



GRI REPORT
ACTING SUSTAINABLY
2015

GRI

ADDED VALUE IN NUMBERS.

ABOUT THE REPORT

Deutsche Wohnen AG hereby presents its fourth Sustainability Report. It relates to the financial year 2015 and is aimed at employees, investors, analysts, politicians, tenants and business partners, as well as all other stakeholder groups who are interested in our company and in our social and environmental performance. The purpose of this Report is to create transparency and to show our numerous activities and achievements in the area of sustainable business.

Alignment with GRI Guidelines

In taking inventory for and compiling the content of this Report, we followed the Guidelines published by the Global Reporting Initiative (GRI). This initiative, which was established in the 1990s, has developed a global framework to promote comparability and credibility when companies and organisations report on their performance. The present Report complies, for the first time, with the G4 Sustainability Reporting Guidelines, which, just like those preceding them, require the disclosure of the reporting company's strategy, organisation and values and of key performance indicators in economic, environmental and social contexts. We have prioritised the sustainability-related issues comprising the subject matter of this Report on the basis of a materiality analysis, including a stakeholder survey, which we carried out previously. In preparing this Report, we have also taken account of the industry-specific requirements formulated by the European Public Real Estate Association (EPRA).

Structure of our Sustainability Report

This Report was prepared in line with the "Core" option provided by the current version of the GRI G4 Guidelines. We have had this reviewed and confirmed by the GRI. In addition to issuing this Sustainability Report, which has been published online in the form of a PDF, we also incorporated information on sustainability issues in our Annual Report to a greater extent in the year under review in line with the rising demand for greater transparency and as evidence of the growing link between principles of sustainability and our own business activities.

Editorial notes

The data contained in this Report relates to the financial year 2015; material developments occurring in the first six months of 2016 are also described in the text. The cut-off date for this document was 31 May 2016. With a view to aiding comprehensibility, we have consolidated certain aspects and indicators, such as Compliance and Suppliers, to reflect the overall subject matter involved.

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GENERAL STANDARD DISCLOSURES

STRATEGY AND ANALYSIS

G4-1 Statement from the most senior decision-maker

The world is currently in a state of flux. Expectations are high with regard to the response of the housing industry to climate change and social upheaval. For example, if the "2 degrees target" set by the 21st Conference of the Parties to the UN Framework Convention on Climate Change is to be attained, all buildings, regardless of type, must either be constructed in an energy-efficient manner or refurbished with a view to energy conservation. At the same time, migration on a global scale and rising population figures in urban areas are placing new demands on the housing industry. However, the German Act on the Moderation of Rent Increases in Overstretched Residential Property Markets (Gesetz zur Dämpfung des Mietanstiegs auf angespannten Wohnungsmärkten) adopted in 2015 threatens to rein in the investments which the industry needs to make in order to rise to these challenges. Rising construction costs are also preventing the implementation of sufficient construction projects, while demand for urban housing is also on the increase, particularly in metropolitan areas such as Berlin, where rents and service charges are increasing and affordable housing is becoming scarce.

Deutsche Wohnen keeps a close watch on these often contradictory developments and sets its priorities accordingly. We enter into strategic cooperations and contribute towards greater energy efficiency and climate protection by implementing extensive refurbishment measures with a view to energy conservation as well as sustainable new construction concepts, while at the same time lowering our operating costs. We have extended our modernisation programme, which was initially adopted in 2014 in the amount of EUR 280 million, to a total of EUR 400 million. In addition to investing in its portfolio, Deutsche Wohnen has successfully initiated and implemented its first new construction projects in 20 years. Its pilot project for the creation of 103 new apartments in Potsdam is based on an integrated and sustainable planning approach and aligned with the requirements for the attainment of certification from the German Sustainable Building Council [Deutsche Gesellschaft für Nachhaltiges Bauen – DGNB]. Over the long term, Deutsche Wohnen intends to invest a total of EUR 1.3 billion in the construction of 7,000 new units in order to create even more housing.

In order to be able to identify challenges at an early stage, Deutsche Wohnen engages in dialogue with its stakeholders – for example, employees, tenants, business partners or investors – in a variety of ways. In 2015, we conducted our second comprehensive survey into the sustainability-related challenges faced

by the real estate industry and also our stakeholders' own assessment of our performance with regard to the issue of sustainability. More than half of our stakeholders view Deutsche Wohnen's performance in economic, environmental and social terms in a positive light. However, we also take critical remarks seriously as well, such as suggestions in favour of more dialogue with our tenants.

Deutsche Wohnen stands for high-quality housing, stable neighbourhoods, and estates that provide attractive living conditions. To ensure that things stay this way, we interacted even more closely with residents, politicians and social agencies in the year under review. We enter into dialogue with our tenants before carrying out major refurbishment or modernisation work, and strengthen our neighbourhoods with our commitment to a variety of social issues. In addition, Deutsche Wohnen became a founding member of the "Wir zusammen" ("We're in this together") initiative at the beginning of 2016. Together with other companies, we hope to set an example and provide inspiration for meeting the challenges posed by the rising number of immigrants.

Our employees are our link to our tenants and society as a whole, and we are constantly expanding our personnel management activities with a view to providing them with excellent prospects for advancement. It is increasingly important, particularly in light of the demographic change currently underway, that we are able to attract highly accomplished employees and, over the long term, offer them attractive personal development opportunities that are based on transparent and reliable structures.

Deutsche Wohnen intends to assume a leadership role and to promote transparency and comparability with regard to sustainable performance within the residential property sector. This Report, therefore, represents our fourth submission, as the first German listed residential property company, of comprehensive information on our activities in connection with sustainable development and on economic, environmental and social indicators in accordance with the international standards of the Global Reporting Initiative (GRI). We firmly believe that a sustainable approach to the management of our property portfolio, our commitment to climate protection and the maintenance of dialogue with a wide range of interested parties will help us achieve corporate success over the long term to the benefit of our stakeholders.

Berlin, June 2016

Michael Zahn
CEO of Deutsche Wohnen AG

G4-2 Key impacts, risks and opportunities concerning sustainability

In the autumn of 2015, we carried out a materiality analysis with a view to comprehensively acquainting ourselves with developments in the housing industry and the demands of our stakeholders – employees, tenants, investors, business partners, politicians and social agencies. To this end, we first conducted a survey of 500 stakeholders and then evaluated the issues it covered in a workshop attended by the Management Board and senior management of Deutsche Wohnen, with the following emerging as the top three issues in relation to our sustainability management and reporting activities: long-term economic stability, the provision of professional training and continuing education, and regular maintenance and modernisation (for details of the evaluation as a whole, see G4-19). The contextual framework for the evaluation as a whole was composed of our five¹¹ areas for action, which we identified in 2012 and have since developed further in response to the material impacts, opportunities and risks to which we have been exposed:

Responsible corporate management

Long-term economic stability was considered by both our stakeholders and Deutsche Wohnen executives to be the most important issue – one that is reflected in our targeted and value-enhancing portfolio strategy and the efficiency of our corporate structure. In addition, transparency and dialogue with our stakeholders, together with a clearly defined corporate vision and strategy with regard to sustainability, are among the five most important issues identified by our materiality analysis.

Responsibility towards our holdings and sustainable new building

According to those surveyed, **regular maintenance and modernisation** of our properties is one of the most important issues to be addressed by Deutsche Wohnen. We are continually raising the quality of our portfolio through targeted investments. We provide our tenants with high-quality service and inform them in good time and in detail about any upcoming projects. We are attempting to meet the growing need for housing in conurbations by implementing initial new construction measures which give due consideration to sustainability criteria.

Responsibility towards employees

We strive to be a good employer, offering attractive prospects for self-development and career advancement. It is particularly because of this that our stakeholders and executives consider the provision of professional **training and continuing education** to be the most important employee-related issue. Equally, the promotion of work-life balance and family-friendly working conditions, diversity and equality of opportunity, as well as transparent structures and rights of co-determination, are all deemed prerequisites for the recruitment and retention of qualified and skilled personnel. We formulate our strategic personnel management measures having regard to these considerations and the outcome of the appraisal interviews held with employees on an annual basis.

Environmental and climate protection

Deutsche Wohnen intends to contribute towards the attainment of national environmental protection objectives by implementing targeted measures in its own holdings. Modernisation of our properties with a view to energy conservation and an innovative approach to the generation of heat and energy were also among the six issues that emerged as the most relevant in the context of our materiality analysis, with the selection of suppliers who use sustainable materials for our maintenance, modernisation and new construction work being of crucial importance in this regard.

Responsibility towards society

For those surveyed, our company's commitment to social causes is primarily a reflection of our assumption of responsibility for the development of residential districts, with the conservation of historic buildings and monuments – an area in which Deutsche Wohnen is already a pioneer – forming the second focal point of our activities. This focal point is particularly motivated by our interest in the maintenance of cultural identity.

¹¹ As a result of the disposal of the majority of the shares in KATHARINENHOF® Seniorenwohn- und Pflegeanlage Betriebs-GmbH in 2015, the area for action "Responsible provision of nursing and assisted living services" is no longer included in our materiality analysis and as such is no longer addressed in this Report.

ORGANISATIONAL PROFILE

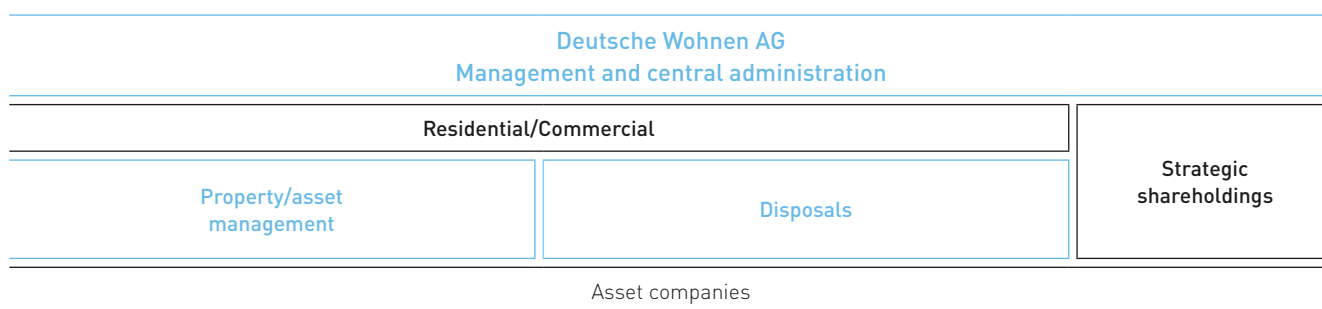
G4-3 Name of the organisation

Deutsche Wohnen AG

G4-4 Primary brands, products and services

Deutsche Wohnen AG is an active asset manager specialising in residential property, with a clear focus on German metropolitan

areas and conurbations. At the end of 2015, its property portfolio comprised more than 148,000 residential and commercial units, as well as nursing care facilities with more than 2,000 beds and apartments. In organisational terms, Deutsche Wohnen draws a distinction between management and asset companies. Management companies are allocated to the corresponding business segments, with Deutsche Wohnen AG assuming a traditional holding company function – comprising the areas of Portfolio Management, Corporate Finance, Finance, Human Resources, Investor Relations, Corporate Communication and Legal/Compliance.



Property Management

The management of our holdings is largely undertaken by our wholly owned subsidiaries. All activities relating to the management and administration of residential property, the management of rental contracts and tenant support are consolidated within Deutsche Wohnen Management GmbH (DWM), Deutsche Wohnen Immobilien Management GmbH (DWI) and Deutsche Wohnen Kundenservice GmbH (DWKS), while Deutsche Wohnen Construction and Facilities GmbH (DWCF) is responsible for the technical maintenance and development of our holdings.

Asset Management

The asset management segment is responsible for the company's portfolio strategy, the valuation of its property holdings and its acquisition activities.

The strategic orientation and valuation of the portfolio is undertaken by the portfolio management team. With the help of continuous analysis, potential is identified and the strategic clustering of the company's property holdings on the basis of its strategic core and growth regions and its non-core regions is undertaken, with the operational fields of activity in this regard being "under management", "in development" and "for disposal".

Disposals

The disposal of properties is managed by Deutsche Wohnen Corporate Real Estate GmbH (DWC). We continuously release large amounts of capital, especially in the privatisation context, in our strategic core and growth regions, and thereby strengthen our internal financing capacity.

Strategic shareholdings

In addition to its core business activities, Deutsche Wohnen also operates within the scope of strategic shareholdings.

Nursing and Assisted Living: Under the brand name KATHARINENHOF® and on the basis of a participation model, we manage retirement and nursing homes for senior citizens, which provide full in-patient nursing care with the aim of according residents an active, independent lifestyle to the greatest possible degree, as well as a comprehensive range of services tailored to the needs of senior citizens in the form of assisted living accommodation.

Energy supply: G+D Gesellschaft für Energiemanagement mbH, Magdeburg (G+D) is a strategic cooperation between Deutsche Wohnen and GETEC – a means of jointly restructuring the management of the energy-related aspects of our portfolio with a view to improving the energy efficiency of the power-generating facilities of our properties and to sustainably reducing CO₂ emissions and energy costs. At the same time, G+D supplies and distributes the energy for our holdings.

Technical facility management: Deutsche Wohnen coordinates its purchases of materials, products and services through B&O Deutsche Services GmbH – a joint venture with B&O Service und Messtechnik AG – within the scope of its technical facility management activities. The company also provides operational services in the context of technical facility management.

G4-5 Location of the organisation's headquarters

Deutsche Wohnen's registered office is located in Frankfurt/Main and its headquarters in Berlin. Support services are provided to tenants as well as interested parties by, amongst others, 300 employees in 19 local Service Points, for example in Berlin, the Rhine-Main area, Hanover, Brunswick, Magdeburg and Leipzig.

G4-6 Countries in which the organisation has significant operations

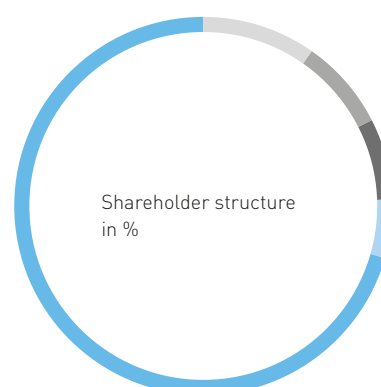
Deutsche Wohnen AG operates solely in Germany.

G4-7 Nature of ownership and legal form

Deutsche Wohnen is a listed public limited company established in accordance with German law (Aktiengesellschaft). It is listed on the MDAX stock index of the Deutsche Börse and also trades in the major indices EPRA/NAREIT, GPR 250, GPR 100, GPR 15 and STOXX® Europe 600. MFS, BlackRock, Norges and Vonovia currently hold²⁾ approximately 30% of the Deutsche Wohnen shares. The remaining 70% or so of the shares are held by both domestic and foreign institutional investors and by private shareholders. In each case, these shareholdings do not exceed the statutory reporting threshold of 3%.

Shareholders¹⁾

>5%	
■ Sun Life Financial Inc. ²⁾ /MFS	9.94%
■ BlackRock, Inc. ²⁾	7.79%
■ Norges Bank (Central Bank of Norway) ²⁾	6.94%
>3%	
■ Vonovia SE	4.99%
Total	29.66%
■ Others	70.34%
Free float according to Deutsche Börse	93.06%



¹⁾ Percentage points based on most recent voting rights notification made by the specified shareholders pursuant to sec. 21 ff. of the German Securities Trading Act (WpHG). The notifications of voting rights are published on our Investor Relations website <http://ir.deutsche-wohnen.com>. The shares of the voting rights as notified are based on the total number of voting rights at the time of notification. It is possible that the reported number of voting rights may since have changed without such change having resulted in the relevant threshold being crossed and thus triggering a new notification obligation.

²⁾ Attributed voting rights according to sec. 22 WpHG

G4-8 Markets served

Deutsche Wohnen manages one of the largest property portfolios in Germany, with real estate holdings comprising approximately 148,200 residential and commercial units and with an annualised yearly rental income of more than EUR 648 million. Its activities in this regard focus on high-growth conurbations and metropolitan areas – the so-called Core⁺ regions –, in which 87% of our residential holdings are located. A further 11% of our residential units are located in stable Core regions.

