amount of €8,861.5 million, being the fair value less costs of disposal) and therefore concluded an impairment of €14.4 million on the goodwill on GCP for 2024 (2023: €60.3 million) to a residual amount of €525.4 million. The Company assumed the fair value less costs of disposal as of December 31, 2024, was higher than the value in

use, mainly due to the increased cost of capital that would affect the discounted cash flows model on which the value in use is based.

For testing of the goodwill on TLG, the carrying CGU amount as at December 31, 2024, amounted to €2,524.9 million (2023: €2,725.2 million) (being the investment property, goodwill and deferred tax liabilities recognized during the business combination but not yet reversed). The carrying amount was compared to the recoverable amount being the fair value of the CGU less assumed costs of disposal that amounted to €2,493.3 million (2023: recoverable amount of €2,648.5 million, being the fair value less costs of disposal) and therefore concluded with an impairment of €31.6 million on the goodwill on TLG for 2024 (2023: €76.7 million) to a residual amount of €572.4 million. The Company assumed the fair value less costs of disposal as of December 31, 2024, was higher than the value in use, mainly due to the increased cost of capital that would affect the discounted cash flows model on which the value in use is based.

The fair value of the investment property used in the impairment tests of TLG and GCP are included in the investment property valuations of the Company and whose key parameters are elaborated in note 13.3. The assumed costs of disposal parameter utilized in the impairment assessments was 75 basis points. Any change of +/- 10 basis points in the assumed costs of disposal would lead to a further / less impairment of €11.1 million based on testing made as at December 31, 2024 (€11.4 million as at December 31, 2023).

15. PROPERTY AND EQUIPMENT

	Owner-occupied properties (*)	Furniture, fixtures and office equipment	Total
		in € millions	
COST			
Balance as at December 31, 2022	(**) 138.2	(**) 95.7	233.9
Additions, net	14.9	13.1	28.0
Revaluations	(***) (2.8)	-	(2.8)
Classified as held for sale	-	(0.3)	(0.3)
Balance as at December 31, 2023	(**) 150.3	(**) 108.5	258.8
Additions, net	1.8	14.9	16.7
Initial consolidations	28.2	7.0	35.2
Revaluations	(***) 0.4	-	0.4
Deconsolidations	(38.9)	(0.2)	(39.1)
Balance as at December 31, 2024	141.8	130.2	272.0
DEPRECIATION			
Balance as at December 31, 2022	4.9	29.3	34.2
Depreciation for the year	3.3	7.8	11.1
Balance as at December 31, 2023	(**) 8.2	(**) 37.1	45.3
Depreciation for the year	2.1	15.3	17.4
Balance as at December 31, 2024	10.3	52.4	62.7
CARRYING AMOUNTS			
Balance as at December 31, 2023	**(**) 142.1**	**(**) 71.4**	**213.5**
Balance as at December 31, 2024	**131.5**	**77.8**	**209.3**

(*) owner-occupied properties are measured at fair value and are classified in accordance with the fair value hierarchy (see note 4). Since one or more of the significant input parameters is not based on observable market data, the fair value measurement is included in level 3. The revaluation amount presented is before tax

(**) reclassified

(***) amount excluding deferred tax effect

Property and equipment as at December 31, 2024 included right-of-use assets of €29.6 million (2023: €67.1 million) related to leased properties that do not meet the definition of investment property.

16. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

16.1 Reconciliation of investment in equity-accounted investees

	Year ended December 31,	
	2024	2023
	in € millions	
Balance as at January 1	**1,086.5**	**1,291.9**
(Disposals) / additions, net	(8.4)	117.4
Dividends received	(53.3)	(39.2)
Share of results from investees	(42.5)	(149.8)
Changes through OCI and other equity reserves	(0.8)	1.3
Changes in investees and initial consolidations	(55.8)	(135.1)
Balance as at December 31	**925.7**	**1,086.5**

(a) during 2024, the cash invested in equity-accounted investments amounted to €21.1 and cash received from equity-accounted investments amounted to €17.8 million (2023: €50.1 million and €11.1 million, respectively).

(b) in 2024, the Group obtained control over real estate portfolio and initially consolidated investment property with value of €53.0 (2023: €196 million) and owner-occupied property with value of €6.8 million

16.2 Details of material equity-accounted investees

All the investments included in the equity-accounted investee balance are accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 3.

Details of each of the Group's material equity-accounted investees as at December 31, 2024 and 2023 are as follow:

Name of investee	Principal activity	Place of incorporation	Main place of principal activities	Rate of effective ownership interest by the Group as at December 31,	
				2024	2023
				in %	
Globalworth Real Estate Investments Limited (through 50% in Tevat Limited that is a joint venture in which the Group has joint control)	Real estate	Guernsey	Poland and Romania	30.43	30.38

16.3 Summarized financial information in respect of each of the Group's material joint ventures is set out below:

Globalworth Real Estate Investments Limited ("GWI")	As at and for the year ended December 31	
	2024	2023
	in € millions	
Current assets	429.0	480.1
Of which cash and cash equivalents	333.6	396.3
Non-current assets	2,620.7	2,965.1
Of which investment property	2,585.3	2,843.1
Current liabilities	201.2	101.3
Non-current liabilities	1,329.6	1,741.3
Of which loans, borrowings and bonds	1,178.3	1,574.8
Equity attributable to the owners	1,519.0	1,601.1
Revenue	238.3	240.4
Finance expenses, net	68.5	33.9
Current and deferred tax income	3.0	7.7
Net loss attributed to the owners	(77.8)	(54.2)
Total comprehensive loss attributed to the owners	**(81.5)**	**(54.2)**
Quoted market price per share (in €)	2.7	2.6
Group's share of loss in the joint venture	(19.7)	(13.6)
Dividends received in the Group from the joint venture (*)	16.5	20.1
Impairment of investment	(4.8)	(26.2)

(*) for all interim dividends announced in March 2024, August 2024, March 2023 and August 2023, GWI offered a scrip dividend alternative to its shareholders, so instead of cash dividend, the shareholder would get new shares in GWI at agreed prices). The Group accepted the scrip option for those dividends and consequently received new 8.2 million of GWI shares in 2024 (9.4 million in 2023), instead of cash dividend, that increased its proportional stake to 30.43% as at December 31, 2024.

Reconciliation of the above summarized financial information to the carrying amount:	As at and for the year ended December 31,	
	2024	2023
	in € millions	
Equity attributable to the owners	1,519.0	1,601.1
Group's interest	30.43%	30.38%
Group's share	462.2	486.4
Surplus on investment	0.3	0.2
Total carrying amount of equity-accounted investee	**462.5**	**486.6**

16.4 Aggregate information of investment in equity-accounted investees that are not individually material

Information referring to Associates	As at and for the year ended December 31,	
	2024	2023
	in € millions	
The Group's share of (loss) / profit	(3.6)	(84.0)
The Group's share of other comprehensive income	(2.0)	3.0
The Group's share of total comprehensive income	**(5.6)**	**(81.0)**
Dividends received in the Group from the investees	34.4	14.1
Aggregate carrying amount of the Group's interests and loans in these investments	260.4	415.5

Information referring to Joint Ventures	As at and for the year ended December 31,	
	2024	2023
	in € millions	
The Group's share of (loss) / profit	(14.4)	(26.0)
The Group's share of other comprehensive income	1.2	(1.7)
The Group's share of total comprehensive income	**(13.2)**	**(27.7)**
Dividends received in the Group from the investees	2.4	5.0
Aggregate carrying amount of the Group's interests and loans in these investments	202.8	184.4

17. LONG TERM FINANCIAL INVESTMENTS AND OTHER ASSETS

		As at December 31,	
		2024	2023
		in € millions	
Tenancy deposits	(1)	66.0	65.3
Trade receivables	(2)	46.6	50.5
Investment in non-current financial assets	(3)	1,042.7	1,325.9
Other balances		6.5	16.4
Total		**1,161.8**	**1,458.1**

1. tenancy deposits mainly include several months net rent from the tenants which is paid at the beginning of the lease. The deposits are considered a security payment by the tenant. The Group can primarily use these funds, when the tenant has unpaid debts or causes damages to the property. Experience shows that the majority of the leases are long term and therefore the deposits are presented as long term assets
2. consists of mainly the revenue straight-lining effect arising from the rent-free granted to tenants
3. consists of mainly non-current investments in loans connected with future real-estate transactions (with maturities primarily by 2027 and an annual interest rate of up to 10% p.a.), long-term deposits and the non-current portion of the loans provided by the Group as a seller (vendor loans). The vendor loans have maturities between 2025 and 2026, carrying weighted average interest rates of ca. 5% p.a. and are secured against the properties sold at an LTV in the range of 40%-70%. An amount of €192.6 million (2023: €161.0 million) is accounted for at fair value through profit or loss and includes mainly investment in various real estate funds

18. TRADE AND OTHER RECEIVABLES

		As at December 31,	
		2024	2023
		in € millions	
Rent and other receivables		77.2	114.6
Operating costs receivables	(1)	467.9	499.0
Prepaid expenses		29.8	28.8
Tax receivable from authorities		130.6	132.8
Other short-term financial assets	(2)	329.6	233.1
Total		**1,035.1**	**1,008.3**

1. Operating costs receivables represent an unconditional right to consideration in exchange for services that the Group has transferred to tenants. The Group recognizes an operating income based on contractual rights for providing ancillary services and for other charges billed to tenants, as the performance obligations are satisfied, that is, as services are rendered. Mainly once a year, the operating cost receivables are settled against prepayments received from tenants on operating costs.
2. The balance mainly includes the current portion of vendor loans granted by the Group as part of the sale transactions and of loans in connection with future real estate transactions.

The Group recognized an allowance for expected credit losses and other impairments on trade and other receivables in the total amount of €55.2 million (2023: €65.9 million) through the property operating expenses in the consolidated statement of profit or loss.

19. TOTAL EQUITY

19.1 Equity attributable to the owners of the Company

19.1.1 Share capital

	As at December 31,			
	2024		2023	
	Number of shares	in € millions	Number of shares	in € millions
Authorized				
Ordinary shares of €0.01 each	3,000,000,000	30.0	3,000,000,000	30.0
Issued and fully paid				
Balance as at January 1	1,537,025,609	15.4	1,537,025,609	15.4
Balance at the end of the year	**1,537,025,609**	**15.4**	**1,537,025,609**	**15.4**

Issued capital

There were no movements in the share capital during the years 2024 and 2023.

19.1.2 Treasury shares

	2024	2023
	Number of shares	
Balance as at January 1	**443,887,213**	**471,981,352**
Delivered as part of mandatory convertible notes settlement (see note 19.1.4)	-	(27,691,319)
Delivered as part of share-based payment	(455,150)	(402,820)
Balance as at December 31	**443,432,063**	**443,887,213**
Rate from the total share capital of the Company (in %)	**28.85**	**28.88**

The treasury shares were acquired by the Group via tender offers and buyback programs (pursuant to resolutions taken by the Company's Board of Directors that followed the authorization received by the ordinary general meeting held in May 2020 to buying back of own shares) and have been serving the Company in settling of scrip dividends and other share-based transactions.

The treasury shares are accounted for at their original purchase price and are not subsequently revaluated. Carrying amount as at December 31, 2024 was €2,891.0 million (2023: €2,893.3 million). Upon sale or delivery, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented in the share premium.

The shares bought back, and which are held in treasury by the Company and the Company's wholly owned affiliates are suspended from voting and dividend rights. In other cases, shares held in treasury are also suspended from voting rights but entitled to dividends.

19.1.3 Share premium and other reserves

The capital reserves include share premium derived directly from the capital increases that took place since the date of incorporation (including the proceeds received by placing the mandatory convertible note) and from conversions of convertible bonds into ordinary shares and can be distributed at any time. The account also consists of the share-based payment reserve and the other comprehensive income components arising from the hedge accounting and the foreign currency translations, which temporarily cannot be distributed.

Legal reserve

The Company is required to allocate a minimum of 5% of its annual net increase to a legal reserve after deduction of any losses brought forward, until this reserve equals 10% of the subscribed share capital. The appropriation to legal reserve is affected after approval of the annual general meeting of the shareholders. This reserve is presented under Share premium and capital reserves in the consolidated statement of changes in shareholders equity and cannot be distributed. As of December 31, 2024, the legal reserve amounted to €1.1 million.