In line with our focussed portfolio strategy, our holdings are largely concentrated within the following regions:

	31/12/2015						
	Residential units	Area	Share of total portfolio	In-place rent ¹⁾	Vacancy	Rent potential ²⁾	Commercial units
Property portfolio	number	sqm k	in %	EUR/sqm	in %	in %	number
Strategic core and growth regions	143,173	8,662	98	5.92	1.7	19.0	2,051
Core+	127,774	7,689	87	5.97	1.7	21.2	1,862
Greater Berlin	106,756	6,387	73	5.89	1.8	19.0	1,568
Rhine-Main	9,081	547	6	7.35	1.4	28.8	164
Mannheim/Ludwigshafen	4,716	294	3	5.69	1.0	20.2	41
Rhineland	4,513	288	3	5.93	1.2	22.7	25
Dresden	2,708	172	2	5.18	2.7	20.2	64
Core	15,399	973	11	5.49	2.0	9.6	189
Hanover/Brunswick	8,717	569	6	5.59	1.8	15.0	83
Magdeburg	2,365	145	2	5.41	3.3	4.2	75
Kiel/Lübeck	1,457	91	1	5.30	2.0	11.0	7
Halle/Leipzig	1,728	102	1	5.19	1.7	1.7	12
Erfurt	618	34	0	5.89	0.7	0.8	12
Other	514	32	0	5.13	2.2	19.7	0
Non-Core	2,955	195	2	4.79	6.3	-0.1	39
Total	146,128	8,857	100	5.89	1.8	18.6	2,090

¹⁾ Contractually owed rent for rented residential units divided by rental area

²⁾ New letting rent for properties in the letting portfolio in comparison to the in-place rent for properties in the letting portfolio

G4-9 Scale of the organisation

Deutsche Wohnen employees (excl. members of Management Board, trainees and FACILITA employees; incl. employees on maternity/parental leave, incl. temporary staff and marginal employees): 766 (2014: 784).

Residential and commercial units: 146,128 residential units (2014: 147,105) and 2,090 commercial units (2014: 2,063) with a total floor space of 9.0 million sqm (2014: 8.9 million sqm).

Investment properties: EUR 11,859.1 million; (2014: EUR 9,611.0 million).

Market capitalisation (Last updated: 31/12/2015): Approximately EUR 8.6 billion (2014: approximately EUR 5.8 billion).

Total assets: EUR 13,700.1 million (2014: EUR 11,446.2 million).

Equity: EUR 6,855.8 million (2014: EUR 4,876.1 million).

Net financial liabilities: EUR 4,582.5 million (2014: EUR 5,131.3 million).

G4-10 Employees by employment type, gender and region

The number of employees has fallen slightly as a result of the consolidation of the acquisitions carried out in 2014 and the realisation of synergy effects. The majority of the employees of the former GSW have been transferred to Deutsche Wohnen Kundenservice GmbH (DWKS). As at the reporting date on 31 December 2015, the Deutsche Wohnen Group had 766 employees (excluding trainees and members of the Management Board). The 1,393 employees of KATHARINENHOF® are no longer included in this total, as this entity has been operated as a strategic shareholding since the beginning of 2015.

All of Deutsche Wohnen's employees are based in Germany, the majority in Berlin.

Overview of employees of the Deutsche Wohnen

	31/12/2015	31/12/2014
Number of employees	766	784
thereof women	499	522
thereof men	267	262
Average age in years	41.3	41.9
Number of trainees	47	58
Proportion in %	5.8	4.9
thereof women	23	33
thereof men	24	25
Part-time employees	65	92
In %	8.5	11.7
thereof women	64	84
thereof men	1	8
Temporary employees	40	34
In %	5.2	4.3 ¹⁾
thereof women	22	22
thereof men	18	12

¹⁾ Value diverges slightly from the value reported for 2014 due to the use of a different basis of calculation

G4-11 Employees covered by collective bargaining agreements

The remuneration paid to our employees is commensurate with that paid by our peers within the housing industry. It is calculated on the basis of the remuneration structure introduced in 2014 to ensure that employees are paid in line with market practice and their performance in accordance with uniform standards. Only former GSW employees – about 13% of the Deutsche Wohnen workforce – are still covered by in-company collective bargaining agreements.

G4-12 Supply chain of the organisation

Deutsche Wohnen invested a total of EUR 182.1 million, or EUR 20 per sqm (previous year: about EUR 17 per sqm), in the maintenance and modernisation of residential units and buildings in its portfolio, with around EUR 86 million or just under half of that amount being attributable to maintenance expenses and the other half to modernisation expenses. Due to the complexities involved in budgeting for major projects spanning a number of years, our modernisation expenses and the associated commissions are subject to fluctuation from one year to the next. About EUR 11 million was invested in the construction of new-build residential units in the year under review.

The focal point of Deutsche Wohnen's supply chain is the core residential property management business, which comprises goods in the form of construction materials and forms of energy, as well as the services of skilled tradespeople and supply and disposal activities. The supply chain can be divided into four segments on the basis of the internal use of the goods and services in question within the company: contracts awarded in connection with ongoing maintenance and tenant turnover, refurbishment and modernisation projects, new construction projects and energy management.

Ongoing maintenance and tenant turnover

In 2015, in the context of tenant turnover and ongoing maintenance over the course of tenancies and also in the case of refurbishment work carried out on buildings and outdoor facilities, the manual work in question was directly carried out by one of our system providers or by local tradespeople from Deutsche Wohnen's supplier base. Our system providers are, as general contractors, key points of contact for our tenants. These service providers take note of any reported technical defects in the residential units or buildings and coordinate their rectification. In the case of commissions with a contract value of less than EUR 1,000, the work in question is carried out directly by the system provider, largely on the latter's account pursuant to a flat-rate arrangement on the basis of the residential and usable area involved. Where the contract volume is larger, quotations are obtained and invitations to tender may even be issued, depending on the value of the individual contract. In 2015, our system providers processed approximately 190,000 so-called flat-rate notifications of defects made by our tenants.

Since the beginning of 2016, awards of contracts by Deutsche Wohnen have been focussed on two selected system providers, B&O Deutsche Services GmbH and URBANA, following a competitive tender procedure conducted in the year under review (see also G4-13).

During this period, our service providers carried out about 51,350 contracts in the value of around EUR 65 million with regard to ongoing maintenance and tenant turnover. About 26,000 – or around 51% – of these contracts, with a total volume of EUR 40.8 million, related to tenant turnover in connection with the holdings operationally managed by DWI and DWKS, with 76% of them being handled by our system providers and 24% by local tradespeople. In the case of ongoing maintenance work with a total volume of EUR 24.2 million, 34% of this work was carried out by our system providers and 66% by local tradespeople.

Refurbishment and modernisation projects

In 2015, 34 major refurbishment and modernisation projects, involving refurbishment work with a view to energy conservation, building insulation work and the renewal of technical facilities and with a contract volume of approximately EUR 54 million, were carried out (2014: 15 projects with a volume of approximately EUR 23 million). A total of approximately 3,500 residential units have been affected by these measures, with Deutsche Wohnen having collaborated with approximately 350 companies that provided planning services on the basis of the Schedule of Services and Fees for German Architects and Engineers (HOAI) and also construction services on the basis of the German Regulations on Contract Awards for Public Works (VOB). Deutsche Wohnen is constantly expanding its network of strategic partners. In the context of major projects, partnerships in the area of planning and construction services have been entered into with ten companies with which we have enjoyed long-standing collaborations over the course of various projects and which have sufficient capacity to handle such major projects.

New builds

Approximately EUR 11 million was invested in the construction of new builds in Potsdam-Babelsberg in the year under review. Contracts were awarded to 73 regional companies to construct the buildings and provide related services on the construction sites, with a further 16 service providers (architects, engineers, surveyors, specialists), 45 regional companies and twelve further regionally based parties (chimney sweeps, munitions investigators from the police, electricity and water utilities, an agency, an auditor, a photographer) also being involved in the project.

Energy management

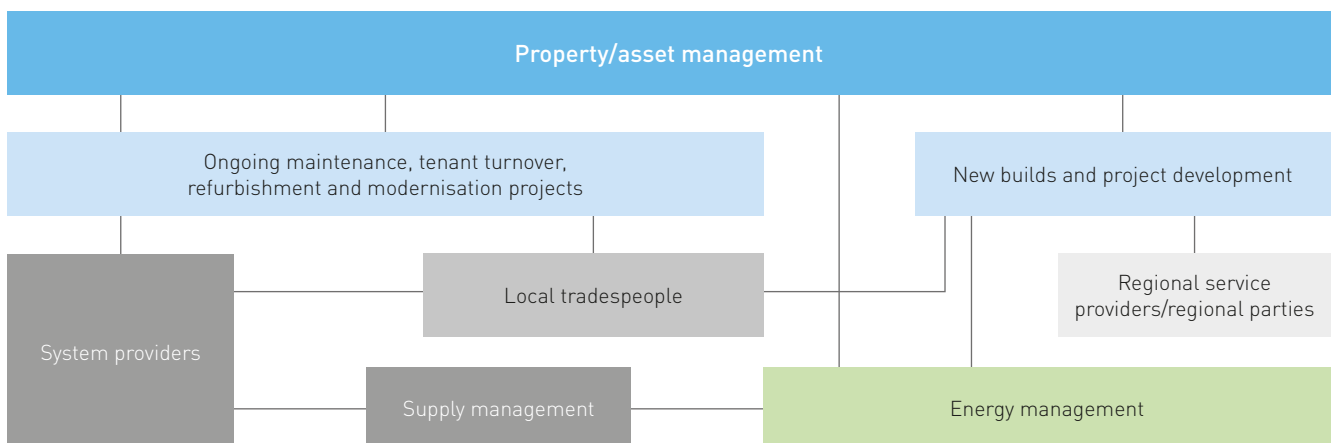
The supply of heating for the holdings of Deutsche Wohnen can be broken down into decentralised and centralised means of supply for the properties, with the centralised supply of heating being the primary means of supply, accounting for approximately 90% of the holdings and approximately 130,000 usage units generated by approximately 2,500 district heat stations.

We operate approximately 64% (1,600) of these district heat stations in accordance with the industrial heat supply model, to which end we have concluded approximately 500 contracts with a total of 48 service providers or heat suppliers.

One of these service providers, the joint venture G+D Gesellschaft für Energiemanagement mbH (G+D) – a strategic cooperation between Deutsche Wohnen and the utility company GETEC, Magdeburg – provides energy supply services in addition to services aimed at improving our energy efficiency, for example the installation or renewal of heat generation plants. G+D currently supplies 30% of Deutsche Wohnen's holdings with approximately 45,000 usage units by way of a uniform gas and an industrial heat supply arrangement. G+D consolidates the company's gas purchasing activities throughout Germany, procuring gas directly via the European Energy Exchange (EEX).

We purchase virtually all of our electricity pursuant to a framework agreement concluded with the company Vattenfall and on an index-orientated basis on the electricity exchange.

Parties and services within the supply chain of Deutsche Wohnen



ASPECTS: ASSESSMENT OF SUPPLIERS WITH REGARD TO ENVIRONMENTAL ISSUES, HUMAN RIGHTS, SOCIAL IMPACTS AND LABOUR PRACTICES

When it comes to modernisation and maintenance, Deutsche Wohnen avails itself of the services of its established supplier base of reliable partners. Any individual suppliers that fail to meet the stringent requirements imposed with regard to contractual compliance, adherence to deadlines and quality, that break the law or act contrary to the ecological or social standards of the company are removed from the list of regular suppliers, and the collaboration is terminated.

We apply a scoring system as a means of evaluating the performance of our suppliers. In the year under review, Deutsche Wohnen Construction and Facilities GmbH (DWCF) "professionalised" the Group's procurement and participation management activities through the acquisition of new monitoring software. The web-based contract management system centrally records and manages the 1,500 or so contracts concluded with our service providers, such as multimedia partners and utility companies, on a product-specific basis. As well as increasing transparency and efficiency, the software also improves the management of our relationships with our partners by means of flexible reminder mechanisms and escalation levels.

Companies offering their services for the first time are included in our supplier base without being subjected to any explicit screening on the basis of environmental and social criteria. Recommendations made by external parties, for example the general contractors entrusted with the supervision of larger construction projects and other projects, are taken into account in this regard. In the case of acquisitions of holdings in new regions, Deutsche Wohnen draws on the experience and expertise of the vendor concerning the right local tradespeople for individual properties in matters of technical project management. Our goal in the area of procurement and participation management is to quickly integrate new additions to our portfolio into existing framework agreements and established processes.

G4-EN32, G4-LA14, G4-HR10, G4-S09 Percentage of new suppliers who were screened using environmental, human rights-related, labour practice-related and social criteria

Deutsche Wohnen AG operates solely in Germany, where business practices are subject to clear statutory regulation with regard to environmental issues, human rights, social impacts and labour practices. Deutsche Wohnen does not subject new suppliers to any additional screening beyond a creditworthiness check.

G4-EN33, G4-LA15, G4-HR11, G4-S010 Significant actual and potential negative environmental, human rights-related, labour practice-related and social impacts along the supply chain and measures taken

We did not become aware of any negative impacts in the year under review.

G4-13 Significant changes during the reporting period

At the beginning of 2015, the Nursing and Assisted Living business operating under the KATHARINENHOF® brand name was transferred to a holding company by way of the sale of 51% of the shares to KH Beteiligungs GmbH. Given that Deutsche Wohnen now holds 49% of the shares in KATHARINENHOF®, this subsidiary is, for the first time, no longer included in this Report. We remain the owner of the nursing facilities.

In the interests of quality assurance and of ensuring greater cost transparency and cost savings, Deutsche Wohnen carried out an analysis of the market environment in 2015 and of its collaborations with existing system providers. Since the beginning of 2016, the company has narrowed its focus down to two of these system providers, B&O Deutsche Services GmbH and URBANA, with which it has concluded regional framework agreements for the provision of technical building management services. Deutsche Wohnen coordinates its purchases of materials, products and services through B&O Deutsche Services GmbH – a joint venture with B&O Service und Messtechnik AG – within the scope of technical facility management, enabling both partners to benefit from economies of scale at the national level.

The company also provides services in the area of operational maintenance. Deutsche Wohnen has a strategic shareholding of 49% in B&O Deutsche Services GmbH.

G4-14 Implementation of the precautionary principle

Deutsche Wohnen AG continually examines any opportunities for securing the continued development and growth of the Group. The exploitation of such opportunities may also entail exposure to certain risks. In this case, awareness, assessment and management of all of the important aspects of these risks will be of the greatest importance, as it is only in this way that it is possible to address risks in a professional manner. For this purpose, a central risk management system is in place within Deutsche Wohnen, which ensures the identification, measurement, management and monitoring of all material risks to which the Group is exposed. A central component of this system is the detailed reporting procedures, which are continuously monitored and developed, and establish reference points for identified risks on the basis of relevant key operating figures as well as financial data. Particular emphasis is placed on the key figures relating to changes in rentals and privatisations, cash flow indicators, liquidity and balance sheet items.

As a result of intensive communication at the management level of the Group, the major decision-makers are constantly aware of relevant developments within the company. Divergent developments or emerging risks that could potentially threaten the continued operations of the Group are thereby identified at an early stage and appropriate remedial action is taken.

The following risk categories have been identified and broken down into groups within the Deutsche Wohnen risk management system:

1. Strategic risks
2. Legal, corporate and political risks
3. Organisational and employee risks
4. Market risks
5. Property risks
6. Financial risks
7. Investment risks

The evaluations are updated by the risk management officers in consultation with the risk manager in the quarterly risk inventory and subsequently discussed at face-to-face meetings attended

by all of the risk management officers, the risk managers, the management and the Management Board. The goal of this system is to ensure company-wide transparency with regard to the risk situation and the handling of risks across all segments.

Of all of the risks described above, we consider financial risk and political and regulatory risk to be the most material. There were no significant changes in our overall risk position in the financial year 2015 as compared to previous years. In view of the countermeasures taken in this regard, we consider our overall risk exposure to be moderate and manageable. In our view, we are not currently exposed to any specific risks which pose a threat to the company's continued existence.

G4-15 External initiatives endorsed by the organisation

In order to combat poverty and housing shortages in developing countries, Deutsche Wohnen AG has been a member of Deutsche Entwicklungshilfe für soziales Wohnungs- und Siedlungswesen e.V. (DESWOS, <http://www.deswos.de>), the German centre for development aid with regard to social housing and human settlements, since it was founded.

In addition, Deutsche Wohnen has for many years worked closely with Hestia e.V., an association which offers support to women who have been victims of domestic violence, regularly providing suitable housing as a means of helping these women become more self-sufficient. The company also provides residential units for the "NeuRaum – Wohnen nach dem Frauenhaus" ("NewSpace – Life after Women's Shelters") project implemented by Caritas on behalf of Erzbistum Berlin e.V. and financed by the Senate Department for Labour, Integration and Women's Affairs and subsidised by Deutsche Wohnen in its capacity as key partner.

We cooperate with various youth welfare agencies to provide support in the form of housing to young refugees arriving in Germany without parents or guardians. Since the beginning of 2016, Deutsche Wohnen has been a founding member of "Wir zusammen" ("We're in this together"). This platform, which now comprises more than 70 member companies, creates transparency and provides a sense of orientation with regard to the many creative means of providing support to refugees. For example, Deutsche Wohnen provides refugees with urgently needed housing while at the same time facilitating their integration within their own neighbourhoods (see also G4-EC8 in this regard).