19.1.4 Mandatory convertible notes

In March 2023, the Company delivered to the mandatory convertible notes' investors 27,691,319 of its own shares from the Company's treasury shares to settle the mandatory convertible notes originally issued in March 2020, according to which the notes shall be mandatorily converted into shares of the Company in the following three years after issuance, using a preset conversion price (dividend adjusted). The delivered treasury shares amounted to €138.5 million which was the historical cost upon their buyback by the Company.

19.2 Equity attributable to perpetual notes investors

19.2.1 Overview of the Group's perpetual notes

As described in the material accounting policies, these notes are accounted for as equity instruments – the issuer may, at its sole discretion, elect to defer the payment of coupons on the notes. These unpaid coupon arrears must be paid by the issuer upon the occurrence of certain events, including but not limited to dividends, distributions or other payments made to instruments such as the Company's (or GCP's) ordinary shares, which rank junior to the perpetual notes. Any such deferred amounts shall not be compounded. The principal value of the notes may be redeemed at the issuer's sole discretion and on certain dates as detailed below under "Next possible Call Date". If the Group decides not to redeem a perpetual note, the annual coupon rates for following periods are updated according to the "Next Reset Margin" (updated every 5 years from the time when the perpetual note is not called by the Group, presented as the "Next Reset Date"), and the next possible call date shall be in each subsequent year.

Set out below are the outstanding nominal values as of December 31, 2024 (the carrying amounts as of December 31, 2024 and 2023 are €4,540.6 million and €4,756.9 million, respectively):

Issuer	ISIN	Note / footnote	Currency	Nominal amount in original currency	Nominal amount in euro	Annual coupon rate until Next Reset Date	Next possible Call Date	Next Reset Date	Next Reset Margin
				in millions	in € millions	%			%
Aroundtown SA	XS2027946610	19.2.2, 19.2.3	EUR	61.5	61.5	2.875	01/2025	01/2025	3.460 + 5Y Mid-Swap
Grand City Properties S.A.	XS2271225281		EUR	700.0	700.0	1.500	03/2026	06/2026	2.184 + 5Y Mid-Swap
Aroundtown SA	XS2287744721		EUR	578.8	578.8	1.625	04/2026	07/2026	2.419 + 5Y Mid-Swap
ATF Netherlands B.V.	XS1508392625	19.2.2	EUR	90	90	7.078	01/2025	01/2028	4.625 + 5Y Mid-Swap
Grand City Properties S.A.	XS1491364953	19.2.2	EUR	48.4	48.4	6.332	01/2025	01/2028	3.887 + 5Y Mid-Swap
AT Securities B.V.	XS1634523754	(a), (b), 19.2.2	USD	67.4	62.9	5.756	07/2025	07/2028	3.796 + 5Y Mid-Swap
Grand City Properties S.A.	XS1811181566	19.2.2	EUR	25.1	25.1	5.901	10/2025	10/2028	2.682 + 5Y Mid-Swap
Aroundtown SA	XS1752984440	19.2.2, 19.2.3	EUR	93.7	93.7	4.542	01/2025	01/2029	2.250 + 5Y Mid-Swap
Aroundtown Finance S.à.r.l.	XS2799493825	(c)	EUR	618.4	618.4	5.000	04/2029	07/2029	2.349 + 5Y Mid-Swap
Aroundtown SA	XS2017788592	(a), (b), 19.2.3	GBP	19.3	22.9	6.850	06/2025	06/2029	4.627 + 5Y Mid-Swap
Aroundtown Finance S.à.r.l.	XS2812484215	(b), (c)	GBP	344.8	403.9	6.950	05/2029	08/2029	4.493 + 5Y Mid-Swap
Aroundtown Finance S.à.r.l.	XS2812484728	(b), (c)	USD	493.7	462.0	5.836	08/2029	11/2029	3.163 + 5Y Mid-Swap
Aroundtown SA	XS2055106210	19.2.3	EUR	155.3	155.3	6.193	12/2025	12/2029	4.230 + 5Y Mid-Swap
Aroundtown Finance S.à.r.l.	XS2799494120	(c)	EUR	722.2	722.2	7.125	01/2030	04/2030	4.508 + 5Y Mid-Swap
Grand City Properties Finance S.à.r.l.	XS2799494633	(c)	EUR	431.7	431.7	6.125	01/2030	04/2030	3.508 + 5Y Mid-Swap

(a) the euro amount is based on the historical rate as of placement of the notes
(b) effective euro coupon rate using cross-currency swap
(c) issued as part of the Perpetual Notes Offers in 2024 – see note 19.2.2

19.2.2 Exchange and tender offers

In April 2024, following resolutions taken by the Board of Directors of both the Company and GCP, each, the Company and GCP, executed voluntary exchange and tender offers (the "April Offers") to the holders of a total of eight outstanding perpetual notes (including those issued by the Company's subsidiaries) that were not called in 2023 and 2024, and for those with first call dates approaching in the next 12 months.

Under the April Offers, holders of the relevant existing perpetual notes had the opportunity to exchange existing eligible holdings to one of either:

(i) new perpetual notes at a relevant exchange ratio and a cash amount for participating in the exchange; or

(ii) new perpetual notes at a relevant exchange ratio, a cash amount for participating in the exchange, and 15-20% redemption of their exchanged notes for cash at discount forming a small premium over the market prices prevailing prior to the April Offers

In September 2024, another exchange and tender offer (the "September Offers", and together with April Offers – the "Perpetual Notes Offers") was executed by the Company and GCP, under which the holders could choose between:

(i) new perpetual notes at a relevant exchange ratio; or

(ii) new perpetual notes at a relevant exchange ratio, and 20% redemption of their exchanged notes for cash at discount forming a small premium over the market prices prevailing prior to the September Offers.

Set out below are the Perpetual Notes Offers' results:

Perpetual notes series tendered	**Original currency**	**Principal amount outstanding prior to the Perpetual Notes Offers**	**Principal amount accepted**	**Thereof principal amount redeemed at discount**	**Principal amount accepted**	**Thereof principal amount redeemed at discount**
(ISIN)	(in millions of original currency)				(in € millions)	
XS1508392625	EUR	368.9	278.9	15.7	278.9	15.7
XS2055106210	EUR	600.0	443.7	24.8	443.7	24.8
XS1752984440	EUR	394.5	300.8	21.4	300.8	21.4
XS2027946610	EUR	500.0	438.2	44.0	438.2	44.0
XS1491364953 (1)	EUR	200.0	151.6	13.2	151.6	13.2
XS1811181566 (1)	EUR	350.0	322.8	22.5	322.8	22.5
XS1634523754	USD	641.5	572.1	61.8	500.4 (2)	54.1 (2)
XS2017788592	GBP	400.0	380.7	34.9	426.2 (2)	39.1 (2)
Total principal amount accepted in the Perpetual Notes Offers and of which redeemed at discount (in € millions):					2,862.6	234.7

(1) within GCP group
(2) exchanged / redeemed nominal values at historical rate as of original placement of the notes

The Perpetual Notes Offers resulted in a high average acceptance rate of ca. 85% of the tendered nominal values (being ca. €2.9 billion aggregate nominal value of existing perpetual notes). Consequently, the Group issued €2.6 billion of new perpetual notes across 5 different series (detailed in the table below) with extended dates for reset of margins when not called by the Group and simultaneously redeemed at discount €234.7 million nominal value of existing perpetual notes as presented in the table above.

The total cash paid in the Perpetual Notes Offers (including for settling accrued coupons attributed to the accepted notes and net of transaction costs incurred in placing the new notes), as well as in buybacks performed in the secondary market, amounted to €363.8 million (in 2023, secondary market cash buybacks of €8.0 million), in addition to the €122.0 million of coupons paid in 2024 (in 2023: €118.2 million).

19.2.3. Decision not to exercise options to call

During 2023, following a resolution made by the board of directors of the Companies', the Company announced the decision not to exercise the option to voluntarily redeem $641.5 million perpetual notes with first call date in July 2023 issued by AT Securities B.V. (a wholly owned subsidiary of the Company) and the €350 million perpetual notes with first call date in October 2023 issued by GCP. Consequently, the coupons on these perpetual notes starting from July 2023 and October 2023 were set to be 5-year Mid-Swap rate plus a margin of 3.546% p.a. (total coupon rate of 7.75% p.a., swapped into a euro coupon of 5.756% p.a.), and 5-year Mid-Swap rate plus a margin of 2.432% p.a. (total coupon rate of 5.9% p.a.). In December 2023, a similar resolution was made, pursuant to which the Company decided not to voluntarily redeem €394.5 million outstanding nominal value of its 2.125% perpetual notes with first call date on January 17, 2024. As stipulated in the terms and conditions of this perpetual note series, the coupon rate starting January 2024 was set to be at 5-year Mid-Swap rate plus margin of 2.0% p.a. (total coupon rate of 4.542% p.a.), with the next coupon rate reset date in January 2029.

In May 2024, a similar resolution was made for the Company's £20.4 million outstanding nominal value (after the Perpetual Notes Offers described in note 19.2.2, nominal value of £19.3 million was left outstanding) of its 4.75% perpetual notes with first call date on June 25, 2024 (the "GBP Notes"). As stipulated in the terms and conditions of the GBP Notes, the coupon rate starting from June 2024 was set to be at 5-year Mid-Swap rate plus margin of 4.377% p.a. (total coupon rate of 8.521% p.a., subsequently swapped into 6.85% p.a. on a fixed euro notional amount) with the next coupon rate reset date in June 2029.

In November 2024, the Company announced the decision not to voluntarily redeem its €155.3 million and €61.5 million outstanding nominal value of its 3.375% and 2.875% perpetual notes with first call date on December 23, 2024, and January 12, 2025, respectively (the "EUR Notes"). As stipulated in the terms and conditions of these EUR Notes, the coupon rate starting from December 2024 and January 2025 was set to be at 5-year Mid-Swap rate plus margin of 3.98% p.a. (total coupon rate of 6.193%) and 5-year Mid-Swap rate plus margin of 3.46% p.a. (total coupon rate of 5.871%), with the next coupon rate reset date in December 2029 and January 2030, respectively.

The Group has the option to redeem the EUR Notes and GBP Notes, same for any other perpetual note for which the first call date to voluntarily redeem has passed, at every future coupon payment date, and these have been and will continue being accounted for as equity instruments in the consolidated statement of financial position.

19.3 Non-controlling interests

19.3.1 Reconciliation of non-controlling interest:

		in € millions
Balance at December 31, 2022		**3,490.4**
Share of loss for the year		(592.2)
Share of OCI for the year		1.2
Transactions and dividend with/to NCI, and initial consolidations	(1)	(149.9)
Balance as at December 31, 2023		**2,749.5**
Share of profit for the year		53.0
Share of OCI for the year		6.2
Transactions and dividend with/to NCI, and initial consolidations	(2)	30.2
Balance as at December 31, 2024		**2,838.9**

(1) Transactions in 2023

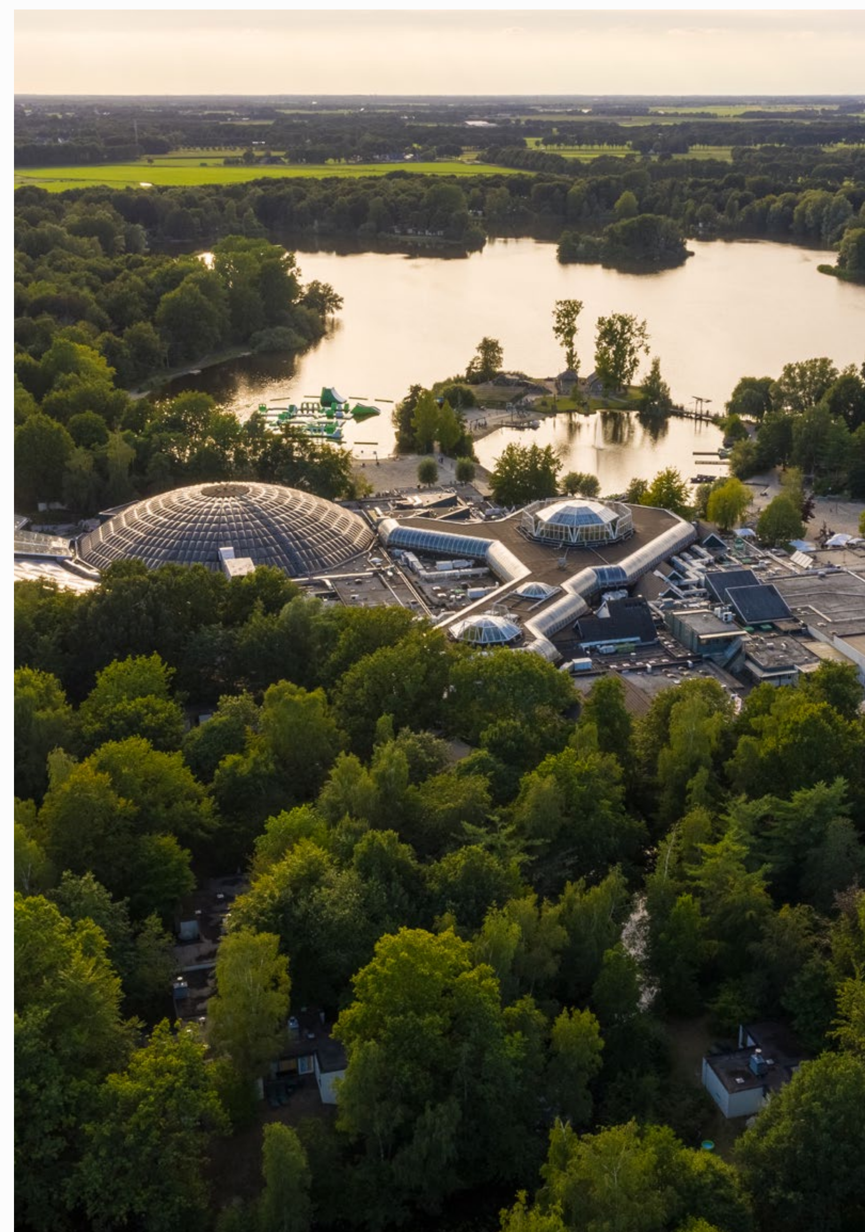
An amount of €0.2 million of NCI increased due to: initial consolidations of €3.1 million that took place during 2023, offset by €2.9 million of deconsolidated NCI.

During 2023, the Company changed its holding rate in subsidiaries within the Group, thereof mainly an increase in GCP (increase in holding rate from 60.11% to 62.68% as at December 31, 2023), that led to a total decrease of €90.1 million in the NCI amount (the negative cash effect of these acquisitions amounted to €33.8 million). The effect on the shareholders' equity was increase of €56.9 million that reflected the variance between the NCI book value and acquisition price). Furthermore, the Group subsidiaries distributed dividends to the NCI in the amount of €60.0 million, thereof €50.6 million paid in cash.

(2) Transactions in 2024

An amount of €37.5 million of NCI increased due to: initial consolidations of €42.8 million that took place during 2024, offset by €5.3 million of deconsolidated NCI.

During 2024, the Company changed its holding rate in subsidiaries within the Group, including a transaction made in December 2024, whereby GCP sold most of its own shares held in treasury to several investors, leading to a total increase of €44.4 million in the NCI amount (the cash effect of these acquisitions amounted to proceeds of €47.3 million). The effect on the shareholders' equity was increase of €8.6 million that reflected the variance between the NCI book value and acquisition / selling price). Furthermore, the Group subsidiaries distributed dividends to the NCI in the amount of €51.7 million, thereof €50.3 million paid in cash.



Drenthe (Netherlands, Center Parcs)

The following are subsidiaries that have material NCI reflected in the consolidated financial statements of the Group:

19.3.2 TLG Immobilien AG

TLG Immobilien AG is an Aktiengesellschaft (stock corporation, delisted from trade in December 2021) incorporated in Germany with its registered office at 1, Alexanderstraße, 10178 Berlin, Germany. It holds commercial real estate portfolio in Germany that consists of office, retail and hotel properties.

Summary of the financial information of the subsidiary, including business combination adjustments (together: "Financial Information"), and holding rate from the Group's point of view:

	As at and for the year ended December 31,	
	2024	2023
NCI percentage (also reflects the voting rights) as at the year-end	**11.75%**	**11.89%**
	in € millions	
Accumulated amount of NCI presented in the Group	333.2	352.1
Loss allocated to NCI presented in the Group	(0.3)	(39.4)
Dividend paid to NCI	12.5	11.7
Financial Information of TLG:		
Current assets	638.8	672.1
Of which cash and cash equivalents	264.3	389.6
Non-current assets	4,100.1	4,239.5
Of which investment property	2,406.3	2,613.2
Current liabilities	326.1	173.0
Non-current liabilities	1,722.1	1,992.9
Of which loans, borrowings and bonds	980.3	1,189.5
Total equity	2,690.7	2,745.7
Net asset attributable to NCI	316.2	326.5
Revenue	142.0	173.9
Net profit / (loss)	43.7	(329.1)
Cash flows from operating activities	62.6	60.6
Cash flows from investing activities	132.6	411.3
Cash flows used in financing activities	(320.7)	(223.3)
Net change in cash and cash equivalents	**(125.5)**	**248.6**

19.3.3. Grand City Properties S.A.

Grand City Properties S.A. was incorporated in Grand Duchy of Luxembourg as a Société anonyme (public limited liability company). Its registered office is at 37, Boulevard Joseph II, L-1840 Luxembourg.

GCP is a specialist in residential real estate, investing in value-add opportunities in densely populated areas, predominantly in Germany as well as London. GCP's strategy is to improve its properties through intensive tenant management and create value by subsequently raising occupancy and rental levels. GCP's shares are listed on the Prime Standard of the Frankfurt Stock Exchange.

Summary of the financial information of the subsidiary, excluding business combination adjustments, and holding rate from the Group's point of view:

	As at and for the year ended December 31,	
	2024	2023
NCI percentage (also reflects the voting rights) as at the year-end	**38.14%**	**37.32%**
	in € millions	
Accumulated amount of NCI presented in the Group	1,480.1	1,405.2
Profit / (loss) allocated to NCI presented in the Group	80.2	(279.4)
OCI allocated to NCI presented in the Group	6.1	1.2
Dividend paid to NCI	17.1	17.0
Financial Information of GCP: (*)		
Current assets	2,201.9	1,840.5
Of which cash and cash equivalents	1,372.9	1,129.2
Non-current assets	9,017.0	9,077.6
Of which investment property	8,629.0	8,629.1
Current liabilities	705.3	653.7
Non-current liabilities	5,099.3	5,034.3
Of which loans, borrowings and bonds	4,160.8	4,133.6
Total equity	5,414.2	5,230.1
Net asset attributable to Perpetual notes investors	1,212.4	1,236.7
Net asset attributable to NCI in GCP	501.6	515.8
Revenue	597.0	607.7
Net profit / (loss)	242.1	(638.1)
Total OCI net of tax	11.8	(3.4)
Total comprehensive income	**253.9**	**(641.5)**
Cash flows from operating activities	284.5	249.4
Cash flows from in investing activities	52.0	147.8
Cash flows from (used) in financing activities	(93.4)	405.3
Net change in cash and cash equivalents	**243.1**	**802.5**

(*) comparative figures are adjusted to the GCP financial results published rather than to those containing the business combination adjustments – to enhance readability

20. SHARE-BASED PAYMENT AGREEMENTS

20.1 Description of share-based payment arrangements

As at December 31, 2024, the Group has the following share-based payment arrangements:

Share incentive plan

The annual general meeting has approved to authorize the Board of Directors to issue up to 8.5 million shares for an incentive plan for the Board of Directors, key management and senior employees. The incentive plan has a vesting period of up to 4 years with specific milestones to enhance management's long-term commitment to Aroundtown's strategic targets.

The key terms and conditions related to program are as follows:

Grant date	Number of shares (in thousands)	Contractual life of the incentive
April 2021 – September 2028	4,771	Up to 4 years

20.2 Reconciliation of outstanding share options

The number of shares under the share incentive program and replacement awards were as follows:

	2024	2023
	Number of shares	Number of shares
	in thousands	
Outstanding on January 1	3,636	2,552
Granted during the year, net	1,471	2,620
Exercised during the year (*)	(336)	(1,536)
Outstanding on December 31	**4,771**	**3,636**

(*) in accordance with the terms and conditions of the incentive share plan, 455 thousand shares (2023: 403 thousand) were delivered from the Group's treasury shares to employees across the Group, and the rest amounts were either settled in cash or withheld at source to reflect the tax impact

During the year, the total amount recognized as share-based payment was €5.2 million (2023: €5.3 million). The amount was presented as administrative and other expenses and property operating expenses in the consolidated statement of profit or loss and as creation of other reserve in the consolidated statement of changes in equity.

21. LOANS, BORROWINGS AND BONDS

21.1 Composition

			As at December 31,	
			2024	2023
	Weighted average interest rate (*) as at December 31, 2024	**Maturity**	**in € millions**	
Non-current				
Bank loans	2.8%	2026-2082	2,134.1	2,124.2
Straight bonds	1.9%	2026-2039	10,629.0	11,698.0
Total non-current			**12,763.1**	**13,822.2**
Current				
Bank loans (**)	2.8%	2025	29.8	26.2
Loan redemptions (**)	4.2%	2025	280.7	53.7
Straight bonds	0.9%	2025	1,381.9	340.0
Total current			**1,692.4**	**419.9**

(*) including hedging impact where applicable
(**) current maturities and accrued interest

21.2 Bank loans

In 2024, the Group raised from financial institutions a net amount of ca. €350 million. The debt drawdowns had average maturities and margin of over the Euribor of 5 years and 1.7%, respectively. The Group repaid bank loans of ca. €50 million during the year. Additional amount of €56.5 million is presented on December 31, 2024, as liability associated with assets held for sale.

The bank loans get the underlying real estate assets as security (as at December 31, 2024 and 2023, €200 million are unsecured). As at December 31, 2024, ca. €7.4 billion of the investment property is encumbered (2023: ca. €6.7 billion).

The Group as a sponsor is in compliance with its noncurrent obligations (including loan covenants) to the financing banks under the existing loan agreements that include, inter alia, ranges for minimum debt service coverage ratio (DSCR) of 105%-220% and loan to value minimal ratio (LTV) of 50%-75%.