G4-16 Memberships in industry and business associations

The following list comprises current relevant memberships:

Akademie der Immobilienwirtschaft e.V. (BBA)

<http://www.bba-campus.de>

Berlin Building Chamber (Baukammer Berlin – BK)

<http://www.baukammer-berlin.de>

Bundesverband deutscher Wohnungs- und Immobilienunternehmen e.V. (GdW)

<http://web.gdw.de>

Creditreform e.V.

<http://www.creditreform.de>

Deutsche Entwicklungshilfe für Soziales Wohnungs- und Siedlungswesen e.V. (DESWOS)

<http://www.deswos.de>

Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW)

<http://www.dsw-info.de>

Deutsche Prüfstelle für Rechnungslegung e.V. (DPR)

<http://www.frep.info>

Deutscher Verband für Wohnungswesen, Städtebau und Raumordnung e.V. (DV)

<http://www.deutscher-verband.org>

European Public Real Estate Association (EPRA)

<http://www.epra.com>

Schutzgemeinschaft der Kapitalanleger e.V. (SdK)

<http://www.sdk.org>

Verband Berlin-Brandenburgischer Wohnungsunternehmen e.V. (BBU)

<http://www.bbu.de>

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17 Entities included in the consolidated financial statements

This Report relates to the five operating companies specified under G4-4³⁾ and the holding company. The data compiled by Deutsche Wohnen comprises all of the relevant organisational entities in which it had at least a 51% shareholding in 2015.

At the beginning of 2015, the Nursing and Assisted Living business became part of a shareholding structure by way of the disposal of 51% of the shares in KATHARINENHOF®, with the result that the company is no longer included in this Report.

G4-18 Process for defining the report content

Deutsche Wohnen has taken the current GRI G4 Guidelines and the GRI "Construction & Real Estate Sector Disclosure" (CRE) as the basis for the content disclosed in this Report, also referring to the sustainability indicators formulated by the European Public Real Estate Association (EPRA).

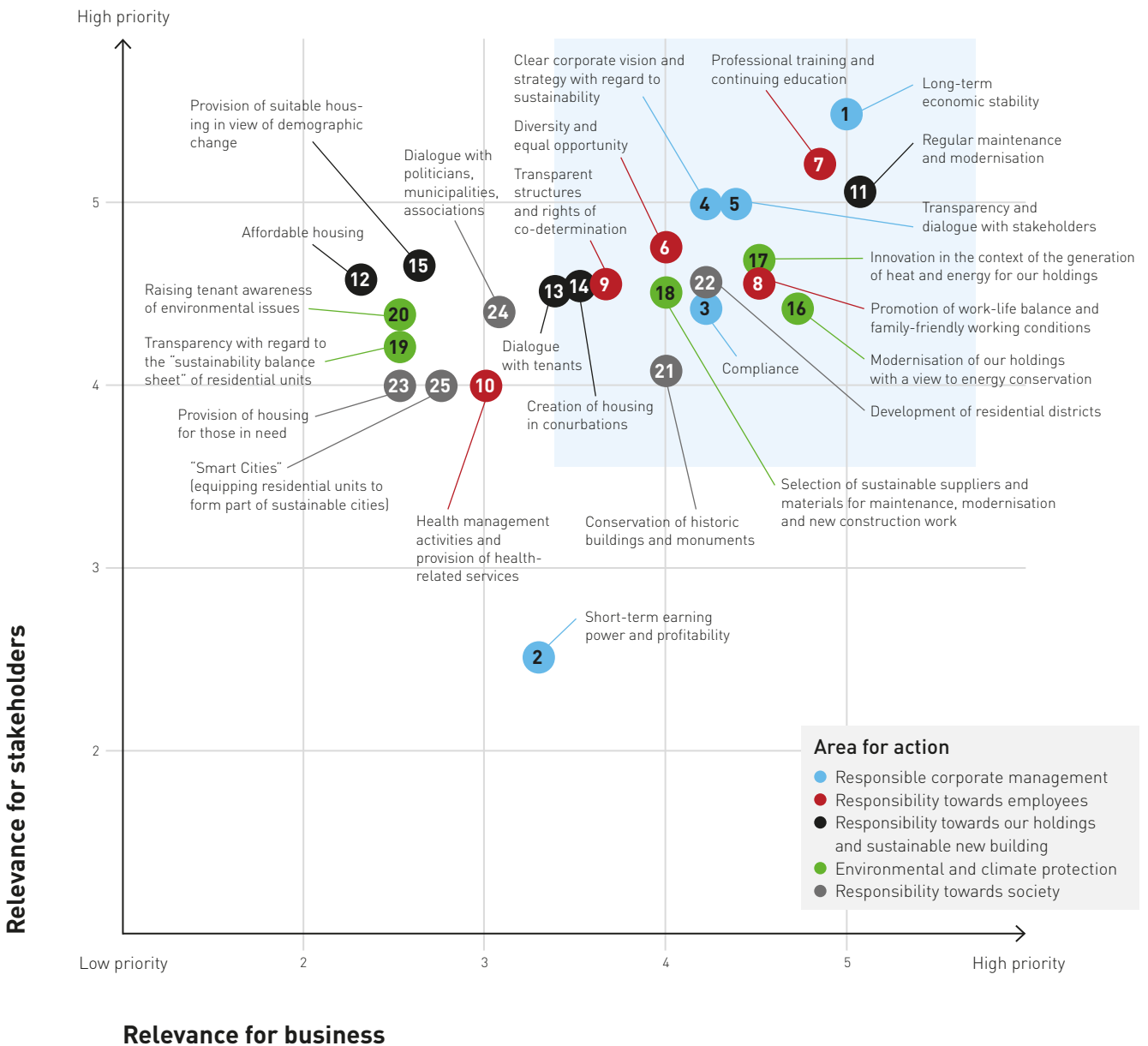
In accordance with the GRI G4 Reporting Guidelines, Deutsche Wohnen carried out a materiality analysis in the run-up to its preparation of this Report, to which end it conducted an online survey of more than 500 employees, business partners, tenants, purchasers, analysts, investors, politicians and social agencies in November 2015. The respondents indicated what they considered to be the most important issues faced by Deutsche Wohnen in the areas of responsible corporate management, responsibility for our property holdings and sustainable new construction, responsibility for employees, environmental and climate protection, and social responsibility. We also asked them to evaluate our performance to date with regard to the issue of sustainability. The Management Board and senior management of Deutsche Wohnen then identified the most important issues from a business perspective in the context of a subsequent third-party-moderated workshop.

³⁾ Deutsche Wohnen Management GmbH (DWM), Deutsche Wohnen Immobilien Management GmbH (DWI), Deutsche Wohnen Construction and Facilities GmbH (DWCF), Deutsche Wohnen Kundenservice GmbH (DWKS) and Deutsche Wohnen Corporate Real Estate GmbH (DWC)

The following were considered by both our stakeholders and the management of Deutsche Wohnen to be the three most important issues: long-term economic stability, the provision of professional training and continuing education, and regular maintenance and modernisation. Of the total of 25 topics [see

chart below), 13 others were each assigned a value greater than 3.5 (on a scale of 1 = low priority to 6 = high priority) and thus form the core focus of our sustainability management and reporting activities and, in conjunction with economic impact considerations, have guided the selection of the GRI Aspects and Indicators included in this Report.

Materiality analysis



G4-19, G4-20, G4-21 All material aspects within and outside of the organisation

Material topics and related GRI Aspects

Issue (company evaluation/stakeholder evaluation)	Area for action ¹⁾	Aspects ²⁾
1 Long-term economic stability	Responsible corporate management	Economic Performance (w), Indirect Economic Impacts (w, o), Employment (w), Local Communities (w, o)
11 Regular maintenance and modernisation	Responsibility towards our holdings and sustainable new building	Supplier Assessment (Social; o), Procurement Practices (o), Indirect Economic Impacts (w, o), Customer Health and Safety (w, o), Local Communities (w, o)
7 Professional training and continuing education	Responsibility towards employees	Training and Education (w)
5 Transparency and dialogue with stakeholders	Responsible corporate management	Compliance (Society, Product Responsibility; w), Local Communities (w), Product and Service Labelling (w, o)
4 Clear corporate vision and strategy with regard to sustainability	Responsible corporate management	Indirect economic effects (w)
17 Innovation in the context of the generation of heat and energy for our holdings	Environmental and climate protection	Energy (w, o), Emissions (w, o), Products and Services (Environmental; w, o), Overall (Environmental; w)
16 Modernisation of our holdings with a view to energy conservation	Environmental and climate protection	Materials (w, o), Energy (w, o), Emissions (w, o), Products and Services (Environmental; w, o), Overall (Environmental; w)
8 Promotion of work-life balance and family-friendly working conditions	Responsibility towards employees	Employment (w), Diversity and Equal Opportunity (w)
22 Development of residential districts	Responsibility towards society	Indirect Economic Impacts (w, o), Supplier Assessment (Society; o), Local Communities (w, o)
6 Diversity and equal opportunity	Responsibility towards employees	Diversity and Equal Opportunity (w), Non-Discrimination (w), Equal Remuneration for Women and Men (w)
3 Compliance	Responsible corporate management	Compliance (Environmental, Society, Product Responsibility; w), Anti-Corruption (w), Anti-Competitive Behaviour (w), Grievance Mechanisms (Environmental, Labour Practices, Human Rights, Society; w)
18 Selection of sustainable suppliers and materials for maintenance, modernisation and new construction work	Environmental and climate protection	Materials (w, o), Supplier Assessment (Environmental, Labour Practices, Human Rights; o), Products and Services (Environmental; w, o)
9 Transparent structures and rights of co-determination	Responsibility towards employees	Labour/Management Relations (w)
21 Conservation of historic buildings and monuments	Responsibility towards society	Indirect Economic Impacts (w), Local Communities (w, o)
14 Creation of housing in conurbations	Responsibility towards our holdings and sustainable new building	Land degradation, contamination and remediation (CRE; w, a), Local Communities (w, o)
13 Dialogue with tenants	Responsibility towards our holdings and sustainable new building	Local Communities (w, o)

¹⁾ The following topics were assigned a value of under 3.5 and are thus deemed to be less material: provision of suitable housing in view of demographic change; dialogue with politicians, municipalities, associations; affordable housing; health management activities and provision of health-related services; "Smart Cities" (equipping residential units to form part of sustainable cities); raising tenant awareness of environmental issues; transparency with regard to the "sustainability balance sheet" of residential units; provision of housing for those in need; short-term earning power and profitability

²⁾ Material within (w) or outside (o) of the organisation; allocation to more than one category possible

G4-22 Restatements of information provided in previous reports

The consumption data for the administrative locations was given a new basis as part of an extensive energy audit conducted with the involvement of external parties. In order to avoid any difficulties involved in delayed and thus incomplete invoicing by utilities, the data for the previous year as a whole is recorded and – to the extent necessary – used as a basis for projections for the year under review. In light of the above, the consumption data for 2014 is disclosed in full in this Report and does not mirror the data basis published in the previous report.

Deutsche Wohnen will also be working on the basis of projections with regard to its pilot project from this reporting year onwards. Due to the increase in the number of residential units from 2,429 to 10,062 and the presentation of a complete data set, the data for 2014 contained in this Report deviates from that published in the previous report.

In calculating the projected consumption data for our administrative locations, we took account of the influence of structural modifications and their impact on electricity and heat consumption (e.g. the switch from T8 fluorescent lamps to LED lighting) and any changes in use (e.g. changes in the number of employees, a switch from a state of vacancy to use as office premises). Where there were no factors having any effect on consumption, the consumption data used for 2014 was also adopted for 2015. In the case of locations only acquired by Deutsche Wohnen in 2015, for which, therefore, no 2014 consumption data exists, the projected data was calculated on the basis of the previous year's consumption data for comparable locations. The influence of weather and climate conditions on the consumption of heating fuel is accounted for by the application of a so-called climatic factor. The annual consumption figures for 2014 were used as a basis for the calculation of the projected consumption of fuel and district heating for 2015 and then multiplied by the climatic factor for 2014 applicable to the location in question to produce a scaled consumption projection. The consumption data for 2015 was then calculated using the climatic factor for 2015, on the assumption of unchanged heating practices under normal conditions. Given that weather conditions have an influence on heating requirements but not on water requirements, an adjustment is only made for weather conditions in the case of heating.

In our previous reports, the volume of greenhouse gas emissions was calculated in accordance with GEMIS 4.81. From this reporting year onwards, it will be calculated in accordance with GEMIS 4.94 and the information provided by the district heating supplier in question.

G4-23 Significant changes in the Scope and Aspect Boundaries

As a result of the disposal of the majority of the shares in KATHARINENHOF® in 2015, the area for action "Responsible provision of nursing and assisted living services" is no longer included in our materiality analysis. Accordingly, this subsidiary is not reflected in any of the environmental or social data contained in this Report.

This Report comprises all of the property holdings which were under the ownership of Deutsche Wohnen throughout the entire year. The basis for the environmental data has remained unchanged as compared to the previous year at approximately 140,000 residential units. The economic data relates to all of the company's holdings. The environmental data contained in the present Report for the first time also comprises like-for-like data, where possible. In order to ensure conformity with EPRA standards, some of the Aspects excluded from the materiality analysis are quantified in the EPRA section.

In 2015, we expanded the data basis for our pilot project, which provides a representative sample of data and is used to calculate and analyse the heating fuel and water consumption of the entire portfolio, from 21 properties comprising 2,429 residential units and approximately 137,000 sqm of living space to 30 properties comprising 10,062 residential units and approximately 620,000 sqm of living space. Given that the composition of the universal set is identical for 2014 and 2015, the absolute data also depicts the like-for-like data.

In the case of the administrative locations of Deutsche Wohnen which are used by the company itself, the data basis included in the Report was expanded from 15 to 65 locations. Storage space is not taken into account due to the low level of its use and the distortion of any specific analysis which would otherwise result. The like-for-like approach is used only with regard to administrative locations which have continuously been under management over a 24-month period and are not undergoing renovation. A total of 36 locations meet the eligibility criteria for a like-for-like comparison.

The absolute transportation figures comprise all locations. The like-for-like data relates to 71 vehicles which were registered and operated in 2014 and in 2015, even where changes occurred over the course of the year in question as a result of acquisitions or returns. Given that vehicles have to date been recorded in accordance with their licence number, their allocation is subject to a slight degree of imprecision. From the next reporting year onwards, this situation will be improved by allocating on the basis of the vehicle identification number.

All employee data provided in this Report is exclusive of Management Board members, trainees and temporary employees, figures for which are reported separately, where appropriate in a footnote. Former GSW employees who were released from their duties subsequent to 31 December 2014 and left the employment of Deutsche Wohnen over the course of 2015, are not included in the employee data.

STAKEHOLDER ENGAGEMENT

G4-24 Stakeholder groups engaged

The following are deemed to be material stakeholders of Deutsche Wohnen: employees, investors and analysts, tenants and purchasers, business partners, regulatory authorities, the press, associations and politicians. The interests of the above groups have a major impact on the framework conditions prevailing in the real estate industry. We interacted with all stakeholder groups on various occasions over the course of the entire year under review, also approaching them in the context of our stakeholder survey in the autumn of 2015 (see G4-2 and G4-19 for the results of the survey).

G4-25 Selection of stakeholders

A company must be aware of the interests of its stakeholders in order to be able to act in a sustainable manner. The planning of our sustainability strategy and the structuring of our Sustainability Report entailed the systematic identification of our stakeholder groups and their particular needs.

Senior management has prioritised the stakeholders of Deutsche Wohnen as follows:

- (Future) employees
- Investors and analysts (incl. rating agencies)
- (Future) tenants and purchasers
- Business partners
- Politicians and associations
- Media

G4-26 Approach to stakeholder engagement (type/frequency)

Deutsche Wohnen regularly exchanges information and ideas with its stakeholder groups. Moreover, the company conducted its second stakeholder survey, involving approximately 500 participants from all relevant groups, in the autumn of 2015, with a view to obtaining their views on the major sustainability-related challenges faced by Deutsche Wohnen and on its performance with regard to sustainability. This evaluation was taken into account in the formulation of our sustainability strategy, the specification of relevant sustainability-related topics and in the preparation of our Sustainability Report. (For details of material results of the stakeholder survey, see G4-2 and G4-19.)

(Future) Employees

In the year under review, we further increased our transparency vis-à-vis our employees by means of structured appraisal interviews and the implementation of a performance-based and market-aligned system of remuneration. A systematic employee survey conducted by Deutsche Wohnen every two years since 2014 provides us with important insights into the needs of our employees and forms the basis of our employee development measures.

In addition, the focus group established at the end of 2007 also represents the interests of the employees of Deutsche Wohnen, to which end approximately 20 employees from various areas of the profession and different locations, Managing Directors of DWM and DWI as well as representatives of Human Resources meet twice a year to address current issues. Furthermore, the Chief Executive Officer is invited to and also seeks to attend all of these meetings for the purpose of discussing current problems with a view to finding appropriate solutions. Details of the matters discussed and the outcome of these meetings are published on the Intranet in the form of minutes and also in the employee newsletter. Points of contact and anonymous letterboxes are available all year round for the airing of any suggestions or complaints.