21.3 Straight bonds

Set out below, is an overview of the Group's straight bonds as at December 31, 2024, and December 31, 2023:

Series	Note / footnote	Currency	Nominal amount in original currency	Nominal amount in euro	Coupon rate (p.a.)	Contractual maturity	Carrying amount as at December 31,	Carrying amount as at December 31,
			as at December 31, 2024		%		**2024**	2023
			in millions	in € millions			in € millions	
Non-current portion								
Series H	(a) (b) (c)	USD	400.0	372.4	1.365	03/2032	373.9	349.4
Series NOK	(a) (b) (c)	NOK	750.0	79.3	0.818	07/2027	63.2	66.2
Series I	21.3.1	EUR	178.9	178.9	1.88	01/2026	178.0	205.0
Series J	(b) (c) (l)	GBP	483.5	578.8	1.48	10/2029	573.6	545.6
Series K		EUR	266.3	266.3	1.00	01/2025	-	476.7
Series L	(b) (c) (e)	USD	150.0	125.2	4.846	02/2038	121.1	115.4
Series M		CHF	239.8	214.4	0.73	01/2025	-	258.7
Series N	21.3.1	EUR	795.0	795.0	1.63	01/2028	786.2	788.4
Series O		EUR	296.8	296.8	2.00	11/2026	295.4	294.5
Series P	(c) (f), 21.3.1	AUD	-	-	-	-	-	118.6
Series R		CAD	62.4	41.0	3.00	09/2025	-	116.8
Series T	(h)	EUR	150.0	150.0	3.00	09/2030	149.9	149.9
Series U		EUR	75.0	75.0	2.97	09/2033	73.8	73.7
Series V		EUR	50.0	50.0	2.70	10/2028	49.8	49.7
Series W		EUR	76.0	76.0	3.25	11/2032	75.0	74.9
Series X	(c)	CHF	99.8	91.3	1.72	03/2026	106.0	107.6
Series 28	(b) (c) (i), 21.3.1	USD	496.5	439.3	5.167	03/2029	438.9	453.2
Series 29	(b) (c) (j)	NOK	1,735.0	179.0	3.00	03/2029	125.7	132.2
Series 30	(b) (c) (k), 21.3.1	GBP	387.7	454.1	3.00	04/2031	396.1	382.9
Series 31	(c)	JPY	7,000.0	61.3	1.42	05/2029	42.8	44.6
Series 32		EUR	518.2	518.2	0.63	07/2025	-	599.9
Series 33		EUR	600.0	600.0	1.45	07/2028	594.8	593.4
Series 34		NOK	500.0	45.9	1.055	07/2025	-	44.4
Series 36	21.3.1	EUR	475.5	475.5	1.50	05/2026	478.0	528.3
Series 38		EUR	727.8	727.8	0.00	07/2026	723.1	720.1
Series 39		EUR	1,027.9	1,027.9	0.375	04/2027	1,016.4	1,011.6
Series 40	(q)	EUR	650.0	650.0	4.80	07/2029	632.3	-
GCP series E		EUR	178.9	178.9	1.50	04/2025	-	198.0

Series	Note / footnote	Currency	Nominal amount in original currency	Nominal amount in euro	Coupon rate (p.a.)	Contractual maturity	Carrying amount as at December 31,	Carrying amount as at December 31,
			as at December 31, 2024		%		**2024**	2023
			in millions	in € millions			in € millions	
Non-current portion (continued)								
GCP series G	21.3.1	EUR	407.3	407.3	1.38	08/2026	414.9	594.0
GCP series H		EUR	255.0	255.0	2.00	10/2032	274.3	276.8
GCP series I	(b) (c) (m)	HKD	900.0	92.6	4.15	02/2028	106.4	100.3
GCP series J	21.3.1	EUR	583.3	583.3	1.50	02/2027	596.1	690.4
GCP series K	(c)	CHF	125.0	132.8	0.96	09/2026	134.2	137.2
GCP series L	(b) (c)	JPY	7,500.0	75.5	1.20	06/2038	44.1	46.6
GCP series M	(b) (n)	EUR	47.0	47.0	2.18	07/2033	47.9	48.0
GCP series N	(b)	EUR	88.0	88.0	1.71 + Euribor (3M)	02/2039	81.0	79.8
GCP series O	(b)	EUR	15.0	15.0	1.68 + Euribor (3M)	02/2034	13.9	13.8
GCP series P	(b) (c) (o)	HKD	290.0	32.8	4.30	03/2029	33.7	32.1
GCP series R		EUR	40.0	40.0	2.50	06/2039	45.6	46.0
GCP series U		EUR	80.0	80.0	0.75	07/2025	-	80.8
GCP series V	(b) (p)	EUR	70.0	70.0	2.29	08/2034	68.4	69.6
GCP series X		EUR	1,000.0	1,000.0	0.13	01/2028	987.2	982.9
GCP series Y	(r)	EUR	500.0	500.0	4.38	01/2030	487.3	-
Total non-current portion							**10,629.0**	**11,698.0**
Current portion								
Series K	21.3.1	EUR	266.3	266.3	1.00	01/2025	266.2	-
Series M	(c)	CHF	239.8	214.4	0.73	01/2025	254.7	-
Series R	(b) (c) (g) 21.3.1	CAD	62.4	41.0	3.00	09/2025	41.7	-
Series 32	21.3.1	EUR	518.2	518.2	0.63	07/2025	517.0	-
Series 34	(b) (c)	NOK	500.0	45.9	1.055	07/2025	42.4	-
GCP series E	21.3.1	EUR	178.9	178.9	1.50	04/2025	179.6	-
GCP series U		EUR	80.0	80.0	0.75	07/2025	80.3	-
Series 27	21.3.1	HKD	-	-	-	03/2024	-	49.8
GCP series Q	21.3.1	CHF	-	-	-	06/2024	-	140.7
GCP series W	21.3.1	EUR	-	-	-	04/2024	-	149.5
Total current portion							**1,381.9**	**340.0**
Total accrued interest on straight bonds	(d)						**132.2**	**116.3**
Total straight bonds and accrued interest							**12,143.1**	**12,154.3**

(a) coupon and principal are linked to Consumer Price Index (CPI) through derivative instruments

(b) effective coupon in euro

(c) the Company / GCP hedged the currency risk of the principal amount until maturity

(d) presented as part of the provisions for other liabilities and accrued expenses in the consolidated statement of financial position

(e) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1-2023, and 1.78% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 4.846% p.a. from April 2024 until February 2028

(f) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.605% p.a., semi-annually until Q2-2023, and 1.244% p.a. plus Euribor (6M), semi-annually for the following years until maturity (and eventually early repayment)

(g) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.7% p.a., semi-annually until Q3-2023, and 2.72% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 3.0% p.a. from March 2024 until maturity

(h) the Company hedged the interest rate risk, the effective annual euro coupon is 2.0% until Q3-2023, and a semi-annual coupon of 2.266% p.a. plus Euribor (6M) for the following years until maturity. The company fixed the variable interest to 3.0% p.a. from March 2024 until September 2027

(i) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a., semi-annually until Q1-2023, and 2.636% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 5.167% p.a. from March 2024 until March 2026

(j) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q1-2023, and 2.52% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 3.0% p.a. from March 2024 until maturity

(k) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.75% p.a. until Q2-2023, and 2.11% p.a. plus Euribor (6M), semi-annually for the following years until maturity. The company fixed the variable interest to 3.0% p.a. from April 2024 until April 2028

(l) the Company hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.48% p.a. from July 2024 until maturity

(m) GCP hedged the currency risk of the principal amount and coupon with a cross-currency swap; the effective annual euro coupon is 1.00% p.a. until Q1-2023, and 1.1725% p.a. plus Euribor (6M), semi-annually for the following years until maturity. GCP fixed the variable interest to 4.147% p.a. from April 2024 until maturity

(n) GCP hedged the interest rate risk, the effective annual euro coupon is 1.7% until Q3-2023, and a semi-annual coupon of 1.39% p.a. plus Euribor (6M) for the following years until maturity. GCP fixed the variable interest to 2.18% p.a. from April 2024 until July 2028

(o) GCP fixed the variable interest (1.38% + Euribor (3M)) to 4.301% p.a. from June 2024 until March 2028

(p) GCP hedged the interest rate risk, the effective annual euro coupon is 1.5% until Q3-2024, and a semi-annual coupon of 1.47% p.a. plus Euribor (6M) for the following years until maturity. GCP fixed the variable interest to 2.29% p.a. until February 2028

(q) In July 2024, the Company successfully completed the placement of €650 million nominal value series 40 bonds for a net price of ca. 97.1% of its nominal value, maturing in July 2029 and carrying a 4.8% annual coupon. The bonds were issued under the EMTN Programme

(r) In July 2024, GCP successfully completed the placement of €500 million nominal value GCP series Y bonds for a net price of ca. 97.2% of its nominal value, maturing in January 2030 and carrying a 4.375% annual coupon. The bonds were issued under the EMTN Programme of GCP

21.3.1 Buyback and redemption of bonds

During 2023 and 2024, the Company and its subsidiaries bought back some of the Group's straight bonds through tenders as well as in the secondary market. The purpose of the early repayments follows the utilization of the real estate disposal proceeds and is part of the Group's pro-active debt optimization strategy with the aim to extend the average debt maturity and reduce the cost of debt. The bonds buybacks in 2024 were in an average price of nearly 99% of the nominal value (2023: around 80% of the nominal value) and resulted in recognizing a gain of €11.1 million that is presented as other financial results in the consolidated statement of profit or loss (2023: gain of €243.6 million).

Set forth below are the amounts bought back and redeemed upon maturity during the year 2024:

Straight bond series	Currency	Contractual maturity	Nominal value bought back		Outstanding nominal value as at December 31, 2024
			in millions (original currency)	in € millions	in millions (original currency)
Series 27	HKD	03/2024	430.0	48.3	Fully redeemed
GCP Series W	EUR	04/2024	148.8	148.8	Fully redeemed
GCP Series Q	CHF	06/2024	130.0	119.4	Fully redeemed
Series K	EUR	01/2025	212.6	212.6	266.3
GCP Series E	EUR	04/2025	15.5	15.5	178.9
Series P	AUD	05/2025	202.0	127.3	Fully redeemed
Series 32	EUR	07/2025	85.6	85.6	518.2
Series R	CAD	09/2025	119.4	78.5	62.4
Series I	EUR	01/2026	28.0	28.0	178.9
Series 36	EUR	05/2026	44.0	44.0	475.5
GCP Series G	EUR	08/2026	170.1	170.1	407.3
GCP Series J	EUR	02/2027	84.3	84.3	583.3
Series N	EUR	01/2028	5.0	5.0	795.0
Series 28	USD	03/2029	44.3	39.2	496.5
Series 30	GBP	04/2031	1.0	1.2	387.7
Total nominal value bought back / redeemed				**1,207.8**	

Set forth below are the amounts bought back and redeemed upon maturity during the year 2023:

Straight bond/ schuldschein series	Currency	Original maturity	Nominal value bought back / redeemed		Outstanding nominal value as at December 31, 2023
			in millions (original currency)	in € millions	in millions (original currency)
Series S	EUR	08/2023	100.0	100.0	Fully redeemed
GCP Series W	EUR	04/2024	55.9	55.9	148.8
Series K	EUR	01/2025	211.2	211.2	478.9
Series M	CHF	01/2025	10.3	10.5	239.8
GCP Series E	EUR	04/2025	11.2	11.2	194.4
Series P	AUD	05/2025	48.0	29.3	202.0
Series 32	EUR	07/2025	180.2	180.2	603.8
Series R	CAD	09/2025	68.2	46.8	181.8
Series I	EUR	01/2026	44.1	44.1	206.9
Series X	CHF	03/2026	0.2	0.2	99.8
Series 36	EUR	05/2026	80.5	80.5	519.5
Series 38	EUR	07/2026	272.2	272.2	727.8
GCP Series G	EUR	08/2026	22.6	22.6	577.4
Series O	EUR	11/2026	8.4	8.4	296.8
Series 39	EUR	04/2027	222.1	222.1	1,027.9
Series 28	USD	03/2029	59.2	53.3	540.8
Series J	GBP	10/2029	16.5	19.3	483.5
Series 30	GBP	04/2031	11.3	13.3	388.7
Total nominal value bought back / redeemed				**1,381.1**	

21.4 Reconciliation of movement of liabilities to cash flow arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

		Financing cash flows		Non-cash changes					
	31.12.2023	Finance expenses paid in cash (1)	Other cash flows	Acquisition (disposal) of subsidiaries, net	Foreign exchange effect	Change in liabilities held for sale	Other non-cash (2)	Other changes (3)	31.12.2024
	in € millions								
Straight bonds (4)	**12,154.3**	(197.5)	(76.1)	-	61.4	-	(13.1)	214.1	**12,143.1**
Loans and borrowings (5)	**2,204.1**	(89.2)	281.6	24.4	-	(56.5)	(0.4)	80.6	**2,444.6**
Lease liability	**311.8**	(12.5)	(1.8)	(73.8)	1.2	3.9	4.9	14.3	**248.0**
Net derivative financial liabilities and others	**54.9**	-	50.4	-	44.7	-	(53.3)	-	**96.7**
Total	**14,725.1**	**(299.2)**	**254.1**	**(49.4)**	**107.3**	**(52.6)**	**(61.9)**	**309.0**	**14,932.4**

		Financing cash flows		Non-cash changes					
	31.12.2022	Finance expenses paid in cash (1)	Other cash flows	Acquisition (disposal) of subsidiaries, net	Foreign exchange effect	Change in liabilities held for sale	Other non-cash (2)	Other changes (3)	31.12.2023
	in € millions								
Straight bonds (4)	**13,531.1**	(203.1)	(1,128.6)	-	(20.7)	-	4.1	(28.5)	**12,154.3**
Loans and borrowings (5)	**1,288.9**	(54.1)	798.0	1.8	-	109.5	(0.5)	60.5	**2,204.1**
Lease liability	**248.0**	(10.8)	(1.7)	51.3	1.5	5.3	5.6	12.6	**311.8**
Net derivative financial liabilities and others	**192.0**	-	(249.0)	-	121.3	-	(9.4)	-	**54.9**
Total	**15,260.0**	**(268.0)**	**(581.3)**	**53.1**	**102.1**	**114.8**	**(0.2)**	**44.6**	**14,725.1**

(1) excluding the finance income on deposits received in cash (€65.9 million in 2024 and €53.8 million in 2023)
(2) other non-cash changes include discount and issuance cost amortization for the bonds, unrealized revaluation gains and remeasurement of lease liabilities
(3) other changes include interest accruals and results on early repayment of debt and results on linked derivatives
(4) including accrued interest see note 21.3.
(5) including current portion of bank loans, loan redemptions and credit facility

21.5 Covenants and negative pledge as defined in the bonds' Terms and Conditions

This note provides an overview of certain covenants of the Company under its series of bonds (other than the perpetual notes, which do not contain financial covenants) which are outstanding as at December 31, 2024. The complete terms and conditions of each series of bonds are set forth in the relevant bond documentation. Capitalised terms used in this note have the meanings set forth in the terms and conditions of the relevant series of bonds.

Save for one of the Company's outstanding series of bonds (Series 36), which contains a similar provision, the Company undertakes that it will not, and will procure that none of its Subsidiaries will, up to (and including) the Final Discharge Date, incur any Indebtedness (other than any Refinancing Indebtedness) if, immediately after giving effect to the incurrence of such additional Indebtedness and the application of the net proceeds of such incurrence: the sum of:

(a) (i) the Consolidated Indebtedness (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date would exceed 60 per cent. (depending on the relevant series of bonds) of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the value of all assets acquired or contracted for acquisition by the Group as determined at the relevant time in accordance with IFRS and the accounting principles applied by the Company in the latest Financial Statements as certified by the auditors of the Company since the Last Reporting Date (or, as the case may be, the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date); and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness); and

(b) (i) the Consolidated Secured Indebtedness (excluding the GCP Series E Bonds, as the case may be, and in each case less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Secured Indebtedness (excluding the GCP Series E Bonds, as the case may be, and in each case less Cash and Cash Equivalents) incurred since the Last Reporting Date shall not exceed 45 per cent. of the sum of (without duplication): (i) the Total Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; (ii) the value of all assets acquired or contracted for acquisition by the Group as determined at the relevant time in accordance with IFRS and the accounting principles applied by the Company in the latest Financial Statements as certified by the auditors of the Company since the Last Reporting Date (or, as the case may be, the purchase price of any Real Estate Property acquired or contracted for acquisition by the Group since the Last Reporting Date); and (iii) the proceeds of any Indebtedness incurred since the Last Reporting Date (but only to the extent that such proceeds were not used to acquire Real Estate Property or to reduce Indebtedness).

In most of the Company's outstanding series of bonds (excluding Series 36), the Company undertakes that the sum of: (i) the Unencumbered Assets (less Cash and Cash Equivalents) as at the Last Reporting Date; and (ii) the Net Unencumbered Assets (less Cash and Cash Equivalents) newly recorded since the Last Reporting Date will at no time be less than 125 per cent. of the sum of: (i) the Unsecured Indebtedness (less Cash and Cash Equivalents) at the Last Reporting Date; and (ii) the Net Unsecured Indebtedness (less Cash and Cash Equivalents) incurred since the Last Reporting Date.

The Company undertakes that, on each Reporting Date, the Interest Coverage Ratio will be at least 1.8 (excluding one series of standalone bonds, for which the Consolidated Coverage Ratio will be at least 2.0).

Save for two of the Company's series of bonds, which contains similar provisions, the Company's outstanding series of bonds contain a customary negative pledge clause that prohibits the Company, so long as any of the Senior Notes remain outstanding, from creating or having outstanding any Security Interest (other than a Permitted Security Interest) upon any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Capital Markets Indebtedness, unless the Company promptly takes any and all action necessary to ensure that:

(i) all amounts payable by it under the Senior Notes and the Trust Deed are secured by the Security Interest equally and rateably with the Capital Markets Indebtedness to the satisfaction of the Trustee; or

(ii) such other Security Interest or other arrangement is provided either (i) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Senior Noteholders or (ii) as is approved by an Extraordinary Resolution of the Senior Noteholders.

The exposure of the Company to interest rate risk in relation to financial instruments is reported in note 25.3.1.1 to the financial statements. There have been no breaches in covenants during the year and up to the date of approval of these consolidated financial statements.

22. LONG TERM FINANCIAL LIABILITIES AND OTHER PAYABLES

	As at December 31,	
	2024	2023
	in € millions	
Tenancy deposits	75.3	73.4
Lease liability (see note 22.1)	248.0	311.8
Non-current payables	220.6	249.9
Total	**543.9**	**635.1**

22.1 Lease liability

Set out below are the carrying amounts of lease liabilities of the Group and the movements during the year:

	As at December 31,	
	2024	2023
	in € millions	
As at January 1	311.8	248.0
Additions (disposals), net	(66.7)	54.2
Interest expenses	13.3	16.8
Payments (*)	(14.3)	(12.5)
Transferred to liabilities held for sale	3.9	5.3
Balance at December 31	**248.0**	**311.8**

(*) the cash payments for interest portion are presented under "Interest and other financial expenses paid, net" and the cash payments for principal portion under "Amortizations of loans from financial institutions and others" in the consolidated statement of cash flows (see also note 21.4)

Hannover

23. RELATED PARTY TRANSACTIONS

Related parties are companies or individuals which have the ability to control or exercise significant influence over the Group entities, or which the Group entities control or exercises significant influence over. Related persons are the members of the Board of Directors and the Chief Officers of the Company.

Related party transactions (as defined in IAS 24 Related Party Disclosures) performed by / with the Company and its affiliated undertakings and key management personnel are set out below, as well as the identity and nature of the related party and transaction. The remuneration for the member of the Board of Directors and for the Chief Officers refers to the relevant person or to a company under their control.

23.1 Key Management Personnel remuneration

The Company has aligned the Board of Directors' and Chief Officers's remuneration package (consisting of base salary, consultancy fees and allowances, as well as short-term bonus and long-term incentive remuneration) with the provisions of the Remuneration Policy of the Company. According to the Remuneration Policy, the variable remuneration, in particular, (consisting of short-term remuneration and long-term remuneration) is tied to the achievement of certain pre-defined performance measures.

Chief Officers

Mr. Barak Bar-Hen, the Company's Chief Executive Officer (Co-CEO) and Chief Operating Officer, was entitled to a total remuneration of €1,540 thousand, of which €796 thousand refers to fixed salary, consultancy fees and supplementary payments, €150 thousand to short-term remuneration, and €594 thousand to long-term remuneration.

Mr. Eyal Ben David, the Company's Chief Financial Officer, was entitled to a total remuneration of €1,540 thousand, of which €817 thousand refers to fixed salary, consultancy fees and supplementary payments, €150 thousand was in short-term remuneration, and €573 thousand to long-term remuneration.

Ms. Limor Bermann, the Company's Chief Sustainability Officer, appointed in May 2024, was entitled to a total remuneration of €297 thousand, of which €254 thousand refers to fixed salary, consultancy fees and supplementary payments, and €42 thousand was in the form of long-term remuneration.

Mr. Oschrie Massatschi, the Company's former Chief Capital Markets Officer (stepping down in December 2024), was entitled to a fixed salary, consultancy fees and supplementary payments of €353 thousand. Mr. Massatschi waived his entitlement for any accumulated short- and long-term remuneration from the Company and instead will receive a final compensation in the amount of €450 thousand which will be paid in 3 yearly installments.

Balances with Executive Directors and Chief Officers

As at 31 December 2024, the Company had outstanding loans in the amount of €7.1 million to Executive Directors and Chief Officers. The loans are payable from 2025 and until 2029 and bear annual accrued interest rate of up to 3% plus Euribor.

Year ended December 31, 2024

	Executive directors		Non-executive director	Independent directors				
	in € thousands							
Fixed remuneration	**Mr. Frank Roseen[3]**	**Ms. Jelena Afxentiou**	**Mr. Ran Laufer[3]**	**Mr. Markus Leininger[4]**	**Ms. Simone Runge-Brandner[4]**	**Mr. Markus Kreuter**	**Mr. Daniel Malkin**	**Total**
Salary, consultancy fees and supplementary payments[1]	280	330	145	175	187	125	137	1,379
Variable incentive remuneration								
Short-term remuneration	80	50	-	-	-	-	-	130
Long-term remuneration[2]	322	145	-	-	-	-	-	467
Total Remuneration	**682**	**525**	**145**	**175**	**187**	**125**	**137**	**1,976**

(1) based on employer's costs, excluding VAT
(2) multi-year fixed and variable share incentive program
(3) also includes the remuneration for the position as a director in TLG
(4) also includes the remuneration for the position as a non-executive director in GCP

23.2 Other related party transactions

The transactions and balances with related parties are as follows:

	Year ended December 31,	
	2024	2023
	in € millions	
Revenue from rental income and services rendered	2.7	1.0
Interest income on loans to associates and joint ventures	18.8	22.1

The purchased services in the consolidated statement of profit or loss for 2024 include an amount of ca. €0.2 million (for 2023: €0.75 million) for facility management services (caretaker etc.) between the Group and a facility management service company ("FMSC"). Until March 2024, the registered shareholder of the FMSC was a related party of the Group, who in the Group's opinion, did not exercise any control over FMSC.

During the year, the Group acquired an asset-backed loan from an associate for €53.0 million. The loan was secured by a property, which the Group subsequently took over.

	As at December 31,	
	2024	2023
	in € millions	
Loans to associates and joint ventures (*)	268.5	316.1

(*) the loans given to associates carry interest rate in the range between 4% and 15% p.a. (2023: range between 4% and 15% p.a.), measured at amortized cost and presented as part of the investment in equity-accounted investees balance

24. TRADE AND OTHER PAYABLES

	As at December 31,	
	2024	2023
	in € millions	
Trade and other payables	147.1	176.2
Prepayments received from tenants on operating costs	413.8	407.6
Deferred income	70.1	59.9
Other current liabilities	58.4	27.8
Total	**689.4**	**671.5**

Amsterdam

25. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

25.1 Financial assets

Set out below, is an overview of financial assets, held by the Group as at December 31, 2024, and December 31, 2023:

	Note / footnote	As at December 31, 2024	As at December 31, 2023
		in € millions	
Financial assets at amortized cost:			
Trade and other receivables	(1)	1,042.4	1,009.6
Cash and cash equivalents	(1)	3,129.6	2,641.3
Short-term deposits		81.2	127.1
Loans to associates and joint ventures	23.2	268.5	316.1
Long term financial investments and other assets	(1)	1,164.5	1,458.1
Financial assets at fair value through profit or loss:			
Financial assets at fair value through profit or loss	(2)	431.3	257.7
Derivative financial assets	(3), 25.4.1	242.7	259.9
Total financial assets		**6,360.2**	**6,069.8**

(1) Including amounts presented in assets held for sale
(2) Those financial assets consist of bonds, shares, alternative investments and other tradable debt securities
(3) Excluding derivative financial assets designated as hedging instruments in hedge relationships in the amount of €59.6 million (2023: €126.2 million).