Investors and analysts (incl. rating agencies)

Deutsche Wohnen invited analysts and investors to attend its Capital Markets Day in Berlin on 20 November 2015, an event which was designed to give the numerous participants an insight into our business operations and our residential holdings in Berlin. (For details of further approaches for maintaining a dialogue with investors and analysts, see G4-37.)

(Future) tenants and purchasers

More than 300 employees in 19 local Service Points are available to address any questions or concerns which our tenants may have. Deutsche Wohnen informs its tenants at an early stage of any planned refurbishment or maintenance measures and offers diverse forms of contact – for example, tenants’ meetings, tenant consultations and personal visits by our employees – for the initiation of discussions on construction-related or even financial matters. In 2015, our employees made about 250 such on-site visits. In addition, in May 2015 around 100 tenants accepted the invitation extended by Deutsche Wohnen to attend an innovative and participatory information and dialogue-promoting event on the subject of the outdoor facilities in the Hellersdorfer Promenade district.

Deutsche Wohnen has also developed new forms of dialogue in connection with its redensification of the “Westend” city district in Berlin-Charlottenburg. In order to keep all of the residents up to date and at the same time to involve them in the design process, we post regular reports on the progress of the project on our designated website www.siedlung-westend.de. Tenants and interested citizens are able to ask questions relating to the renewal of the district via a discussion platform, and Deutsche Wohnen employees post responses to these questions and also maintain a blog which provides some insight into the current status of the planned construction work. Furthermore, with a view to also creating greater transparency with regard to its role as project developer, Deutsche Wohnen invited the tenants on the estate to take a tour of the recently completed new construction project in Potsdam-Babelsberg in the autumn of 2015. A tenants’ meeting, chaired by the district representatives’ assembly, was also held in April 2016, at which Deutsche Wohnen openly discussed its redensification plans with tenants.

Business partners

Our business partners include not only the companies and tradespeople within our supply chain mentioned under G4-12 but also long-standing partners in the financial sector. We are in constant contact with banks, insurance companies and other financial partners in connection with the negotiation of financing terms for our property holdings. The strong element of trust involved in our dialogue with these partners can be attributed to the transparency of our business model, our conservative investment profile and the often long-standing nature of our business relationships. Deutsche Wohnen’s credit rating has consistently improved over the years, as is evidenced by the upgrading of our long-term corporate rating by Moody’s and Standard & Poor’s (cf. Aspect: Economic Performance).

Politicians and associations

Deutsche Wohnen’s expertise as a leading residential property company makes it an ideal dialogue partner for politicians in federal, state and municipal government. With our more than 100,000 residential units and our resultant status as the largest private residential property company in Berlin, we are a main point of contact in Germany’s capital city for matters relating to the housing industry and communicate with a broad range of players, comprising members of all of the parties represented in the Bundestag. Thus, in 2015 we regularly took part in discussions with Members of Parliament, permanent secretaries or ministry officials at both the federal and state levels, as well as with city council officials responsible for construction matters, members of local government and neighbourhood managers in boroughs in which we maintain significant holdings. In addition, Deutsche Wohnen sponsored the summer party of the German Parliamentary Group for medium-sized businesses of the CDU/CSU (Parlamentarischer Mittelstand der CDU/CSU-Bundestagsfraktion), which was attended by approximately 2,000 guests from the fields of politics, business and the media. The company also organised the Political Breakfast (Bundespolitisches Frühstück), which was attended by Members of Parliament from various parties and addressed the topics of demographic change, rising energy prices and increasing urbanisation. These topics pose challenges for both tenants and landlords and require that politicians take action. We took part in a residents’ meeting in the vicinity of Mannheim, also attended by Members of the State Parliament and the Lord Mayor, in connection with the allocation of housing to refugees from among our own holdings. Over the course of the entire year under review, Deutsche Wohnen executives could be seen on podiums and at events attended by members of the real estate industry, associations and politics. (For details of our memberships in interest groups, see G4-16.)

Moreover, the company published a Declaration of Conformity with regard to the German Sustainability Code (Deutscher Nachhaltigkeitskodex – DNK) for the first time, meeting the supplementary requirements which specifically apply to the housing industry, and thereby demonstrating our commitment to undertake activities at the national level which drive forward the development of the German economy in a sustainable manner.

Media

The media are an important partner for Deutsche Wohnen and often provide the basis for interaction with all of our stakeholder groups. We are continually engaged in dialogue with representatives of various media in the form of press conferences, press releases or personal interviews.

Overview of most important stakeholders and channels of communication

Groups	Media
(Future) employees	Internet, Intranet, brochures (for example, for training purposes), twice yearly employee surveys, annual appraisal interviews, meetings on the subject of the annual financial statements, focus group, addresses made to employees by the Management Board with regard to specific subjects, company summer party, exhibitions, quarterly employee newsletter "bruno", welcome package for new employees, conventions
Investors and analysts (including rating agencies)	Annual Report, quarterly reports, website, presentations, webcasts, ad hoc notifications, corporate news, Annual General Meeting, roadshows, (banking) conferences, attendance at trade fairs, telephone conferences on the occasion of the publication of annual and quarterly reports, Capital Markets Day
(Future) tenants and purchasers	Service Points, service centre, welcome file, newsletter, e-service, e-journal, website, brochures, neighbourhood parties, exhibitions, tenants' meetings and tenants' offices in the case of major modernisation measures, tenant consultations, discussion platform, personal visits, tours of the new construction project in Potsdam for the benefit of tenants
Business partners	Annual Report, website, attendance at trade fairs, invitations to tender
Politicians and associations as well as media	Annual Report, website, press releases, conferences, face-to-face meetings, telephone conferences on the occasion of the publication of annual and quarterly reports, discussion panels and expert panels, political initiatives and alliances

G4-27 Response to key concerns of stakeholders

By virtue of its business model, which comprises the management and development of its own residential holdings, Deutsche Wohnen faces a number of socio-political considerations with regard to the issue of housing. We adopt numerous measures to meet these economic, social and environmental challenges. Both this Report and our Sustainability Programme with its specific targets, which we are constantly developing, are our response to these challenges (see following page).

See also G4-18 and G4-26.

Deutsche Wohnen Sustainability Programme 2015

Targets	Targets achieved 2015	Outlook
Responsible corporate management		
Professionalisation of sustainability management & strategy	<ul style="list-style-type: none"> • Conduct of stakeholder survey • Enhancement of dialogue with tenants and politicians in the context of new construction and refurbishment projects • Adoption of a donation strategy – not achieved due to the focus on mounting a defence to the Vonovia takeover bid and postponed by one year 	<ul style="list-style-type: none"> • Incorporation of the survey results into the CR strategy • Establishment of new forms of tenant participation and of presenting information to tenants • Further specification and adoption of the donation strategy by the Management Board
Professionalisation of data collection and reporting	<ul style="list-style-type: none"> • Professionalisation of data collection through allocation of responsibilities • Conduct of materiality analysis • Expansion of key figures to include like-for-like data • Extension of scope of Management Report to include key sustainability-related figures • Publication of 1st Declaration of Conformity with German Sustainability Code (Deutscher Nachhaltigkeitskodex – DNK), meeting the requirements for the housing industry. • Completion of GSW data migration 	<ul style="list-style-type: none"> • Expansion of key figures: energy efficiency classification; education and training on the basis of number of hours per employee • Development of sustainability rating strategy; compliance with and improvement of ratings (in particular, EPRA, GRESB) • Continued upholding of DNK Declaration of Conformity
Optimisation and digitalisation of processes	<ul style="list-style-type: none"> • Introduction of digital contract management at DWCF 	<ul style="list-style-type: none"> • Extension of digital contract management to other divisions of Deutsche Wohnen • Introduction of digital system of property inspections for residential units by 2017 • Extension of SAP system for technical facility management • Use of 50,000 fewer sheets of paper as a result of "Paper-Free Office" for central invoicing with regard to service charges by the beginning of 2017
Responsibility towards our holdings and sustainable new building		
Modernisation measures to ensure housing quality and conservation of resources	<ul style="list-style-type: none"> • Extension of modernisation programme until the end of 2018, from EUR 280 million at present to EUR 400 million: implementation of 34 Capex projects involving approximately EUR 54 million (2014: 15 projects involving approximately EUR 23 million) for a total of approximately 3,500 residential units • Receipt of the "Deutscher Bauherrenpreis Modernisierung 2015" award for the total refurbishment of the historic, listed railway workers' estate in Elstal, Brandenburg, which commenced in 2013 	<ul style="list-style-type: none"> • Modernisation of 30 residential units in the area surrounding the "Onkel Toms Hütte" ("Uncle Tom's Cabin") estate (Berlin) by 2017 • Refurbishment of the Hellersdorfer Promenade district (Berlin), involving approximately 1,300 residential and commercial units and an investment of approximately EUR 39 million, by 2018 • Further refurbishment of the Siemensstadt UNESCO World Heritage site (Berlin), involving an investment of EUR 8.4 million, by 2017 • Refurbishment of the Otto-Suhr-Siedlung (estate) (Berlin), involving an investment of EUR 43 million, by 2019 • Refurbishment of the Weiße Stadt (White City) estate (Berlin) for a total of EUR 23 million by 2017 • Modernisation of the Springsiedlung (estate) (Berlin) for EUR 50 million by 2019 • Refurbishment of the Sahlkamp-Mitte estate (Hanover), involving an investment of EUR 4 million, by 2016

Targets	Targets achieved 2015	Outlook
Improvements with regard to service, safety and health for the benefit of tenants	<ul style="list-style-type: none"> • Introduction of security and concierge concept for approximately 29,000 units, already conclusively implemented in 3,000 of them • Inspection of approximately 21,600 residential units in accordance with the DGUV-V3 accident prevention regulation 	<ul style="list-style-type: none"> • Implementation of security and concierge concept in approximately 26,000 additional units by mid-2016 • Inspection of electrical and fixed installations in approximately 55,000 residential units in accordance with the DGUV-V3 regulation for the prevention of accidents • Handling by service centre of all enquiries from potential tenants in a target group-oriented manner by 2017
Enhancement of collection and transparency of data	<ul style="list-style-type: none"> • Pilot project: collection of data extended to 5% of total portfolio (a total of 30 residential properties with approximately 10,000 residential units) • Portfolio: energy efficiency classification increased from 75% to 84% of total portfolio (excl. listed holdings, which are not subject to classification) • Administration: collection of data extended to all office and administrative locations of Deutsche Wohnen 	<ul style="list-style-type: none"> • Pilot project: Extension to 15,000 residential units
Sustainable new building of multi-storey rental units and creation of city districts providing attractive living conditions	<ul style="list-style-type: none"> • New building project in Potsdam-Babelsberg: 103 units completed ahead of schedule; pre-certification: gold standard from the German Sustainable Building Council (DGNB), sustainable concepts in relation to energy and use of Cradle to Cradle®-certified materials • Inner-city redensification of "Westend" district (mixed-use district with 600 apartments): pre-certification as sustainable city district with highest DGNB rating: platinum • Partner in "WohnMobil" ("Mobile Living") research project funded by the Federal Ministry of Education and Research (Bundesministerium für Bildung und Forschung) addressing the issue of sustainable mobility and provision of services in the vicinity of residential districts • Identification of potential for redensification (including new building) to the tune of around 8,000 residential units on land owned by Deutsche Wohnen 	<ul style="list-style-type: none"> • Further specification of identified potential for redensification and definition of target time frame • Goal of gold standard for DGNB certification of multi-storey rental units in construction phase 2 in Potsdam • Preparations for construction work on the "Westend Estate Renewal" (Erneuerung Siedlung Westend) project (600 apartments) in 2017 – 2019 • Certification of planned construction project as Cradle to Cradle®-inspired building (EPEA Hamburg) • Expansion and transfer of knowledge within Deutsche Wohnen of sustainable planning and construction (e.g. advanced training, auditor training) • Creation of incentive systems for the development of approaches to the issue of sustainable construction
Environmental and climate protection		
Enhancement of energy efficiency measures: administration	<ul style="list-style-type: none"> • Provision of information on energy-saving measures to employees • Realisation of savings of approximately 32.4 MWh p.a. at three locations as a result of the replacement of outdoor lighting fixtures and the switching-off of split type air conditioning devices not in use • Realisation of potential for savings, identified in the context of an energy audit, by means of insulation and renewal of air conditioning systems (not quantified) • Introduction of internal energy monitoring system for all administrative locations 	<ul style="list-style-type: none"> • Further raising of employee awareness of energy saving measures • Continued implementation of the efficiency measures prompted by the energy audit

Targets	Targets achieved 2015	Outlook
Enhancement of energy efficiency measures: portfolio	<ul style="list-style-type: none"> Analysis by G+D: 1,140 facilities and more than 400 heat generating plants inspected to date; inclusion of entire GSW portfolio Supply of approximately 45,000 units by way of a uniform gas and a commercial heating and hot water supply arrangement Expansion of "tenant electricity marketing" activities Improved heat insulation (energy savings of up to 70%) in 2,240 residential units Renewal by G+D of heat generation facilities at 19 plants (12,500 kW) for 2,600 residential units Renewing of 65 boiler plants totalling EUR Mio. 1.6, in accordance with statutory requirements Reduction of primary energy requirements of and emissions from the historic railway workers' estate in Elstal, Brandenburg, by more than 60% as part of extensive refurbishment work intended to improve its energy efficiency levels 	<ul style="list-style-type: none"> Renewal by G+D of heat generation facilities for approximately 3,200 residential units with a thermal output of approximately 11,400 kW Extension of supply arrangement with G+D to a total of 60,000 units Expenditure of approximately EUR 30 million on the refurbishment of approximately 800 boiler plants by 2034 (50 of these boiler plants to be refurbished by Deutsche Wohnen in 2016) Increasing in-house production of electricity from 9 GWh/a to approximately 12 GWh/a by means of a new combined heat and power (CHP) plant at Imbrosweg in Berlin Improvement of the facade-insulating properties of our holdings, for example in the Hellersdorfer Promenade district, the Otto-Suhr-Siedlung and Springsiedlung estates (both in Berlin), the Kanzlerfeld estate in Brunswick and Sahlkamp-Mitte in Hanover Special project in 2016 for the use of cellulose blown-in insulation in the amount of EUR 2.0–2.5 million and the replacement of old windows in the amount of approximately EUR 9–10 million.
Responsibility towards employees		
Enhancement of employee development and satisfaction	<ul style="list-style-type: none"> Implementation of remuneration structure in line with market practice and employee performance Holding of structured appraisal interviews Expansion of occupational health management programme to include fitness sessions, in connection with targeted, individualised fitness advice, for the active promotion of good health Slight rise in the taking of parental leave by male employees (from 16.0% to 17.4% in 2015) 	<ul style="list-style-type: none"> 100% coverage of staff with structured appraisal interviews Conduct of employee survey, carried out twice a year since 2014 Creation of a "talent pool" for succession planning with regard to key functions Expansion of occupational health management programme to include nutritional counselling in the context of "health awareness days" and counselling on health issues in collaboration with health insurance companies Introduction of 360-degree-feedback for managers below Management Board
Increasing attractiveness as an employer	<ul style="list-style-type: none"> University marketing activities expanded Amount of overtime worked reduced as a result of more new hires for relevant positions (138 employees, excl. GSW) 	<ul style="list-style-type: none"> Further expansion of range of training options offered Lowering of employee turnover rate through further enhancement of the onboarding (induction) process Implementation of recruitment strategy for service centre Certification of Deutsche Wohnen as "Fair company"
Responsibility towards society		
Development of residential districts	<ul style="list-style-type: none"> Adoption of GSW fund for social projects in Berlin EUR 150,000 invested in district development projects (in particular, promotion of local, social projects in Berlin and Hanover, for example (see G4-EC8)) 	<ul style="list-style-type: none"> Continuation of GSW social fund under the name "DW Fund" from the beginning of 2016 Intensification of work in residential districts Continuation of support for local social organisations
Provision of housing for socially disadvantaged individuals	<ul style="list-style-type: none"> Continued support for JaKus and Caritas; 10 residential units provided for housing underage refugees to date Cooperation maintained with LAGeSo and Evangelischer Johannesstift for the provision of support to refugees and women in distress 	<ul style="list-style-type: none"> Provision of further housing for disadvantaged sections of the population, e.g. cooperation with Caritas (a total of 22 residential units planned) and Verein Hestia for women who have suffered domestic violence

REPORT PROFILE

G4-28 Reporting period

The reporting period is the financial year 2015 (1 January 2015 to 31 December 2015). Where possible, comparable data for 2014 is provided.

G4-29 Date of most recent previous report

The GRI Report 2014 was issued in September 2015.