25.2 Financial liabilities

Set out below, is an overview of financial liabilities, held by the Group as at December 31, 2024, and as at December 31, 2023:

	Note / footnote	As at December 31, 2024	As at December 31, 2023
		in € millions	
Financial liabilities at amortized cost:			
Trade and other payables	(1)	694.2	672.3
Tax payable	(1)	98.3	72.5
Loans and borrowings	(2)	2,501.1	2,204.1
Bonds and schuldscheins		12,010.9	12,038.0
Accrued interest on bonds and schuldscheins		132.2	116.3
Long term financial liabilities and other payables	(1)	551.4	640.1
Financial liabilities at fair value through profit or loss:			
Derivative financial liabilities	(3), 25.4.1	170.1	193.2
Total financial liabilities		**16,158.2**	**15,936.5**

(1) Including amount presented in liabilities associated with assets held for sale
(2) Including liabilities associated with assets held for sale, loan redemptions and accrued interest
(3) Excluding derivative financial liabilities designated as hedging instruments in hedge relationships in the amount of €228.9 million (2023: €247.8 million).

25.3 Risks management objectives and polices

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, convertible, straight bonds and schuldscheins, trade and other payable, tax payable and non-current liabilities. The Group's principal financial assets include trade and other receivables, cash and cash equivalent and other non-current assets. The Group also holds investments in debt and equity instruments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Group's activities.

25.3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

25.3.1.1 Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates (mainly to EURIBOR rates). The Group manages its interest rate risk by hedging long-term debt with floating rate using swap, collar and cap contracts.

As at December 31, 2024, after considering the effect of the hedging, the interest profile of the Group's interest-bearing debt was as follows:

	As at December 31,	
	2024	2023
	in € millions	
Fixed rate	13,810.7	10,980.4
Capped rate	287.3	1,055.8
Floating rate	357.5	2,205.9
Total	**14,455.5**	**14,242.1**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of long-term debt affected, after the impact of hedging. With all other variables held constant, the Group's profit before tax and pre-tax equity are affected through the impact on floating rate long-term debt, as follows:

As at December 31,	**Increase / decrease in basis points**	**Effect on profit before tax and pre-tax equity**
		in € millions
2024	+100	(2.5)
	-100	3.3
2023	+100	(26.1)
	-100	29.0

The Group had no long-term debt for which the benchmark rate had been replaced with an alternative benchmark rate as at December 31, 2024 and 2023.

25.3.1.2. Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's net investment in foreign subsidiaries and to several straight bonds issued in a foreign currency.

The Company used cross-currency swap and forward contracts to hedge the fair value and cash flow risk derived from the changes in exchange rates and interest rates as explained in note 25.4.2.1 and 25.4.2.2.

Due to the hedging above there is no material residual foreign currency risk.

In addition, the Company used forward contracts to hedge the currency risk of its net investment in foreign operation which is denominated in GBP as explained in note 25.4.2.3

25.3.1.3. Equity price risk

The Group's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis.

25.3.2. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables, loans as a seller and loans connected with future real-estate transactions) and from its financing activities, including cash and cash equivalents held in banks, derivatives and other financial instruments. The Group's maximum credit risk is represented by the financial assets' carrying amount (see note 25.1).

Trade and other receivables

Customer credit risk is managed by the property managers subject to the Group's established policy and control procedures relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision to measure expected credit loss. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic condition may also not be representative of customer's actual default in the future.

The Group has no significant concentration of credit risk.

The aging of rent receivables at the end of the year that were not impaired was as follows:

	As at December 31,	
	2024	2023
	in € million	
Not past due and past due 1–30 days	35.6	46.2
Past due 31–90 days	11.7	28.3
Past due above 90 days	11.9	11.6
Total	**59.2**	**86.1**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on the historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

Financial instruments and cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Group's investment in equity and debt instruments at fair value through profit or loss consists of quoted securities that are graded in the investment category.

The Group holds its cash and cash equivalents and its derivative instruments with highly rated (mostly between A- to A+ by the leading global rating agencies) banks and financial institutions located mainly in Switzerland, Germany, Luxembourg and the Netherlands. Concentration risk is mitigated by not limiting the exposure to a single counter party. The Company has performed an expected credit loss ("ECL") calculation on the cash and cash equivalents accounts and presented the current balance net of the ECL provision that amounted to €3.4 million as at December 31, 2024 (2023: €3.3 million).

The composition of cash and cash equivalents was as follows:

	As at December 31,	
	2024	2023
	in € million	
Cash at banks	1,490.0	1,186.7
Cash deposits of up to three months	1,638.4	1,454.5
Total cash and cash equivalents	**3,128.4**	**2,641.2**

None of the cash and cash equivalents items are restricted. Most of the cash at banks includes overnight deposits that bear interest.

Credit line

The Group ensures accessible additional liquidity by maintaining active revolving credit facilities ("RCF") from various well established financial institutions. As at December 31, 2024, the Group had ca. €1.1 billion (2023: €1.0 billion) RCF with average maturity of three years, all undrawn.

The main terms and conditions including covenants, pledge and negative pledge of the RCF are similar to those of the bonds' detailed in note 21.5, with relevant adjustments.

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25.3.3. Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of loss. The Group has procedures with the objective of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of available committed credit facilities as described above in the credit line section.

The following are the remaining contractual maturities of financial liabilities, including estimated interest payments, the impact of derivatives and excluding the impact of netting agreements as at December 31, 2024, and as at December 31, 2023:

As at December 31, 2024		Contractual cash flows including interest					
	Carrying amount	**Total**	**2 months or less**	**2-12 months**	**1-2 years**	**2-3 years**	**More than 3 years**
	in € millions						
Non-derivative financial liabilities							
Loans and borrowings (*)	2,444.6	2,852.2	5.4	366.5	197.0	433.4	1,849.9
Straight bonds (**)	12,143.1	13,303.4	546.8	1,011.7	2,516.4	1,872.4	7,356.1
Lease liability	248.0	3,234.8	1.7	11.9	13.8	13.8	3,193.6
Trade and other payables	147.1	147.1	24.5	122.6	-	-	-
Total	**14,982.8**	**19,537.5**	**578.4**	**1,512.7**	**2,727.2**	**2,319.6**	**12,399.6**

(*) includes loan redemptions and accrued interest
(**) includes accrued interest

As at December 31, 2023		Contractual cash flows including interest					
	Carrying amount	**Total**	**2 months or less**	**2-12 months**	**1-2 years**	**2-3 years**	**More than 3 years**
	in € millions						
Non-derivative financial liabilities							
Loans and borrowings (*)	2,204.1	2,664.8	3.9	148.2	256.6	203.4	2,052.7
Straight bonds and schuldscheins (**)	12,154.3	13,422.9	44.0	495.2	2,080.1	2,738.4	8,065.2
Lease liability	311.8	3,330.3	2.4	11.9	14.5	14.6	3,286.9
Trade and other payables	176.2	176.2	29.4	146.8	-	-	-
Total	**14,846.4**	**19,594.2**	**79.7**	**802.1**	**2,351.2**	**2,956.4**	**13,404.8**

(*) includes loan redemptions and accrued interest
(**) includes accrued interest

25.3.4. Operating risk

Operational risk is the risk that derives from the deficiencies relating to the Group's information technology and control systems as well as the risk of human error and natural disasters. The Group's systems are evaluated, maintained and upgraded continuously.

25.3.5. Other risks

The general economic environment prevailing internationally may affect the Group's operations to a great extent. Economic conditions such as inflation, unemployment, and development of the gross domestic product are directly linked to the economic course of every country and any variation in these and the economic environment in general may create chain reactions in all areas, hence affecting the Group.

The Group's portfolio is located in major cities and strong markets throughout Germany, The Netherlands, United Kingdom and others. The current regional distribution structure enables the Group on one hand to benefit of economic scale, and on the other provides a diverse, well allocated and risk-averse portfolio.

Geopolitical situation involving Russia and Ukraine

On February 24, 2022, Russia initiated a full-scale invasion of Ukraine and escalating the "Russo-Ukrainian War" ("the War") and hostilities have continued since then. The War has received widespread international condemnation and in reaction to Russian hostilities many nations and organizations, including Germany and the European Union, have announced sanctions against Russia, Russian companies, and individuals in and from Russia. The Group is not directly impacted by the War, as neither its portfolio nor its operations have direct exposure to Ukraine or Russia. However, the group is impacted by the indirect consequences of the War. As a result of the War, inflationary pressures have increased, specifically heating and energy costs, which have an impact on the operating costs of the group. Such pressures may also have an impact on the ability of the Group's tenants to pay rent and/or for the group to recover expenses related to recoverable expenses from tenants. Furthermore, the increased energy costs have led to a wider inflationary pressure. Higher levels of inflation have impacted interest rates and borrowing costs, while increased volatility in the capital markets have reduced the Group's ability to raise capital at attractive prices, resulting in an increase in its cost of capital and potentially limiting its growth opportunities. While much of the volatility has reduced and price levels have reduced in recent periods, risk of renewed price volatility remains, which could have negative financial impacts on the Group.

As a result of the large number of refugees that have entered the European Union and Germany following the War. This has resulted in an increased strain on the residential real estate market in Germany. This further exacerbates the supply and demand mismatch, increase political pressure for home construction or market intervention. The full effects are currently still unclear and will depend significantly on the duration and final outcome of the invasion as well as the distribution of refugees across the European Union.

While the War is currently limited to Ukraine on one side and Russia and several of its allies on the other, continued escalation may result in other countries joining the conflict and at this stage the Group is unable to assess the full impact of such a scenario on its operations, and the likelihood of its occurrence.

Lingering and/or renewed inflationary risk

In recent years, several consecutive events, such as the COVID-19 pandemic, supply chain disruptions, the high amount of cash injected into the market as a monetary response and the geopolitical situation around Russia and Ukraine, among others, have resulted in a high inflationary environment. Inflationary pressure has been particularly strong in energy prices, for oil and gas, caused by the War, and material prices. While in pressures have eased risks remain that may result in inflationary pressures increasing once more. This may also result in tenant's inability to bear the costs that are passed through to them as part of the lease agreements. It cannot be ruled out that losses of rent will occur in the future or that the Group will be unable to collect operating costs from tenants and that the Group will lose considerable rental income. To mitigate the risk, the Company continues to provide information to its tenants to support them in reducing their consumption of energy.

Higher levels of inflation particularly for energy and materials may have an impact on the Group's ability to acquire materials for capex measures at a reasonable price and increase utility costs or result in delays across the Group's operations. Furthermore, higher levels of inflation across the economy may result in higher personnel expenses and expenses related to external services, which could have a negative impact on the Group's profitability. In addition, higher levels of inflation have resulted in rapid and

significant increases in interest rates and consequently resulted in significant volatility in capital markets, which has a negative impact on the cost and availability of new financing for the Group on one hand and have put upward pressure on discount rates and cap rates. While in recent periods the momentum has shifted, renewed interest rate pressures, if prolonged, could consequently have a further adverse impact on the fair value of the Group's assets and share price performance.

Uncertain interest rate environment

In order to battle the increased inflation levels, the European Central Bank (ECB) has raised interest rate levels rapidly and has declared that it would maintain high interest levels at least until inflation slows down and it reached the desired level. This has led to a significant rise in interest rates in Germany and throughout the Eurozone and led to a decrease in real estate valuations and investments, resulting in lower transaction level and lower demand for real estate, among other effects. Starting mid-2024 the ECB started easing rates, and as a result pressures have eased. However, rates remain above the level seen in recent years and a renewed increase in interest rates could adversely impact the Group's business in a number of ways, including:

The discount and cap rates used to calculate the value of the Group's investment property recorded on the Company's balance sheet in accordance with IAS 40 tends to increase in an environment of rising interest rates, which in turn could result in the Group's properties having a lower fair value.

Although the Group's current debt structure primarily involves debt at fixed interest rates or, where variable interest rates apply, is predominantly subject to interest rate hedging agreements, the increase in interest rates may have a negative impact on the Group's ability to refinance existing debt or incur additional debt on favorable terms. Financial institutions such as banks may seek to reduce their exposure to the real estate sector and might be subject to increased equity requirements and balance sheet regulations resulting in restraints to lend out money to customers which could make it more difficult for the Group to obtain bank financing at desired terms. In general, rising interest rates (or market expectations regarding future increases in interest rates) would make financing required by the Group for its refinancing, acquisition, capital expenditure and/or other real estate activities more expensive, which could reduce the Group's profits.