G4-30 Reporting cycle

The Report is issued on an annual basis.

G4-31 Point of contact for questions regarding the report

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G4-32 "In accordance" option with GRI and Content Index

See [□](#) 60 ff.

G4-33 External verification of the Report

None.

GOVERNANCE

G4-34 Governance structure

Deutsche Wohnen AG, which is based in Frankfurt/Main, is subject to the provisions of German stock market and capital market legislation and the provisions of its articles of association. The company has a two-tier management and supervisory structure, comprising its two bodies, the Management Board and the Supervisory Board, which are accountable to the Annual General Meeting, at which the shareholders participate in making fundamental decisions affecting the company. Together, these three bodies are required to act in the best interests of the shareholders and for the the good of the company.

The Management Board manages the company and conducts its business under its own responsibility. The members of the Management Board are appointed by the Supervisory Board. The Management Board develops the strategic direction of the company, agrees this with the Supervisory Board, and ensures its implementation. It also bears the responsibility for appropriate risk management and control within the company as well as regular, timely and comprehensive reporting to the Supervisory Board. The Management Board consults with the Supervisory Board on major business transactions.

The Supervisory Board advises and monitors the Management Board with regard to its management of the company within the framework established by statute and the company's articles of association and rules of procedure. It works closely with the Management Board for the benefit of the company and is involved in decisions of fundamental importance to the company. The Supervisory Board has rules of procedure; its work takes place both at plenary sessions and in committees. The work of the committees is intended to increase the efficiency of the Supervisory Board. The committee chairs report regularly to the Supervisory Board on the work of their committee. The Supervisory Board is not subject to any rules concerning employee participation.

Fundamental resolutions are adopted by the Annual General Meeting. These relate, amongst other things, to the utilisation of profits, the dismissal of members of the Management Board and the Supervisory Board, the selection of members of the Supervisory Board and the auditor, amendments to the articles of association and capital-changing measures.

G4-35 Delegation of authority for economic, environmental and social topics

The Management Board of Deutsche Wohnen AG has overall responsibility for sustainability issues. In the summer of 2012, it initiated the creation of a sustainability project team, entrusting it with the company-wide coordination of sustainability issues, the continuous advancement of the related processes and the documentation of the progress made in the Sustainability Report. This document is the company's fourth Sustainability Report. The members of the Investor Relations staff responsible for sustainability-related matters and for supervising the work of the project team report directly to the Management Board. Sustainability-related issues are also addressed at meetings of senior management, which are chaired by members of the Management Board.

G4-36 Responsibility for economic, environmental and social topics

The work of the Management Board is governed in detail by the rules of procedure, which, amongst other things, provide a division of tasks in accordance with function-based criteria. The Management Board defines the strategic direction to be taken by the company and is also responsible for ensuring the appropriate management and monitoring of risks on an internal basis. In carrying out this task, the Management Board is also bound by the goal of sustainable value creation in the company's interests.

G4-37 Processes for consultation between stakeholders and the Management Board/Supervisory Board

Intensive communication with our shareholders, with analysts and with potential investors was once again high on our agenda in the financial year 2015, our goal being to provide market participants with an insight into our strategy and our prospects for future development. In particular, we actively approach investors in the context of global conferences and roadshows.

In 2015, we attended the following national and international banking conferences: the UniCredit Kepler German Corporate Conference in Frankfurt, the Kempen Real Estate Conference in New York, the Kempen & Co. European Property Seminar in Amsterdam, the Deutsche Bank Conference and the EPRA Annual Conference in Berlin, the Baader Investment Conference in Munich, as well as the Commerzbank German Residential Property Forum, the Berenberg Mid Cap Conference and the UBS European Real Estate Conference, all of which were held in London. We also organised numerous road shows and property tours. On 20 November 2015, Deutsche Wohnen invited analysts and investors to attend its Capital Markets Day in Berlin, an event which was intended to give the numerous participants an insight into our business operations and our residential holdings in Berlin.

In line with the opportunities provided by the articles of association, the shareholders exercise their voting rights at the Annual General Meeting. Each share carries one vote. The Annual General Meeting provides an opportunity to the Management Board and Supervisory Board to communicate directly with shareholders and come to an agreement with them on the further development of the company. The Annual General Meeting is held annually during the first eight months of the year. The agenda of the Annual General Meeting and the reports and documents required for the Annual General Meeting are published on the website of Deutsche Wohnen AG.

In order to help its shareholders to exercise their rights, Deutsche Wohnen AG provides them with a proxy representative who is bound by the shareholders' instructions and can also be reached during the Annual General Meeting. The invitation to the Annual General Meeting explains how instructions may be given in advance of the Annual General Meeting. In addition, shareholders are at liberty to elect a proxy representative of their choice to represent them at the Annual General Meeting.

We hold a telephone conference in relation to the publication of our Annual Report and each of our quarterly reports, during which investors and analysts are given the opportunity to put their questions directly to the Management Board. These conferences are also broadcast live as webcasts, which are subsequently available for downloading on the Investor Relations page of our website, where our current financial reports and company presentations may also be accessed at all times. In addition, we provide an overview on our website of all of the current activities in our financial calendar. The website also provides information on our shares and on our company, the current share price, ad hoc notifications, directors' dealings, our shareholder structure, notifications of voting rights, press releases, corporate news and all information relating to the Annual General Meeting.

For Deutsche Wohnen AG, "investor relations" means prompt and transparent reporting, active and regular communication with our shareholders and with potential investors, and the expansion of our existing network of national and international contacts. Our Investor Relations department will continue to push through and supplement these measures in the future.

As part of our stakeholder survey carried out in the autumn of 2015, we asked various advocacy groups what they thought of the Sustainability Report issued by Deutsche Wohnen AG. Their responses to these questions were submitted to the Management Board. More information on the content and results of the survey can be found under G4-2 and G4-19.

Since the end of 2007, the focus group, which consists of representatives of the employees of the Deutsche Wohnen, has functioned as the mouthpiece of our workforce. Approximately 20 employees from various occupational groups and different locations, Managing Directors of DWM and DWI as well as representatives of Human Resources meet twice a year to address current issues. Furthermore, the Chief Executive Officer is invited to and seeks to attend all of these meetings for the purpose of discussing current problems with a view to finding appropriate solutions.

G4-38 Composition of the Management Board/ Supervisory Board and their committees

The Management Board was composed of three members in the financial year 2015 – until the departure of Mr Andreas Segal on 10 November 2015, which reduced the number to two: the Chief Executive Officer Michael Zahn, and Management Board member and Chief Investment Officer Lars Wittan.

The Supervisory Board is composed of six members. The Chair of the Supervisory Board is Uwe E. Flach. The members of the Supervisory Board work in four committees: the Executive Committee, the Nomination Committee, the Audit Committee and the Acquisition Committee. Messrs Uwe E. Flach and Matthias Hünlein as well as Dr A. Kretschmer make up the Executive Committee whilst the Acquisition Committee consists of Messrs Uwe E. Flach and Claus Wisser as well as Dr Florian Stetter. The members of the Audit Committee are Dr Kretschmer, Dr Stetter and Mr Uwe E. Flach, and those of the Nomination Committee are Messrs Uwe E. Flach and Wolfgang Clement as well as Dr Kretschmer. More information on the work of the Supervisory Board can be found on [p 36](#) of the Annual Report 2015 as well as under Corporate Governance in the Investor Relations section of our website.

G4-39 Independence of the Chair of the highest governance body

The Supervisory Board is composed of six members, none of whom is simultaneously a member of the Management Board.

G4-40 Nomination and selection processes for the Supervisory Board/Management Board

The selection of the members of the Management Board is based, in particular, on the knowledge, skills and professional experience required for the fulfilment of the tasks of the Management Board. The age limit for members of the Management Board has been determined by the Supervisory Board as the legal retirement age.

All members of the Supervisory Board are elected by the Annual General Meeting as representatives of the shareholders. Their term of office is strictly five years in accordance with statutory provisions and the articles of association.

The selection of the members of the Supervisory Board is based, in particular, on the knowledge, skills and professional experience that is required for the fulfilment of their tasks. Additional considerations are independence and a sufficient degree of gender diversity; nevertheless, the targeted proportion of female members will for the time being remain at the current status quo. Only persons who at the time of appointment have not yet completed their 73rd year should be proposed for election as a member of the Supervisory Board.

G4-41 Processes for avoiding conflicts of interest

The approval of the Supervisory Board is required for certain transactions and activities of the Management Board. The members of the Management Board must disclose any conflicts of interest to the Supervisory Board and their colleagues on the Management Board without delay. Material transactions between members of the Management Board, or any related parties, and the company, for example the entering into secondary employment outside of the company, likewise require the approval of the Supervisory Board. D&O group insurance policies have been taken out for the members of the Management Board and the Supervisory Board; since 1 July 2010, these have included a deductible which is in line with the requirements of section 93(2) of the German Stock Corporation Act (Aktiengesetz – AktG).

Deutsche Wohnen AG has included the members of the Supervisory Board, at the latter's expense, in a D&O group insurance policy for executive bodies and members of management. A deductible payable by the members of the Supervisory Board was agreed for this in accordance with the requirements of section 93(2) of the German Stock Corporation Act (Aktiengesetz – AktG).

Our code of conduct, which supplements the corresponding statutory provisions and has been binding on all employees and members of the Management Board since 2011, contains a clear statement on the subject of conflicts of interest: "Employees must avoid all situations and conduct which could hinder them in carrying out their professional responsibilities in an objective manner free of any conflicts of interest. Should any possibility of a conflict of interest arise in connection with the performance of their professional duties, we ask that employees inform their superiors or a member of management accordingly without delay."

Deutsche Wohnen AG has appointed a Compliance Officer. The Compliance Officer manages, amongst other things, the company's list of insiders and informs management, employees and business partners about the relevant legal framework and the consequences of violations of insider regulations, for example. In addition, the Compliance Officer monitors compliance with the standards of conduct and norms prescribed by the German Corporate Governance Code and the relevant statutory provisions.

G4-42 Role of the Management Board/Supervisory Board in the definition of goals, values and strategies

See G4-34.

G4-43 Enhancement of the collective knowledge of the Management Board/Supervisory Board

See G4-45.

G4-44 Evaluation of the performance of the Management Board/Supervisory Board

In addition to fixed remuneration, the members of the Management Board receive variable short-term remuneration (performance share units) and variable long-term remuneration (share options), which may be withheld in the event of the non-attainment of targets and is also subject to an upper limit. However, in order to safeguard the shareholders' interest in the sustainable enhancement of the value of the company, the share options of the long-term incentives may only be exercised where defined performance targets are reached at the end of the waiting period. The share options may only be exercised where and to the extent that the following performance targets are reached: (i) Increase in the Adjusted NAV per share (40% weighting), (ii) increase in FFO I (without disposals) per share (40% weighting) and (iii) development of the share price, as compared to the EPRA NAREIT Germany Index (20% weighting). These targets take account of both the relative performance of the share of the company as compared to a group of publicly listed German competitors and also the development in absolute terms of the key industry-specific indicators NAV per share and FFO per share. The latter indicators are based on the four-year business plan approved by the Supervisory Board. This is intended to encourage the beneficiaries of the programme to act in furtherance of the goal of achieving the positive sustainable development of the company.

G4-45 Role of the Management Board/Supervisory Board in the identification and management of economic, environmental and social impacts, risks and opportunities

Deutsche Wohnen AG considers the responsible handling of opportunities and risks to be of the utmost importance. This is ensured by an extensive opportunity and risk management system, which identifies and monitors the major opportunities and risks. This system is continuously being developed and adapted to changing conditions.

Risk assessments are updated by the risk management officers in consultation with the risk managers in the context of the quarterly risk inventory and subsequently discussed at one-on-one meetings attended by all of the risk management officers, the risk managers, the management and the Management Board. The goal of this system is to ensure company-wide transparency with regard to the risk situation and the handling of risks across all segments.

The Management Board consults with the Compliance Officer, the Managing Directors responsible for the business divisions, the Managing Directors of the company's subsidiaries and the Sustainability Officers in the Investor Relations department on sustainability-related matters. The Head of Project Development/New Construction is responsible for ensuring a sustainable approach in the area of new construction.

The Supervisory Board receives comprehensive information on all relevant issues and developments affecting the group at each of its meetings.

The detailed risk and opportunity report of Deutsche Wohnen AG for the financial year 2015 can be found on [p 83 bis 89](#) of the Annual Report 2015.

G4-46 Role of the Management Board/Supervisory Board in reviewing the effectiveness of the risk management processes

A central component of the risk management system is a detailed set of reporting procedures, which are continuously monitored and developed, and establish reference points for identified risks on the basis of relevant key operating figures as well as financial data. Particular emphasis is placed on the key figures relating to changes in rentals and privatisations, cash flow indicators, liquidity and balance sheet items.

As a result of intensive communication at the management level of the group, all decision-makers are constantly aware of all relevant developments within the company. Divergent developments or emerging risks that could potentially threaten the continued operations of the group are thereby identified at an early stage and appropriate remedial action is taken.

The Supervisory Board deals, amongst other things, with significant (group) accounting issues, risk management, commissioning the audit and the audit's key areas of focus.

G4-47 Frequency of the review of economic, environmental and social impacts, risks and opportunities by the Management Board/Supervisory Board

See G4-45.

G4-48 Review and approval of the organisation's sustainability report

The Sustainability Report is reviewed and approved by the Management Board of Deutsche Wohnen AG.

G4-49 Process for communicating critical concerns to the Management Board/Supervisory Board

See G4-37.

G4-50 Critical concerns which have been communicated to the Management Board/Supervisory Board

On 14 October 2015, Vonovia SE made a hostile takeover bid to the shareholders of Deutsche Wohnen AG. On 12 February 2016, Vonovia SE announced that the minimum acceptance threshold had not been attained.

G4-51 Remuneration policies and criteria for the Management Board/Supervisory Board

The Management Board contracts of Deutsche Wohnen AG contain fixed and variable components. The variable long-term remuneration for all members of the Management Board is adjusted in accordance with the requirements of section 87(1), sentence 3 of the German Stock Corporation Act (Aktiengesetz – AktG). This is tied to the achievement of the company's economic goals and is based primarily on multi-year assessment bases. The variable remuneration may only be claimed if there has been an appropriately positive development in the company's business. Thus, the remuneration structure is geared to the sustainable development of the company and the incentive and risk-related impact of the variable remuneration is optimised.

The members of the Supervisory Board receive an annual fixed amount of remuneration. The Chair of the Supervisory Board receives twice and the Deputy Chair one-and-a-half times this amount of remuneration. In addition, each Supervisory Board member receives a lump-sum amount of remuneration per financial year for his or her membership of the Audit Committee of the Supervisory Board, with the Chair receiving twice that amount. Remuneration for membership of any other Supervisory Board committees is paid per member and committee. Expenses are reimbursed. No performance-based remuneration for members of the Supervisory Board is paid.

A detailed report on the remuneration paid by Deutsche Wohnen AG in the financial year 2015 can be found on [pages 90 bis 93](#) of the Annual Report 2015.

G4-52 Process for determining remuneration

The system of remuneration for the Management Board is the subject of regular consultations, review and redefinition at the plenary sessions of the Supervisory Board.

The remuneration of the Supervisory Board was established by the Annual General Meeting in section 6 (6) of the articles of association.

ETHICS AND INTEGRITY

G4-56 Principles, values and codes of conduct

All employees of the Deutsche Wohnen are bound by the Code of Conduct adopted in 2011, which contains guidelines for the avoidance of conflicts of interest, among other things. The "Leading with Values" ("Mit Werten führen") management standards in place at Deutsche Wohnen Management GmbH and Deutsche Wohnen Immobilien Management GmbH, which employed the majority of our housing management employees in the reporting year 2015, require employees to interact with each other in a constructive manner and to uphold the principles of reliability, appreciation and transparency. Our "welcome" package for new employees consists of introductory brochures and induction manuals.

G4-57 Mechanisms for seeking advice on ethical and lawful behaviour

The Compliance Officer acts as an internal adviser and a point of contact for employees, handling any questions they may have as to ethical and lawful conduct. The Data Protection Officer is the point of contact for questions from parties outside of the company relating to lawful conduct in the context of data protection law.

G4-58 Mechanisms for reporting concerns about unethical or unlawful behaviour

Compliance with legal provisions and the standards of the German Corporate Governance Code, as well as the fair treatment of business partners and competitors, are principles that are important to Deutsche Wohnen AG. The company's Compliance Officer assumes responsibility for this. The Compliance Officer manages, amongst other things, the company's list of insiders and informs management, employees and business partners about the relevant legal framework and the consequences of violations of insider regulations, for example. In addition, the Compliance Officer is the point of contact for any questions employees may have and for handling reports of suspected cases of non-compliance. An external Data Protection Officer has been appointed to monitor compliance with data protection regulations and the handling of complaints.

All business divisions and processes within Deutsche Wohnen AG are subject to regular review with regard to compliance risks.

Our code of conduct, which prescribes and defines dealings which are in compliance with the law, applies to and is binding on all of the company's employees. Every new employee receives and agrees to follow the guidelines upon starting their job. In addition, the managerial staff ensure that their employees are made aware of material compliance-related risks.

In particular, our employees are not permitted to accept gifts in exchange for promising the conclusion of possible business transactions. The guidelines also prohibit unlawfully influencing business partners through favours, gifts or by granting other advantages.

ASPECTS: COMPLIANCE – ENVIRONMENT, SOCIETY AND PRODUCT RESPONSIBILITY

See G4-58.

G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

No fines were levied on the Deutsche Wohnen Group in connection with infringements of environmental law in the year under review.

G4-S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

No fines were levied and no sanctions were imposed in connection with infringements of the law in the year under review.

G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

We are not aware of any fines having been imposed in connection with infringements of legislative provisions concerning the provision and use of products and services in the year under review.

ASPECTS: GRIEVANCE MECHANISMS WITH REGARD TO ENVIRONMENTAL IMPACTS, LABOUR PRACTICES, HUMAN RIGHTS VIOLATIONS AND SOCIAL IMPACTS

In the event of any grievances with regard to environmental impacts, labour practices and decent work, human rights and social impacts, the measures explained under G4-58 may be taken.

G4-EN34, G4-LA16, G4-HR12, G4-S011 Number of grievances about environmental impacts, labour practices, human rights impacts and impacts on society filed, handled and resolved through formal grievance mechanisms

We did not become aware of any such grievances during the period under review.

ASPECTS: ANTI-CORRUPTION AND ANTI-COMPETITIVE BEHAVIOUR

Our Code of Conduct also expressly prohibits corruption. A regulation regarding signatories is in force throughout the company which requires a second signature and a plausibility check for every contract awarded. The required level within the company hierarchy of the second signatory will depend on the value of the invoice in question, rising in tandem with the latter.

See also G4-58.

G4-S03 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

All business divisions and processes within Deutsche Wohnen AG are subject to regular review with regard to compliance risks. A central risk management system is used in the Deutsche Wohnen Group, and this system is included in the audit of the Annual Report. The risk management system covers not only compliance issues but also the risk of corruption. To this extent, the entire Deutsche Wohnen Group is subject to an audit in respect of corruption risks.

G4-S04 Communication and training on anti-corruption policies and procedures

Our Code of Conduct makes it unequivocally clear that employees are not permitted to accept or demand any gifts or benefits, in particular where they are given or granted in return for making assurances as to the possible conclusion of a business transaction. Our Code of Conduct also clearly prohibits employees from attempting to unlawfully influence business partners by according them preferential treatment, giving them gifts or granting them other benefits. The Code of Conduct is presented to all new employees when they take up employment, and they are required to follow its regulations. In addition, the managerial staff ensures that their employees are aware of these matters. Deutsche Wohnen's Compliance Officer is, in particular, the first point of contact for questions and/or reports concerning possible infringements of the Code of Conduct or suspicions of illegal or improper activity.

G4-S05 Confirmed incidences of corruption and actions taken

As in previous years, there were no known cases of corruption during the year under review.

G4-S07 Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes

As in previous years, there were no known legal actions brought on grounds of anti-competitive behaviour or anti-trust or monopoly practices during the year under review.

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC

ASPECT: ECONOMIC PERFORMANCE

Deutsche Wohnen is one of the leading publicly listed real estate companies within Germany and Europe. Our focus is on the management and development of our real estate holdings, which are primarily located in German metropolitan areas, where we profit from dynamic market developments and the consistently high demand for housing. As at the end of 2015, our portfolio comprised more than 148,000 residential and commercial units with a total value of approximately EUR 12 billion.

2015 was the most successful financial year in the history of Deutsche Wohnen. By virtue of the above-average rent potential of our high-quality portfolio, the success of our disposals segment and our earnings-enhancing acquisitions, we are well placed to continue our growth in qualitative terms and to create sustainable value for our stakeholders in the future.

Due to the high quality of its holdings, the existing portfolio of Deutsche Wohnen offers great potential, with 87% of it generating attractive rent potential without any major investments being required. As for the remaining 13% of the portfolio, we are able to realise significant additional potential in terms of rental income and value through modernisation measures, thereby achieving an attractive rate of return. These approximately 17,000 units are located almost exclusively in Core+ regions.

Our modernisation and new building activities contribute greatly to Deutsche Wohnen's organic growth. Thus, we have now extended our modernisation programme, launched in 2014 in the amount of EUR 280 million, to comprise an investment of EUR 400 million until the end of 2018, with approximately 85% of this amount being earmarked for Berlin alone. In addition, in the financial year 2014 we initiated our first new building project in 20 years, investing a total of approximately EUR 20 million in the creation of 103 new apartments. Work is set to begin on the construction of a mixed-use district with a total of 600 contemporary, high-quality apartments in 2017, as part of a project for the inner-city redensification of the "Westend" district in Berlin-Charlottenburg.

Deutsche Wohnen acquired a total of just under 22,000 residential units in the context of a number of transactions in 2015, with two thirds of the properties being located in Core+ regions and the remainder largely in Core regions. We strengthened our holdings in the metropolitan region of Berlin, one of the top growth markets in Germany, with more than 11,000 new residential units. We intend to re-sell those of the acquired properties which are not located within our Core regions, thereby exploiting our considerable expertise in privatisations and block sales.

Deutsche Wohnen's financing structure is of a long-term, conservative and diversified nature. Deutsche Wohnen has entered into loan agreements with a number of financing partners and also obtained external funding via the capital markets to finance its property holdings, as well as its real estate and corporate transactions. As at the end of 2015, it had concluded loan agreements with 26 banks, seven insurance companies and ten other financing partners, with 71% of the total financing volume of approximately EUR 5 billion being provided by twelve credit institutions and a further 23% or so being attributable to capital market products. The financial liabilities are hedged at approximately 83% at a fixed rate and/or through interest rate swaps. The average term of the credit instruments is approximately nine years.

As a result of its extensive refinancing measures, Deutsche Wohnen was able to further optimise its financing structure and cash flow profile to a considerable degree in the year under review, thereby significantly lowering its financing costs and further diversifying its loan portfolio. Thus, the average rate of interest fell, as compared to the previous year, from 2.5% to 1.8% p.a. whilst the agreed scheduled repayments of loan capital decreased from approximately 1.1% to approximately 0.7%, and the average residual term of the financial liabilities increased slightly, as compared to the previous year, to approximately nine years. The Loan-to-Value Ratio (LTV) of the Deutsche Wohnen Group fell considerably from around 50% to 38%, prompting both Standard & Poor's and Moody's to raise their long-term ratings for Deutsche Wohnen in mid-2015: from BBB+ to A- and from Baa1 to A3, respectively, with the result that Deutsche Wohnen now has one of the top ratings in the industry as compared to its European peers. On 24 July 2015, Deutsche Wohnen issued its first corporate bond, in the amount of EUR 500 million. It has a term of five years and bears interest at a rate of 1.375% p.a. and clearly demonstrates Deutsche Wohnen's ability to avail

itself of all manner of financing and to diversify its sources of financing. Deutsche Wohnen's position with regard to its refinancing instruments is thus a flexible one. It is able to make use of the most efficient market in each case, depending on the particular conditions prevailing on the banking and capital markets or the features of the individual transaction.

We also intend to maintain our long-term course of growth in the financial year 2016, to which end we will be concentrating even more strongly on internal growth by placing our focus clearly on our strategic core and growth regions and further optimising the efficiency of our real estate platform on an ongoing basis. Investments in our portfolio will enable us to increase the attractiveness of our holdings and realise further rental and added value potential. We also intend to achieve continued value-enhancing and focussed growth in the future by means of the selective acquisition of concentrated property portfolios.

G4-EC1 Direct economic value generated and distributed

Deutsche Wohnen once more recorded significant improvements in all of its key figures in the financial year 2015, thereby exceeding its own projections. Consolidated group profit, at EUR 1.2 billion, was a good one third higher than in the previous year, largely as a result of revaluation gains on our properties. The adjusted earnings before taxes (EBT) rose by 36% to EUR 384.4 million, particularly as a result of improved earnings from disposals in the amount of EUR 68.9 million (previous year: EUR 52.4 million), lower corporate expenses in the amount of EUR 74.7 million (previous year: EUR 90.5 million) in the wake of the completed integration of GSW, and lower financing expenses due to the successful refinancing measures of the past two years. The cost ratio in relation to the current rental income decreased, as compared to the previous year, from 14.4% to 11.8%, with the average net cold rent amounting to EUR 5.89 per sqm as at the end of the year. The non-cash tax expense of Deutsche Wohnen amounted to EUR 21.5 million in 2015 (2014: EUR 16.5 million).

The staff expenses of Deutsche Wohnen amounted to EUR 45.9 million in the year under review (previous year: EUR 56.9 million).

The key figure FFO I (Funds from Operations without disposals), which is of decisive importance for us, rose significantly by 39% to EUR 303.0 million, or by 25% to EUR 0.94 per share, due to acquisitions and operational improvements in our portfolio. The Loan-to-Value Ratio (LTV) of the Deutsche Wohnen Group fell considerably from around 50% to 38% as at the end of 2015. The Annual General Meeting resolved unanimously in favour of the payment of a dividend in the amount of EUR 0.44 for each share entitled to dividends for the financial year 2014, which corresponds to a total amount of approximately EUR 129.9 million (2013: EUR 57.4 million) and a share of the FFO I realised in 2014 of approximately 60%. Subject to the consent of the Annual General Meeting to this measure, our shareholders are set to benefit from a 23% higher dividend for the financial year 2015 of EUR 0.54 per share. Our voluntary community-related expenditure (including donations) in 2015 amounted to approximately EUR 146,500 (2014: approximately EUR 91,000).

G4-EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change

In the political arena, there are regular calls for reductions in energy consumption and CO₂ production, and this affects the real estate industry as well. Deutsche Wohnen is thus indirectly affected by climate change and the resultant regulations imposing requirements for the improvement of energy efficiency and thermal insulation in our residential holdings. Consequently, the issue of climate change is indirectly factored into the risk inventory of Deutsche Wohnen in the form of various risks. For example changes in legislative procedures (energy saving ordinances, new building regulations, environmental legislation) are taken into account and any anticipated changes in the area of new building and portfolio management are evaluated accordingly. In order to comply with these statutory requirements, we have invested in the joint enterprise G+D Gesellschaft für Energiemanagement mbH, Magdeburg (G+D), with a view to further improving the energy efficiency of our properties and optimising our procurement and production of energy.

The observation period for the risk inventory of Deutsche Wohnen is based on a short- to medium-term planning approach and thus does not comprise any direct risks with regard to climate change over the long term. According to the Report on Climate Change and the Cultural Landscape in Berlin⁴¹ (Bericht zu Klimawandel und Kulturlandschaft Berlin), which was commissioned by the Berlin Senate Department for Urban Development and the Environment, the temperature may be expected to rise by an average of 2.5 degrees in Berlin/Brandenburg by the middle of the century. It is assumed that the summers will become warmer, and the winters wetter, as a result. However, this development is unlikely to pose any risk to Deutsche Wohnen, given that it is also unlikely to give rise to any changes in the tenancy market or any threat to the company's business operations. One possible consequence of the projected rise in temperatures could be extreme weather conditions, for example the risk of its holdings being impacted by flooding. However, there is no acute danger of flooding in our core market Berlin, which accounts for 73% of our total portfolio. Our tenants could generally experience water shortages as a result of the dry summers, which would bring about a lowering of the groundwater quality. However, given that they enter into separate agreements with the water utilities, this constitutes merely an indirect risk to tenant satisfaction and does not fall within Deutsche Wohnen's immediate sphere of influence.

G4-EC3 Coverage of the organisation's defined benefit plan obligations

In the year under review, Deutsche Wohnen made pension payments (pensions, invalidity pensions, surviving spouse pensions and surviving dependant benefits) of EUR 3.6 million (2014: EUR 3.5 million) to eligible active and former employees and their surviving dependants. In total, there are pension commitments for 822 employees (of which 311 are active employees and 511 are retired employees and pensioners), which provide for pension payments on the basis of length of service and the salary level at retirement age (previous year: 834 employees, of which 325 were active employees and 509 pensioners).

Deutsche Wohnen pays contributions to state pension insurance funds from defined contribution plans in accordance with the relevant statutory provisions. It also maintains a pension plan drawn up in accordance with the regulations governing public sector supplementary pensions for employees who entered the employ of Deutsche Wohnen prior to 2000. This plan is based on membership of a Group company in the Bayerische Versorgungskammer (hereinafter referred to as the BVK) – the supplementary pension fund for municipalities in Bavaria. The supplementary pension comprises a partial or full reduced earnings capacity pension plus an age-related pension as a full pension or surviving dependant's pension. The charge levied by the BVK is determined by the employees' compensation used to calculate the supplementary pension contribution. There is also a pension plan drawn up in accordance with the regulations governing public sector supplementary pensions in place for the former employees of GSW, comprising a partial or full reduced earnings capacity pension plus an age-related pension as a full pension or surviving dependant's pension.

The Group's employee benefit liabilities amounted to EUR 64.6 million in 2015 (2014: EUR 67.7 million). Expenses in relation to defined contribution pensions amounted to EUR 5.9 million (previous year: EUR 8.2 million), resulting in total expenses for defined benefit and defined contribution retirement provisions in the amount of EUR 6.4 million (previous year: EUR 8.6 million; cf. [127](#) of the Annual Report 2015). In 2014, a social compensation plan and reconciliation of interests with regard to the dissolution of the holding was agreed upon with the works council in connection with the integration of GSW and the associated staff cutbacks. This also gave rise to restructuring and reorganisation expenses in the amount of EUR 11.6 million in 2015 in the context of the second and final phase of the integration of GSW.

G4-EC4 Financial assistance received from the government

Deutsche Wohnen received government grants in the form of disbursement subsidies, disbursement loans and subsidised-interest loans. Disbursement loans and subsidised-interest loans are property loans and are recognised as financial liabilities. In comparison with loans made under market conditions, both offer advantages such as lower interest rates or interest-free and redemption-free periods. Furthermore, Deutsche Wohnen received investment subsidies in the amount of EUR 0.1 million (previous year: EUR 0.9 million) and offset these against the relevant acquisition costs.

⁴¹ Klimawandel und Kulturlandschaft Berlin, Bericht im Auftrag: Senatsverwaltung für Stadtentwicklung

ASPECT: INDIRECT ECONOMIC IMPACTS

The provision of sound housing to satisfied tenants – this is the core of our business. However, it is not only our tenants and investors who benefit from our investments in the successful development of this business – the former in terms of higher housing quality and the latter in terms of the performance of our portfolio and the payment of dividends. The surrounding neighbourhood and the local economy, which are a source of services and materials, benefit too. Deutsche Wohnen has now extended its modernisation programme, which was launched in 2014 in the amount of EUR 280 million, to comprise an investment of EUR 400 million until the end of 2018, with approximately 85% of this amount being earmarked for investment in improvements in the standard of fixtures and fittings and the condition of our buildings in Berlin alone. We invested a total of EUR 182.1 million, or approximately EUR 20 per sqm (previous year: approximately EUR 17 per sqm), in maintenance and modernisation in the financial year 2015. Our maintenance costs remained at more or less the same level as in the previous year, while our expenditure on modernisation measures increased significantly by approximately 50%, with more than half of these investments being attributable to the modernisation programme in the amount of EUR 400 million, which is already well underway.

The extensive investments in our holdings not only enable us to directly influence the quality of the housing and the standard of living in our residential districts; they also directly support local tradespeople such as roofers, cleaning companies, waste disposal companies, horticulturists, metalworkers, electricians, plumbing companies, transport companies, locksmiths, tiling and flooring specialists, painters and carpenters. In 2015, in the context of tenant turnover and ongoing maintenance over the course of tenancies, the manual work in question was directly carried out by one of our system providers and by other local tradespeople from Deutsche Wohnen's supplier base.

The maintenance of our approximately 30,000 listed residential units in a professional manner additionally ensures that we are able to uphold the cultural identity of our residential districts. Our targeted safeguarding of historic building structures has provided us with long-standing experience in the maintenance of listed buildings in conjunction with refurbishment work aimed at improving energy efficiency levels. Thus, in November 2015 Deutsche Wohnen was awarded the "Deutscher Bauherrenpreis Modernisierung 2015" (an award for modernisation and refurbishment work) for its refurbishment of the historic listed railway workers' estate in Elstal, Brandenburg in accordance with the specifications for the preservation of historic monuments and in a tenant-friendly manner. The jury accorded particular recognition to our success in restoring the original character of the historic architecture on the estate while carrying out extensive refurbishment work with a view to energy conservation.