When negotiating financing agreements or extending such agreements, the Group depends on its ability to agree to terms and conditions that will provide for interest payments that will not impair its profit targets, and for amortization schedules that do not restrict its ability to pay intended dividends. Further, the Group may be unable to enter hedging instruments transactions that may become necessary if variable interest rates are agreed upon or may only be able to do so at significant costs. If the current environment in which high rates prevail will remain for a prolonged period, the Group's financing costs, including costs for hedging instruments, may increase, which would likely reduce the Group's profits.

The Group's total equity includes a material number of perpetual notes. Such notes include in their terms a reset of their respective interest rates every five years (reset date), starting from the first call date, based on a specified margin plus a 5-year swap rate (reset rate). If a reset date falls in a period of high interest rates, it is likely that such notes will carry a materially higher interest going forward, thereby reducing the profits available to shareholders. Furthermore, the Company generally aims to replace its perpetual notes issues on their first voluntary call date by a new issue. In times of elevated interest rates, the rates that the Company would pay on a new issuance may differ materially from the reset rate, it may therefore be uneconomical for the Company to call the respective notes and issue new notes, as has been the case in the past.

The willingness of purchasers to acquire real estate in an environment of rising interest rates may be negatively affected, thereby restricting the Group's ability to dispose of its properties on favorable terms when desired. Most purchasers finance their acquisitions with lender provided financing through mortgages and comparable security (in Germany so-called land charges). Lack of availability of such financing at attractive rates therefore reduces demand for properties. Any of the foregoing factors may have a material adverse effect on the Group's business, net assets, financial condition, cash flows and results of operations.

Climate-related risks

The significant impact of human activity on ecosystems and the climate have become apparent in recent years. As a result, the Company does not only face changing physical climate risks but also transitional climate risks resulting from changes in investor and consumer demand, from regulatory changes as well as from other societal factors. The Company faces several physical climate-related risks. The Company actively attempts to identify these risks and implement measures to mitigate the impact of such risks to the Company, for example through insurance. To better understand the Company's exposure to physical risks, the Company has adopted a tool for asset-level assessment

of physical risk develop. This analysis will serve the Company in determining which risks are material to develop adaptation solutions. Furthermore, increased occurrence of severe weather events will likely result in higher insurance premiums.

In addition to physical climate-related risks, the Company also faces transitional risks. As a result of the more apparent impact of climate changes in recent years regulators have increased their efforts to mitigate current as well as potential future impacts of climate change through a wide range of emerging regulations in the Group's regions pursuing a phase-out of fossil fuels and improved energy efficiency present technological risks to the company which requires careful attention when planning maintenance and capex measures. At the EU level, the EU Council and EU Parliament reached an agreement in December 2023 on the recast of the Energy Performance of Buildings Directive (EPBD) to include new minimum energy performance requirements for buildings that progressively increase over time, although the specific requirements can only be known once national-level implementation commences among member states who will define their own target pathways. Noncompliance with the energy requirements under the new EPBD would result in an inability to let the assets and requires increased capital expenditures to become compliant. The Company continuously monitors changes in regulations and aims to minimize the financial risk through pro-active carbon reduction and energy efficiency policies and programs. Furthermore, the Group's sustainability strategy incorporates self-set targets for material environmental, social and corporate governance matters (ESG). If any of these self-set ESG goals are not met, this could damage the Group's reputation. Considering the increasing focus of market participants and lenders on sustainability and "green financing", this could have a negative impact on the Group's refinancing and access to further financing, for example, via the capital market or by taking out loans, at all or on attractive terms. If the Group fails to meet expectations and trends related to sustainability aspects in a timely manner or at all, there could be a decline in demand from tenants.

Furthermore, this could also lead to investors divesting from the Group's bonds or shares, as they also expect ESG goals to be met. From a regulatory perspective, failure to achieve the sustainability goals may also have a negative impact on the Group. To take on a proactive approach, the Company has developed a CO2 pathway to guide the investment in on-site renewable energy and building energy efficiency improvements needed to achieve it's 2030 emission reduction target while enabling further emission reductions down the line. In order mitigate risks related to CO2 emissions, and to reach the Company's environmental targets, the Group is developing an investment program, which covers a wide variety of activities involving both energy efficiency improvements and renewable energy projects. The size and scope of the investment program depends on the availability of governmental subsidies and grants, as is also subject to increasing cost of material. Furthermore, potential new requirements set by the regulators or set as a market standard, could increase the amount the Company would need to invest and potentially accelerate the execution time of the investment program. In 2022, the company began the process of aligning to the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations framework. Although the TCFD has been disbanded and integrated into the International Sustainability Standards Board (ISSB), the framework's core principles for corporate climate-related risk disclosures have also been adopted by the European Sustainability Reporting Standards (ESRS) E1 Standard. The early decision to align to best practices on climate-related risk disclosures leaves the Company in a good position for ensuring compliance, although it is a process requiring continuous effort. As part of this process, the Company continuously updates its climate-related risk assessment each year.

The Building Resilience Task Force, an interdepartmental team dedicated to this effort, continues to further develop control mechanisms and risk mitigation measures for climate-related risks.

25.4 Hedging activities and derivatives

25.4.1. Derivative financial instruments

	Note	As at December 31, 2024	2023
		in € millions	
Derivative financial assets			
Derivatives that are designated as hedging instruments in cash flow hedge	25.4.2.1	40.8	22.6
Derivatives that are designated as hedging instruments in fair value hedge	25.4.2.2	18.8	103.2
Derivatives that are designated as hedging instruments in net investment hedge	25.4.2.3	-	0.4
Derivatives that are not designated as hedge accounting relationships	25.4.3	41.7	60.9
Other derivative financial instruments	25.4.4	201.0	199.0
Total		**302.3**	**386.1**
Derivative financial liabilities			
Derivatives that are designated as hedging instruments in cash flow hedge	25.4.2.1	101.0	21.3
Derivatives that are designated as hedging instruments in fair value hedge	25.4.2.2	57.5	189.2
Derivatives that are designated as hedging instruments in net investment hedge	25.4.2.3	70.4	37.3
Derivatives that are not designated as hedge accounting relationships	25.4.3	40.1	78.3
Other derivative financial instruments	25.4.4	130.0	114.9
Total		**399.0**	**441.0**

25.4.2. Hedge accounting relationships

25.4.2.1. Cash flow hedges

As at December 31, 2024, the Company had foreign exchange rate and interest rate swap derivative agreements in place, designated as hedging instruments in cash flow hedges, as follows:

Hedged item	Hedging instrument	Notional currency	Company receives (in notional currency millions)	Company pays – in € millions
Bond series H	Cross Currency Swap	United States Dollar	400.0	372.4
Bond series NOK	Cross Currency Swap	Norwegian Krone	750.0	79.3
Bond series J	Cross Currency Swap	British Pound	483.5	578.8
Bond series L	Cross Currency Swap	United States Dollar	150.0	125.2
Bond series R	Cross Currency Swap	Canadian Dollar	62.4	41.0
Bond series 28	Cross Currency Swap	United States Dollar	496.5	493.3
Bond series 29	Cross Currency Swap	Norwegian Krone	1,735.0	179.0
Bond series 30	Cross Currency Swap	British Pound	387.7	454.1
Bond series 34	Cross Currency Swap	Norwegian Krone	500.0	45.9

In addition, the Company has entered into several interest rate swap agreements. For further information regarding the effective coupon rate see note 21.3.

Under cross-currency swap contracts, the Group agrees to exchange cash flows in different currencies calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing foreign exchange rates on its cash flows.

The fair value of cross-currency swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract and is disclosed below.

As the critical terms of the cross-currency swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the cross-currency swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main sources of hedge ineffectiveness in these hedge relationships are minor initial fair values of the hedging instruments and the effect of the counterparty and the Group's own credit risk on the fair value of the cross-currency swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in foreign exchange rates.

As at December 31, 2024, the Company had interest rate swap and cap agreements in place, as follows:

		Carrying amount of hedged item as at December 31,	
		2024	2023
Hedged item	**Hedging instrument**	(in € million)	
Loans and borrowings	Swap and cap derivatives	778.7	375.3

The swap and cap agreements are being used to hedge the exposure to variability in cash outflows of the Group's bank loans which arise from interest rate risks.

There is an economic relationship between the hedged items and the hedging instruments.

The Group designated the intrinsic value of the swap and cap contracts as the hedging instrument. The terms of the hedging instruments match the terms of the hedged items, as described. The Group has established a hedge ratio of 1:1 for the hedge relationships, as the underlying risk being the interest rate and the swap and cap derivatives are designed to mitigate the exposure.

To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risk. The hedge ineffectiveness can arise from:

- Different foreign exchange and interest rates' curve applied to the hedge items and hedging instruments.
- Differences in timing of cash flows of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.

The impact of the hedging instruments (Cross-Currency Swap, Interest Rate Swap and Cap derivatives) on the consolidated statement of financial position is, as follows:

	Carrying amount			
Risk category	**Assets**	**Liabilities**	**Line item in the consolidated financial statements**	**Net change in fair value used for measuring ineffectiveness for the year**
	in € millions			in € millions
As at December 31, 2024				
Foreign exchange rate and interest rate	40.8	101.0	Derivative financial assets / liabilities	(1.5)
As at December 31, 2023				
Foreign exchange rate and interest rate	22.6	21.3	Derivative financial assets / liabilities	(93.5)

The impact of the hedged items on the consolidated statement of financial position is, as follows:

Hedged item	**Carrying amount**	**Line item in the consolidated financial statements**	**Net change in fair value used for measuring ineffectiveness for the year**
	in € millions		in € millions
As at December 31, 2024			
Straight bonds	2,582.9	Straight bonds	(6.3)
Loans and borrowings	778.7	Loans and borrowings	8.8
As at December 31, 2023			
Straight bonds	509.8	Straight bonds	93.9
Loans and borrowings	375.3	Loans and borrowings	(0.3)

The ineffectiveness recognized in the consolidated statement of profit or loss was a profit of €1.0 million (2023: profit of €0.1 million).

25.4.2.2. Fair value hedges

As at December 31, 2024, the Company had foreign exchange rate and interest rate swap derivative agreements in place, designated as hedging instruments in fair value hedges, as follows:

Hedged item	Hedging instrument (*)	Notional currency	Company receives (in notional currency millions)	Company pays (in € millions)
Bond series M	FX Forward	Swiss Franc	239.8	214.4
Bond series X	FX Forward	Swiss Franc	99.8	91.3
Bond series 31	FX Forward	Japanese Yen	7,000.0	61.3
GCP series I	Cross-Currency Swap	Hong Kong Dollar	900.0	92.6
GCP series L	Cross-Currency Swap	Japanese Yen	7,500.0	75.5
GCP series P	Cross-Currency Swap	Hong Kong Dollar	290.0	32.8

(*) all swaps are linked to bonds' maturities

In addition, the Company has entered into several interest rate swap agreements. For further information regarding the effective coupon rate see note 21.3.

The swaps are being used to hedge the exposure to changes in fair value of the Company's straight bonds which arise from foreign exchange rate and interest rate risks.

There is an economic relationship between the hedged items and the hedging instruments as the terms of foreign exchange rate swaps match the terms of the hedged items. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange rate swaps is identical to hedged risk component. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risk.

The hedge ineffectiveness may arise from:

- Different foreign exchange and interest rates' curve applied to the hedge items and hedging instruments.
- Differences in timing of cash flows of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.

The impact of the hedging instruments on the consolidated statement of financial position is as follows:

	Carrying amount			
Risk category	Assets	Liabilities	Line item in the consolidated financial statements	Net change in fair value used for measuring ineffectiveness for the year
	in € millions			in € millions
As at December 31, 2024				
Foreign exchange rate and interest rate	18.8	57.5	Derivative financial assets/ liabilities	(51.5)
As at December 31, 2023				
Foreign exchange rate and interest rate	103.2	189.2	Derivative financial assets/ liabilities	19.4

The impact of the hedging instruments on the consolidated statement of financial position is as follows:

Hedged item	Carrying amount	Line item in the consolidated financial statements	Net change in fair value used for measuring ineffectiveness for the year
	in € millions		in € millions
As at December 31, 2024			
Straight bonds	798.9	Straight bonds	49.0
As at December 31, 2023			
Straight bonds	2,186.9	Straight bonds	(22.2)

The ineffectiveness recognized in the consolidated statement of profit or loss was a loss of €2.5 million (2023: loss of €2.8 million).

25.4.2.3. Hedge of net investments in foreign operations

The Group uses foreign exchange forward contracts derivative agreements, designated as hedges of its exposure to foreign exchange risk on its investments in foreign subsidiaries.

The foreign exchange forward contracts are being used to hedge the Group's exposure to the GBP foreign exchange risk on these investments. Gains or losses on the retranslation of the forward contracts are transferred to OCI to offset any gains or losses on translation of the net investments in the subsidiaries.

There is an economic relationship between the hedged item and the hedging instruments as the net investment creates a translation risk that will match the foreign exchange risk on the hedging instruments. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiaries becomes lower than the amount of the notional amount of the hedging instruments.

The impact of the derivative hedging instruments on the consolidated statement of financial position is, as follows:

		Carrying amount			
Risk Category	Notional amount outstanding	Assets	Liabilities	Line item in the consolidated financial statements	Net change in fair value used for measuring ineffectiveness for the year
		in € millions			in € millions
As at December 31, 2024					
Foreign exchange rate	GBP 1,595.0	-	70.4	Derivative financial assets	(58.6)
As at December 31, 2023					
Foreign exchange rate	GBP 1,615.0	0.4	37.3	Derivative financial assets	(38.2)

The impact of the hedged item on the consolidated statement of financial position is, as follows:

	Foreign currency translation reserve	Change in fair value used for measuring ineffectiveness for the year
	in € million	
Year ended December 31, 2024		
Net investment in foreign subsidiaries	111.7	58.6
Year ended December 31, 2023		
Net investment in foreign subsidiaries	54.4	38.2

The hedging gains and losses recognized in OCI before tax are equal to the change in fair value used for measuring effectiveness. There is no ineffectiveness recognized in profit or loss.

25.4.3. Derivatives not designated as hedging instruments

The Group uses interest rate swaps, collars, caps and floors to manage its exposure to interest rate movements on its bank borrowings. These derivative financial instruments are linked to the bank loan maturities (see note 21.1).

25.4.4. Other derivatives

As part of the share-to-share voluntary takeover offer the Company has made to the shareholders of TLG in February 2020, the Company and an existing shareholder of TLG (the "Investor") entered into an agreement (the "Agreement"), pursuant to which the Investor had agreed to refrain from tendering ca. 12 million of TLG shares (the "Custody Shares") in the voluntary takeover offer or to dispose of them in the absence of the Company's consent in a due time and no sooner than 34 months after entering the Agreement ("Minimum Period"). As a consideration for such undertaking, the Investor has been entitled to receive for the period it holds the Custody Shares an agreed minimum gross return on the Custody Shares ("Custody Interest") and in the event of a future disposal a preset share price for the Custody Shares. Following the Minimum Period, the Investor has the right to dispose of the Custody Shares. By doing so, the Company committed to indemnify the Investor for any difference between the consideration the Investor receives in such disposal and the preset share price ("PPM Instrument"). To postpone such disposal decision for up to 10 years, the Company has the option to provide an interest-bearing loan, secured by the Custody Shares, in the amount of the preset share price multiplied by the number of Custody Shares. In accordance with IFRS, the Company accounted for the Custody Interest as a financial liability in its consolidated statement of financial position and the PPM Instrument as a derivative financial liability measured at fair value through profit or loss, derived by the share price of TLG being the underlying asset. During 2023, the Company made available ca. €350 million, indirectly backed with the Custody Shares, of which €201 million in the form of short-term collateralized credit default swap which is presented as a derivative financial asset and accounted for at fair value. As at December 31, 2024, the PPM Instrument amounted to €130.0 million (2023: €114.9 million).

25.5 Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while increasing the return to owners through striving to keep a low debt to equity ratio. The management closely monitors Loan to Value ratio (LTV), which is calculated, on an entity level or portfolio level, where applicable, in order to ensure that it remains within its quantitative banking covenants and maintain a strong credit rating. The Group seeks to preserve its conservative capital structure with an LTV to remain below the Board of Directors' guidance of 45%. As at December 31, 2024, the LTV ratio was at 42% (2023: 43%), and the Group did not breach any of its loan covenants, nor did it default on any other of its obligations under its loan agreements. LTV covenant ratio may vary between the subsidiaries of the Group. The Company regularly reviews compliance with Luxembourg and local regulations regarding restrictions on minimum capital. During the years covered by these consolidated financial statements, the Company complied with all externally imposed capital requirements.

26. LEASES

The Group has entered into long-term rent agreements as a lessor of its investment property. The future minimum rental income under non-cancelable operating leases is as follows:

	As at December 31,	
	2024	2023
	in € millions	
First year	811.7	816.9
Between one to two years	779.1	774.7
Between two to three years	714.9	698.3
Between three to four years	599.6	605.1
Between four to five years	496.3	511.3
More than five years	3,038.1	3,176.6
Total	**6,439.7**	**6,582.9**

27. COMMITMENTS

As at December 31, 2024, the Group had commitments for future capital expenditures on real estate properties and given guarantees of ca. €0.7 billion (2023: €0.4 billion). Furthermore, the Group had signed deals to sell real estate in a volume of ca. €0.3 billion (2023: €0.2 billion), which were not yet completed and are subject to conditions precedent (refer to note 30 for completions occurred after the reporting period). The Company estimates the completion of the transactions to take place within the next twelve months.

28. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contingent assets and liabilities as at December 31, 2024.

Düsseldorf

29. GROUP SIGNIFICANT HOLDINGS

The details of the significant holdings under the Group are as follows:

Name	Place of incorporation	Principal activities	Main place of principal activity	Holding rate as at December 31, 2024	2023
Subsidiaries held directly and indirectly by the Company				in %	
ATF Netherlands B.V.	Netherlands	Financing	Netherlands	100	100
AT Securities B.V.	Netherlands	Financing	Netherlands	100	100
Aroundtown Finance S.à r.l.	Luxembourg	Financing	Luxembourg	100	-
Aroundtown Limited	Cyprus	Holdings	Germany, Netherlands, United Kingdom	100	100
Aroundtown Real Estate Limited	Cyprus	Holdings	Germany, Netherlands, United Kingdom	100	100
Grand City Properties S.A.	Luxembourg	Holdings and real estate	Germany, United Kingdom	61.86	62.68
Grand City Properties Finance S.à r.l.	Luxembourg	Financing	Luxembourg	61.86	-
Edolaxia Group Limited	Cyprus	Holdings	Cyprus	100	100
TLG Immobilien AG	Germany	Holdings and real estate	Germany	88.25	88.11
WCM Beteiligungs- und Grundbesitz- AG	Germany	Holdings and real estate	Germany	87.01	86.39
Primecity Investment PLC	Cyprus	Holdings and real estate	Germany	99.99	99.97
Aroundtown Holdings B.V.	Netherlands	Holdings and real estate	Germany, United Kingdom	100	100
Aroundtown Holdings S.à r.l.	Luxembourg	Holdings and real estate	United Kingdom, Switzerland	100	100
Turnaround Capital Investment Fund (Luxembourg) SCSp RAIF	Luxembourg	Investment Fund	United Kingdom, Netherlands	62.5%	-
Turnaround Capital Investment Fund (Luxembourg) Master SCA SICAV-RAIF	Luxembourg	Investment Fund	United Kingdom, Netherlands	62.5%	-
BSC München Grundstücks GmbH & Co. KG	Germany	Real estate	Germany	50.57	50.57
Associates and joint ventures held indirectly by the Company					
Globalworth Real Estate Investment Limited	Guernsey	Real estate	Poland, Romania	30.43	30.38
Tevat Limited	Cyprus	Holdings	Cyprus	50	50
Capitals Property S.à r.l.	Luxembourg	Real estate	Germany	30	30

30. SIGNIFICANT SUBSEQUENT EVENTS

- The Group completed the disposal of over €120 million of investment property and signed new deals to dispose of investment property with value of ca. €90 million.
- The Group signed over €180 million of investment property acquisitions.
- The Group collected over €100 million as repayment of asset-backed loans.
- The Company redeemed two bond series at their maturity with total nominal value of ca. €480 million.

Leipzig

To the Shareholders of
Aroundtown SA
37, Boulevard Joseph II
L-1840 Luxembourg
Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Aroundtown SA and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (the "CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the consolidated financial statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investment Properties

a) Why the matter was considered to be one of most significance in our audit of the consolidated financial statements for the year ended 31st December 2024

We refer to the accounting policies at note 2.3 "Significant accounting, judgements, estimates and assumptions", note 3.13 "Investment property", note 3.14 "Non-current assets classified as held for sale" and note 13 "Investment property" in the consolidated financial statements of Aroundtown SA.

As at 31 December 2024 the Group held a portfolio of investment properties with a fair value of MEUR 24,375.3 (31 December 2023: MEUR 24,632.4) and investment properties within assets classified as held for sale with a fair value of MEUR 691.8 (31 December 2023: MEUR 408.3).

The valuation of investment properties is a significant judgement area and is underpinned by a number of assumptions.

The fair value measurement of investment property is inherently subjective and requires valuation experts and the Group's management to use certain assumptions regarding rates of return on the Group's assets, future rent, occupancy rates, contract renewal terms, the probability of leasing vacant areas, asset operating expenses, the tenants' financial stability and the implications of any investments made for future development purposes in order to assess the future expected cash flows from the assets. Any change in the assumptions used to measure the investment property could cause a significant change on the resulting fair value.

The Group uses external valuation reports issued by external independent professionally qualified valuers to determine the fair value of its investment properties.

The external valuers were engaged by management and performed their work in compliance with the Royal Institute of Chartered Surveyors Valuation – Professional Standards, TEGoVA European Valuations Standards and IVSC International Valuation Standard. The valuers used by the Group have the necessary experience of the markets in which the Group operates. In determining a property's valuation, the external valuers take into account property-specific characteristics and information such as the current tenancy agreements and rental income. They apply assumptions for yields and estimated market rent, which are influenced by prevailing market yields and comparable market transactions, to arrive at the final valuation.

The significance of the estimates and judgments involved, coupled with the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material misstatement in the consolidated statement of profit or loss and consolidated statement of financial position, warrants specific audit focus in this area.

b) How the matter was addressed during the audit

Our procedures over valuation of investment properties included but were not limited to the following:

- We tested the design and implementation of the key controls around the determination and monitoring of the fair value measurement of the investment properties;
- We assessed the competence, capabilities, qualifications, independence and integrity of the external valuers and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations on their work;
- Through the involvement of our internal property valuation specialists, on a sample basis, we tested the accuracy and completeness of the inputs used by the external valuers, as well as appropriateness of valuation parameters used, such as discount capitalisation rates, market rents per square meter and capital expenditure, vacancy rates, comparable price per square meter and development cost;
- In case a valuation was performed considering the highest and best use, we assessed, on a sample basis, the appropriateness of the special assumptions considered, and whether these assumptions were technically possible, legally permissible and financially feasible;
- Through the involvement of our own property valuation specialists, on a sample basis, we tested assessed the valuation process and significant assumptions and critical judgement areas by benchmarking the key assumptions to external industry data and comparable property transactions, in particular the yields applied;
- We considered the adequacy of the disclosures in the consolidated financial statements, and the Group's descriptions regarding the inherent degree of subjectivity and the key assumptions in estimates.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated annual report including the Board of Director's Report but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility

is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our responsibility is to assess whether the consolidated financial statements have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the Shareholders on 26 June 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is eight years.

The Board of Director's Report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the Board of Director's Report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to:

- Consolidated financial statements prepared in a valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of Aroundtown SA as at 31 December 2024, identified as 529900H4DWG3KWMBMQ39-2024-12-31-0-en.Zip, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our audit report only refers to the consolidated financial statements of Aroundtown SA as at 31 December 2024, identified as 529900H4DWG3KWMBMQ39-2024-12-31-0-en.Zip, prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Luxembourg, 26 March 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Muhammad Azeem

Davos