Furthermore, through the exchange of information and ideas and collaboration with residents, politicians and social agencies, Deutsche Wohnen helps to provide attractive living conditions within urban areas and to bring about a strengthening of social structures. Our employees also continually gauge the effectiveness of our activities in this regard on site, for example in our Service Points. We are expanding our commitment to social issues particularly in the areas in which our core capabilities can most effectively be put to use. Accordingly, we increasingly support measures in which the issue of housing plays an important role, one example being our collaboration with Hestia e.V., an association in Berlin which finds new housing for women who have been the victims of domestic violence. The company also provides apartments for the "NeuRaum – Wohnen nach dem Frauenhaus" ("NewSpace – Life after the Women's Shelter") project. We also work with various youth welfare agencies to provide support in the form of housing to young refugees arriving in Germany without parents or guardians. We rent out commercial space within our residential districts at favourable rates to social organisations and provide financial support to enable the hiring of social workers.

G4-EC7 Development and impact of infrastructure investments and supported services

In the past financial year, our investments were particularly focussed on the continuation of a number of projects in the listed housing estates originally constructed in Berlin in the 1920s and 1930s. Accordingly, since 2007 we have been carrying out extensive modernisation work on the approximately 800 residential units of the "Uncle Tom's Cabin" estate in Berlin-Zehlendorf in several construction phases. The Argentinische Allee in Berlin, which is part of the Uncle Tom's Cabin estate, is a particularly challenging project from a historical and architectural perspective. In 2015, Deutsche Wohnen completed the historically accurate refurbishment of the facades, staircases and windows, as well as the reconditioning of the outdoor facilities, investing a sum of EUR 0.5 million. By the end of 2016, Deutsche Wohnen is also set to complete its refurbishment work – which commenced in June 2015 and will cost approximately EUR 8 million – on, amongst other things, the building shells and technology, as well as the balconies, pipes and conduits, of the housing estate constructed along the Spanische Allee in Berlin-Steglitz in 1930. The total refurbishment, in accordance with the specifications for the preservation of historic monuments, of the railway workers' estate in Elstal (near Berlin), involving a total investment volume of EUR 15 million, has also been underway since the summer of 2013. We also intend to expand the attic spaces of the properties here, with a view to creating more living space.

Progress is also being made on the refurbishment measures being carried out on the White City (Weiße Stadt) Estate in Berlin-Reinickendorf as part of the "National World Heritage Sites" investment programme under the auspices of the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety. Since 2009, Deutsche Wohnen has invested approximately EUR 8.2 million (EUR 2.35 million of which is public funds) in the refurbishment of the building shells and the restoration of the estate's green areas in accordance with the specifications for the preservation of historic monuments. The measures being implemented are part of extensive refurbishment work on the White City Estate to be completed in 2017 and costing a total of approximately EUR 23 million. The estate, which comprises 1,268 residential units, was given recognition as a UNESCO World Heritage Site in 2008. By the end of 2016, Deutsche Wohnen will be investing a further EUR 8.4 million in the refurbishment of the Ring Estate (Ringsiedlung) in Siemensstadt in Berlin in accordance with the specifications for the preservation of historic monuments. The estate has also been recognised as a UNESCO World Heritage Site since 2008.

We are carrying out modernisation work on a further three estates from the 1920s and 1930s in Rixdorfer Strasse, Friedrich-List-Strasse and Baumschulenweg in the borough of Treptow-Köpenick in Berlin. These estates comprise more than 1,000 residential units and we will be investing a total of approximately EUR 23 million in their extensive refurbishment in accordance with the specifications for the preservation of historic monuments and with a view to energy conservation.

In the summer of 2014, we commenced extensive refurbishment work on our holdings, comprising approximately 1,300 residential and commercial units, on the Hellersdorfer Promenade estate in Berlin. The work will be completed in phases, probably by the end of 2017. The total amount of our investment in this estate, which was originally constructed at the end of the 1980s, will be approximately EUR 39 million.

The refurbishment work on a building in the Sachsenhausen district of Frankfurt/Main, which commenced in May 2015 in the value of approximately EUR 1.9 million, was successfully completed in mid-December, and the new tenant, the German Red Cross (Deutsches Rotes Kreuz), plans to use the building as a halfway house for individuals in need of temporary accommodation over the next 15 years. At the beginning of December 2015, Deutsche Wohnen successfully completed its refurbishment work, which commenced at the end of August 2015 and cost EUR 0.5 million, on 55 balconies in Elmstrasse and Schwarzwaldstrasse in the Sahlkamp-Mitte district of Hanover. There are also plans for the extensive maintenance and modernisation of a block of buildings in Spessartweg by around the end of 2016, with the total costs in the amount of EUR 4.0 million being shared equally by Deutsche Wohnen and urban development promotion programmes.

Our new construction project in Potsdam-Babelsberg, which was completed in 2016, and our planned new building project for the inner-city redensification of the "Westend" district in Berlin-Charlottenburg – for which preliminary planning approval was obtained at the beginning of 2016 – will create a total of more than 700 new apartments located in popular urban areas. Deutsche Wohnen, moreover, intends to launch further new construction projects. A total of 1,700 residential units could well be created in Berlin and in the Rhine-Main area over the short to medium term, while there are plans for the construction of as many as 7,000 residential units, involving a total investment of EUR 1.3 billion, over the long term.

G4-EC8 Extent of significant indirect economic impacts

In connection with the management of its property holdings, Deutsche Wohnen awarded approximately 51,350 individual contracts in the value of approximately EUR 65 million to local tradespeople and our system providers in 2015, solely with regard to tenant turnover and ongoing maintenance work. Of this total number, 34,853 contracts with a volume of EUR 47.0 million were awarded to regional tradespeople in the Berlin/Brandenburg region, 13,710 contracts in the value of EUR 16.0 million were awarded in the West Germany region, and 2,785 contracts with a volume of EUR 2.0 million were awarded in Central Germany.

Deutsche Wohnen continued to press forward with the reorientation of its donation strategy in the year under review. Our commitment to social issues is particularly strong in the areas surrounding our holdings, where our core capabilities can most effectively be put to use. We firmly believe that smaller-scale endeavours in various locations will often have a greater impact than single, larger-scale campaigns. In 2015, one particular area of focus in this regard was the provision of aid to refugees and other groups of individuals in need.

We contributed approximately EUR 20,000 to projects fostering integration and understanding in Marzahn-Hellersdorf, Berlin, and sponsored, among other things, a survey conducted by the Alice Salomon Hochschule for the purpose of identifying the potential for action and the interests of residents and individuals from the nearby home for refugees. We also donated funds and provided commercial space in support of the attempt to break the record for the "Longest Picnic Table in the World", which was made in the Kastanienboulevard district as a means of fostering understanding among residents, refugees, students and schoolchildren. Together with the management team for the "Zentrum Kreuzberg" neighbourhood, we built a venue for local meetings and also donated EUR 5,000 to this facility. In Berlin-Lichterfelde we granted rent-free accommodation to the community centre, Stadteilzentrum Steglitz, and contributed EUR 25,000 towards the financing of a project worker.

We have been working with various youth welfare agencies (Kinder- und Jugendhilfeverbund gGmbH Berlin-Brandenburg, JaKuS e.V., Pad gGmbH) to provide aid to young refugees since 2015, providing ten apartments in Hellersdorf and Lichtenberg

to date. In addition, we donated EUR 10,000 towards the qualification of a Syrian social worker and the adaptation of the "Wohnführerschein" (a certificate entitling a young person to live independently) in line with the needs of young refugees. Furthermore, Deutsche Wohnen has been working with the Regional Office for Health and Social Affairs (LAGeSo) for Berlin to find housing for refugees since 2015.

We extended our support for the "Sonnenhof" children's hospice in Berlin-Pankow beyond donations to also include the sharing of our management expertise and procurement benefits with a combined value of EUR 13,000. Thus, Deutsche Wohnen was able to negotiate more favourable terms with the hospice's utility company for the supply of gas and electricity.

In 2015, we continued our support for the Manna Family Centre operated by the Malteser Hilfsdienst e.V. in the Gropiusstadt district of Berlin, in the form of a donation of EUR 5,000. Since 2012, we have supported the activities of Spats e.V. (the umbrella organisation for social facilities) at its "NaDu" day care centre on a council housing estate in Hanover that is characterised by high-rise buildings. In 2015, Deutsche Wohnen provided funds in the total amount of approximately EUR 29,000 for the project, assuming part of the costs for the salary of a social worker, among other things. We waive annual ground rent from the Luisa Haeuser-Frauen-Stiftung, a women's foundation based in Frankfurt/Main, in the amount of EUR 13,744 and, in so doing, support the running of residential accommodation for the elderly. We likewise provide rent-free or reduced-rent accommodation in former GSW holdings in Spandau and also in Deutsche Wohnen holdings in Hellersdorf to selected associations as a means of demonstrating our support for their commitment to social issues. In 2015, we also provided financing for a number of projects on our estates, for example the "Creative Project" of the State Acrobatics School of Berlin in the Carl Legien Residential Estate and the "Fairytale Revisers" ("Märchenänderer") project in Neukölln, which encourages creative expression among disadvantaged children. Our community-related donations increased by 60% in 2015, as compared to 2014, to a total of EUR 146,500. In addition, Deutsche Wohnen sponsored a total of 7,000 "children's holiday passes" in the amount of approximately EUR 90,000 in Berlin and Hanover. Moreover, as of May 2016, we will be subsidising "free-entry Wednesdays" at the Bröhan Museum in Berlin.

ASPECT: PROCUREMENT PRACTICES

See supply chain disclosure in G4-12.

G4-EC9 Proportion of spending on local suppliers

See supply chain disclosure in G4-12.

CATEGORY: ENVIRONMENTAL

ASPECT: MATERIALS

The materials consumed by Deutsche Wohnen largely come under one of three main categories: those used in major projects such as the refurbishment of residential buildings, those used in smaller projects involving ongoing maintenance and tenant turnover, and those used in new construction. As these projects are carried out by subcontractors, disclosure of the quantities of the materials used is often only possible to a limited extent (see "G4-12 Supply chain of the organisation").

The services provided by our system providers are governed by a standard price list which covers 80 to 90% of the standardised services applicable in the context of tenant turnover. This standard price list defines standard quality products – amongst others washbasins, tiles or taps –, on the basis of which the system providers then select and install the materials to be used. Another standard price list is currently being developed, with appropriate quality criteria applicable in the case of frequently recurring measures for ongoing maintenance with an individual contract value of more than EUR 1,000.

B&O Deutsche Service GmbH is used as a purchasing platform for generating price advantages in the context of bulk orders. The same quality standards apply here. No specific sustainability criteria apply.

Suppliers for new building projects are obligated to comply with the DGNB standards regarding the use of sustainable materials, with those suppliers having entered into a written undertaking to this effect.

The "paperless office" approach is adopted in the areas of administration and the processing of contracts and invoices. To this end, business processes are continually being digitalised whilst the stated goal is the paper-free processing of all procedures.

G4-EN1 Materials used by weight or volume

The following relevant quantities of materials used in the context of refurbishment, modernisation, ongoing maintenance, tenant turnover and new construction work carried out by Deutsche Wohnen could be evaluated in the year under review. In the case of ongoing maintenance work and tenant turnover, 90 t of screed was used as a replacement for asbestos. The thermal insulation of our existing properties called for 1,438 m³ of Styrofoam, 5,772 m³ of mineral wool and 10,742 m³ of cellulose blown-in insulation. The goal of our residential property management company, DWCF, of selecting thermal insulation materials in the future on the basis of environmental criteria was thus achieved.

We are able to provide more detailed data with regard to the construction of 103 new apartments in Potsdam-Babelsberg, twelve of which consist of terraced housing. This involved the use of 1,075 m³ of concrete, 18 t of concrete blocks, 438 m³ of sand-lime bricks, 76 m³ of drywall, 85 m³ of cement, 37 t of gravel, 226 t of steel, 30 t of wood, 690 m³ of masonry bricks and 80 m³ of plaster. 381 m³ of mineral wool and 404 m³ of polystyrene were used for insulation purposes. The materials used were selected on the basis of their recyclability throughout.

The administrative locations used 45.9 t of paper (2014: 45.0 t), comprising 39.6 t of copier paper, 5.9 t of letter paper and 0.4 t of forms (2014: 38.2 t of copier paper, 5.9 t of letter paper and 0.9 t of forms).

G4-EN2 Percentage of materials used that are recycled input materials

Deutsche Wohnen is aware of the environmental advantages presented by recycled materials and strives to use these wherever possible. Thus, for example, approximately 10 to 15% of the window frames installed are made of recycled materials.

ASPECT: ENERGY

Housing accounts for a significant proportion of global energy consumption. According to the German Environment Agency, approximately 69% of the energy consumption of private households is used for heating purposes and 15% for the generation of warm water, with the remaining 16% being used for cooking, refrigeration and lighting purposes, and for powering other electrical appliances.⁵¹ Energy-efficient residential buildings, therefore, constitute a major factor in the attainment of climate targets agreed upon at an international level. With approximately 146,000 residential units in the Deutsche Wohnen portfolio, we are very much aware of our responsibilities with regard to these targets.

The lion's share of our energy consumption is attributable not to the various processes in place within our organisation, but to our product itself, the letting and management of housing. It is not possible to collect all of the consumption data for our tenants – energy, heating and water – given that, as is standard in the housing administration context, they are not exclusively supplied with energy by Deutsche Wohnen but enter into separate contracts with utility companies. However, where it is possible for us to take readings, for example where thermal energy is supplied through a central heating system, we do collect the relevant data. We are measuring such consumption in the context of a pilot project which analyses suitable residential properties, the scope of which is extended every year. Given that we have adjusted the composition of the universal set for the pilot project with retroactive effect for 2014, the absolute data is commensurate with the like-for-like approach and so is not reported separately.

In order to ensure the efficient use of energy in our residential units, we continually refurbish and modernise our holdings, investing in thermal insulation measures and the renewal of heating facilities, as well as regenerative or efficient means of energy generation, which primarily involves the decentralised, combined-heat-and-power generation of electricity. In 2013, we entered into a strategic cooperation with the utility company GETEC for the purposes of the analysis of our holdings and the development of individual concepts for improving efficiency and lowering consumption. Together, we are systematically examining the as yet unexploited potential of improved thermal insulation or the use of modern systems technology.

The specialist know-how of our joint venture company G+D relates to energy procurement, energy generation and the distribution of energy within buildings, and this expertise provides the basis for the development of individual concepts for the supply of energy to the properties in our portfolio. Accordingly, G+D supplies approximately 30% of Deutsche Wohnen's holdings – which corresponds to approximately 45,000 residential units – by way of a uniform gas and an industrial heat supply arrangement. In addition, the company has already refurbished heat generation plants for 4,000 residential units since 2013, and now operates these itself. These efficiency gains benefit both our tenants and the environment.

In drawing up plans for the development of new city neighbourhoods, Deutsche Wohnen exploits any potential for increasing energy efficiency by investigating possible means of reducing energy requirements and using renewable forms of energy at an early stage, and incorporating these into its urban development plans. The main parameters in this connection are the energy standard of the envisaged buildings and the heat supply. This means that Deutsche Wohnen designs and realises its new builds in accordance with integrated energy concepts.

We also conduct our business operations in accordance with environmental criteria. In the financial year 2015, Deutsche Wohnen replaced more than 65 company cars, largely deployed as part of a fleet of vehicles in a car pool, with new vehicles, carrying out a pre-acquisition needs assessment with regard to monthly mileage, the number of journeys completed per day and the individual kilometre readings per journey, as well as the necessary vehicle size. An important criterion for the selection of the new vehicles was low CO₂ emissions. We will be developing emissions guidelines for our vehicle fleet on the basis of these analyses in 2016.

As part of its energy audit conducted in accordance with DIN EN 16247-1, Deutsche Wohnen collected extensive data on the energy consumption of its own administrative locations, which it verified and supplemented through on-site visits. The potential for energy savings was identified and evaluated in the context of the analysis of this data, and documented in a report which was then submitted to management and used as a basis for the direct implementation by Deutsche Wohnen of measures to optimise the flow of energy within the company, thereby laying the foundation for further measures to be taken in 2016.

⁵¹ The German Environment Agency (Umweltbundesamt), energy consumption by private households [in German: Energieverbrauch der privaten Haushalte], <https://www.umweltbundesamt.de/daten/private-haushalte-konsum/energieverbrauch-privater-haushalte>, accessed on 12/4/2016

G4-EN3 Energy consumption within the organisation

In the year under review, 1,476.2 MWh of direct energy was consumed by Deutsche Wohnen in the context of its business operations, including the operation of its vehicle fleet. For the first time, the data collected for this year comprises a renewable source of energy, with pellets being used to generate thermal energy for one of our locations.

In the year under review, 4,038.3 MWh of indirect energy (electricity, district heating) was consumed by Deutsche Wohnen in the context of its overall business operations. Since 2012, we have been using hydroelectric power to meet 100% of the total in-house electricity requirements of our administrative locations.

The communal electricity requirements (electricity for entrance and hallway lighting and the operation of technical facilities) of the approximately 140,000 rented residential units which were part of our portfolio over the entire course of the year amounted to 31,555 MWh (2014: 30,940 MWh, for approximately 140,000 residential units). We used hydroelectric power to meet 100% and 95% of the communal electricity requirements of our rented holdings in 2014 and 2015 respectively. We were able to calculate the total consumption of natural gas by our holdings. The disclosed consumption data with regard to heating oil is based solely on readings of heating systems under operational control in the context of the pilot project and relates to 10,062 residential units, with the result that it is not representative of the portfolio as a whole.

The third construction phase, completed in 2015, of the new build project in Potsdam-Babelsberg involved the consumption of 95.5 MWh of electricity from mixed sources (60% thereof being renewable energy sources).

The total consumption of energy from non-renewable sources amounted to 162,748.4 MWh (585,894.24 GJ), while the consumption of energy from renewable sources amounted to 31,111.2 MWh (112,000.32 GJ).

Like-for-like data is calculated for the administrative locations, including transport, as these produce recurring and comparable consumption data. In contrast, the calculation of like-for-like data is not helpful in the case of new construction projects and holdings. New building projects are carried out in phases and not on a sufficiently regular basis to enable equivalent comparisons over a number of years, while consumption data for our

holdings can, for technical reasons, only be allocated to companies with fluctuating numbers of residential units and not yet with sufficient precision to individual properties or residential units.

The consumption data collected with regard to the vehicle fleet indicates an increase in energy consumption of 17%. This development is due to the expiry of leasing agreements for the vehicle fleet of the former GSW, the consumption data for which was processed as part of the leasing agreements in question and thus could not be evaluated here, and to the replacement of these vehicles by vehicles from Deutsche Wohnen's fleet. In spite of the considerable increase in absolute terms, a decrease in average fuel consumption of 5% was recorded as a result of the acquisition of more economical vehicles and the implementation of more economical driving techniques.

Energy consumption of Deutsche Wohnen

MWh	Absolute values		Like-for-like	
	2015	2014	2015	2014
Direct energy				
Natural gas (administration)	817.7	743.3	650.4	739.9
Natural gas (holdings)	155,206	169,431		
Heating oil (holdings)	1,422.6	1,343.6		
Heating oil (administration)	34.2	15.7	12.4	13.1
Pellets (administration)	0.9	0.9	0.9	0.9
Diesel (heating for new building)	13.3	-		
Diesel (construction machinery for new building)	41.9	-		
Petrol (transportation)	518.1	464.7	364.0	413.2
Diesel (transportation)	116.0	39.4	22.2	32.8
Indirect energy				
Electricity (administration)	1,075.7	1,212.0	708.0	693.5
Electricity (holdings)	31,555	30,940		
Electricity (new building)	95.5	167.4		
District heating (administration)	2,962.6	3,011.3	1,523.4	1,405.7
Energy consumption administration	5,514.5	5,499.3	3,280.9	3,298.2
Energy consumption Total	193,859.5	207,369.3		

G4-EN4 Energy consumption outside of the organisation

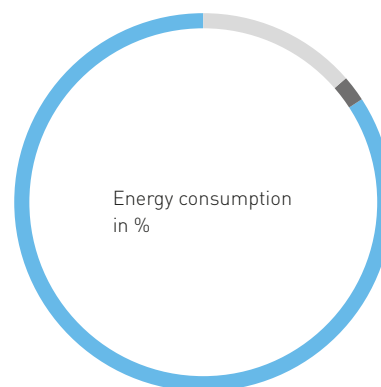
The energy consumption data for our rented residential units represents the consumption by our tenants as measured via central heating systems. This energy consumption is largely dependent on the heating practices of the tenants in question, and can only be influenced by Deutsche Wohnen by indirect means, such as through the optimisation of central heating systems or the implementation of thermal insulation measures.

In 2015, we were able to increase the number of residential units included in the pilot project by 7,633, and also adjusted the data for 2014 accordingly with retroactive effect. Given that the composition of the universal set is now the same for both years, the absolute data is commensurate with the like-for-like disclosure.

The consumption of natural gas and heating oil via heating systems which are under the operational control of Deutsche Wohnen has already been designated as consumption within the organisation under G4-EN3, and is once more being disclosed in the present context in the interests of providing more detailed disclosure of tenant consumption than that provided under CRE1. In addition, Deutsche Wohnen has included district heating as a further form of energy as part of its extension of the scope of its data collection activities. We use district heating, which is often produced by means of energy-efficient, combined heat and power generation, in the majority of our rented holdings. We have adjusted the consumption data for 2015 on the basis of the climatic factors published by the German National Meteorological Service (DWD), and will align this with the actual consumption data in our next report.

The currently available data for 2014 is not directly comparable with the data published in our previous report, in which the data basis consisted of 21 rental properties in Berlin comprising a total of 2,429 residential units and approximately 137,000 sqm of living space. By contrast, the data basis for the present Report consists of 30 rental properties comprising a total of 10,062 residential units and approximately 620,000 sqm of living space.

Energy consumption: pilot project (holdings)



MWh	2015 ¹⁾	2014
■ Natural gas	8,651.0	8,218.7
■ Heating oil	1,422.6	1,343.6
■ District heating	53,213.2	51,083.5
Total energy consumption	63,286.8	60,645.8

¹⁾ Data estimated on the basis of climatic factors as defined by the German National Meteorological Service (DWD)

G4-EN5 Energy intensity

The energy intensity of the administrative locations and the residential units for the pilot project is calculated per square metre of commercial or living space. Due to the retroactive adjustment of the basis for calculation, a direct comparison with the data reported in 2014 is not possible.

Energy intensity in the administration and holdings contexts

MWh	2015	2014
■ Administrative locations of Deutsche Wohnen Energy consumed per sqm of commercial space	0.121	0.124
■ Pilot project holdings Energy consumed per sqm of living space	0.106	0.101

G4-EN6 Reduction of energy consumption

In the year under review, Deutsche Wohnen carried out inspections of most of the office premises of its administrative locations as part of the statutorily prescribed energy audit conducted in accordance with DIN EN 16247-1, also identifying and implementing energy efficiency measures. The former location of GSW at Goebelstrasse 55a in Berlin underwent a full renovation, including refurbishment with a view to energy conservation, which involved, amongst other things, the insulation of the outer walls and the replacement of the portable air conditioning units with in-built, energy-efficient devices on all of the office premises. Moreover, virtually all of the existing lighting systems were replaced with LED lighting, with this measure alone resulting in electricity savings of more than 43% or approximately 6,200 kWh. The Pfaffenwiese 300 location in Frankfurt/Main, with just under 75 employees, is housed on the premises and in the buildings of a former nurses' residence from the 1950s. Here, the outdoor lighting alone, with a consumption of 8,100 kWh, accounted for 10% of the location's total energy requirements. Now, following the installation of LED lamps, Deutsche Wohnen AG is able to realise annual electricity savings of more than 88% of this figure or approximately 7,200 kWh. At our location in Schützenallee 3, Hanover, the deactivation of two superfluous split-type air conditioning devices has enabled us to cut our electricity consumption by 15,800 kWh per year, and the replacement of the outdoor lighting a further 3,200 kWh per year. Another location has benefited from the installation of modern air conditioning systems and insulation. Furthermore, we are assessing the potential for optimising heating systems and electricity meters. Deutsche Wohnen has introduced a system for monitoring energy consumption at all of its administrative locations, with a view to achieving a permanent reduction its energy costs.

In 2015, we concluded the implementation of our "Green IT" efficiency programme for our IT infrastructure with the modification of our computer systems for the use of energy-saving "thin clients", a measure which is expected to result in savings of approximately 44.0 MWh per year.

In 2015, we shared tips, via an internal employee e-mail, for saving electricity, heating and fuel over the normal course of the working day, including completely switching off monitors upon leaving the office, adjusting office lighting in line with the amount of natural daylight available, intermittently airing offices instead of leaving windows ajar on a continuous basis and adopting fuel-saving techniques when driving company cars.

G4-EN7 Reductions in energy requirements of products and services

The lowering of the energy requirements of buildings is a central component of efforts to achieve the "2 degrees target" set by the 21st Conference of the Parties to the UN Framework Convention on Climate Change in 2015. As one of the leading real estate companies in Europe, Deutsche Wohnen recognises the responsibility it bears in this regard and is investing in measures to lower the energy requirements of its residential units.

The joint venture company Gesellschaft für Energiemanagement mbH (G+D), which was established in 2013 in cooperation with the utility company GETEC, systematically assesses the energy efficiency potential of the properties within our portfolio as a whole. This analysis takes a data-based approach and is verified by means of on-site inspections, where necessary. To date, the company has inspected and evaluated more than 1,140 facilities of Deutsche Wohnen throughout Germany, and resultant measures were implemented in our holdings in the year under review.

One special project involved the insulation of facades and basement ceilings, as well as the insulation of attic spaces in 1,500 residential units, thereby increasing the thermal insulating properties of the buildings in question by 50 to 70%. Approximately 740 residential units benefited from the installation of 520 new wooden windows with insulated glazing and 2,160 new plastic windows with insulated glazing and the approximately 50% improvement in thermal insulation that resulted from these measures. The heating systems and warm water-generation facilities of 260 residential units underwent modernisation.

Concerning the refurbishment of existing buildings in the historic railway workers' estate in Elstal, Brandenburg, in accordance with the specifications for the preservation of historic monuments, we were able to lower the primary energy requirements and emissions of the estate by more than 60%.

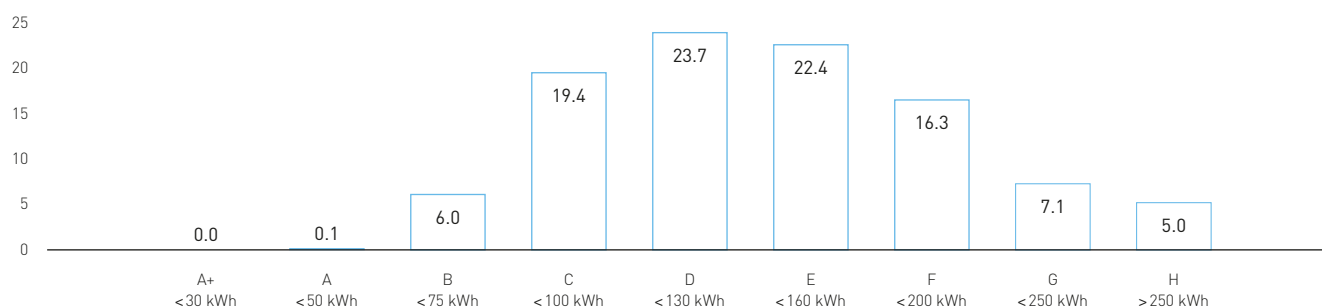
CRE1 Building energy intensity

We carried out an analysis of the energy intensity of our holdings in accordance with the provisions of the German Energy Saving Ordinance (Energieeinsparverordnung – EnEV). In the reporting year, the residential units of GSW were also included for the first time, with the data collected comprising approximately 84% of our total portfolio, while approximately 3% of our holdings have not yet been classified and a further 13% comprise listed buildings which are not subject to classification.

The extent of the modernisation measures implemented is reflected in the energy balance of our holdings. The consumption of approximately 72% of our residential units is below the average for residential buildings in Germany (160 kWh/sqm per year),⁶¹ while that of approximately 26% of our residential units is at a good level of below 100 kWh/sqm per year (A+ to C), with the average consumption of our holdings amounting to 139.1 kWh/sqm per year.

Energy intensity of residential units

Summary of the energy efficiency categories¹¹ according to final energy requirements in kWh per year in %



¹¹ In the absence of a clear determination of the form of heating used, deviations of around 20 kWh in the final energy requirement are possible. A categorisation according to energy efficiency, therefore, has only been made with loose reference to the German Energy Saving Ordinance (Energieeinsparverordnung – EnEV). The data covers approximately 84% of the overall holdings. With listed units subtracted, around 3% of the holdings remain unclassified.

ASPECT: EMISSIONS

Climate protection constitutes one of the major challenges of our time. The emission of greenhouse gases through the generation of electricity and the heating of buildings and as a result of traffic and industrial activities contributes greatly to global warming. Deutsche Wohnen is thus increasingly focusing on the use of renewable energy and on improving the energy efficiency of its holdings.

In 2012, we began to collect environmentally relevant data in an attempt to understand the sources of our emissions and thus create transparency both for ourselves and our stakeholders. We are continually working to develop our database in order to obtain an accurate picture of overall consumption and raw material flows. To this end, we have expanded our data set for the third year in a row, ascertained the energy consumption of

our administrative locations and our holdings, and calculated the associated CO₂ emissions. We have taken the Global Emissions Model for Integrated Systems (GEMIS 4.94), which takes account of all greenhouse gas-related impacts along the value-added chain, as the basis for our calculation. Emission data is reported in accordance with the stipulations of the international standards of the Greenhouse Gas Protocol (GHG Protocol).

⁶¹ The Energy Performance Certificate: Specifications for Residential Buildings [Der Energieausweis: Steckbrief für Wohngebäude] <https://www.verbraucherzentrale.de/Der-Energieausweis-Steckbrief-fuer-Wohngebäude-4>, accessed on: 27/1/2016

G4-EN15 Direct greenhouse gas (GHG) emissions (Scope 1)

Direct greenhouse gas emissions by Deutsche Wohnen

t CO ₂ eq	Absolute values		Like-for-like	
	2015	2014	2015	2014
Heating (administration)	213.8	190.1	188.6	166.0
Transport (administration)	206.7	165.8	127.2	146.7
Heating (new building)	4.3	-		
Construction machinery (new building)	12.7	-		
Heating (holdings)	38,801.5	42,357.7		
Direct GHG emissions administration	420.5	355.9	315.8	312.7
Total direct GHG emissions	39,239.0	42,713.6		

G4-EN16 Indirect greenhouse gas (GHG) emissions (Scope 2)

We use hydro-electric power to meet 100% of the total communal electricity requirements of our administrative locations, and thus operate on a CO₂-neutral basis in this regard. We meet 95% of the communal energy requirements of our rented holdings using electricity from renewable sources (2014: 100%).

Indirect greenhouse gas emissions by Deutsche Wohnen

t CO ₂ eq	Absolute values		Like-for-like	
	2015	2014	2015	2014
District heating (administration)	481.4	485.2	256.8	236.3
Electricity (holdings)	956.3	-		
Electricity (new building)	9.8 ¹⁾	22.9 ²⁾		
Total indirect GHG emissions	1,447.5	508.1		

¹⁾ Emission factor of the energy provider mix of Energie und Wasser Potsdam GmbH (EWP) in accordance with section 42 of the Energy Industry Act (EnWG), last updated: 2014

²⁾ Emission factor of the energy provider mix of Energie und Wasser Potsdam GmbH (EWP) in accordance with section 42 of the Energy Industry Act (EnWG), last updated: 2013

G4-EN17 Other indirect greenhouse gas (GHG) emissions (Scope 3)

Other greenhouse gas emissions are generated by the consumption of district heating by our tenants.

Indirect greenhouse gas (GHG) emissions: pilot project (holdings)

t CO ₂ eq	2015	2014
District heating (holdings)	8,248.1	7,917.9
Total indirect GHG emissions	8,248.1	7,917.9

G4-EN18 Greenhouse gas (GHG) emissions intensity

Greenhouse gas emissions intensity: administration

t CO ₂ eq per sqm of commercial space	2015	2014
	0.017	0.017

G4-EN19 Reduction of greenhouse gas (GHG) emissions

Given that we obtain 95% of the communal electricity (entrance and hallway lighting and operation of central electrical facilities) for our approximately 140,000 rented residential units (only including those holdings which were in our possession over the entire course of the year) from hydro-electric power – i.e. renewable energy –, we were able to realise savings of 18,170.3 t of CO₂ equivalents in the year under review (2014: 16,315.9 t of CO₂ equivalents), as compared to a mix of non-renewable energy sources.

Including the electricity consumption of our administrative locations in the amount of 1,075.7 MWh, we realised savings in the total amount of approximately 18,822.4 t of CO₂ equivalents in 2015 (2014: 16,955.0 t of CO₂ equivalents), as compared to a mix of non-renewable energy sources.

The quantifiable measures taken to improve the energy efficiency of our administrative locations resulted in a lowering of CO₂ equivalent emissions in the amount of 18.6 t.

The new bike-sharing concept for the purpose of mobility within our holdings and between administrative locations was positively received, with employees being provided with additional company bicycles in 2015, a measure which contributed towards the overall reduction of emissions.

CRE3 Greenhouse gas (GHG) emissions intensity from buildings

Greenhouse gas emissions intensity: pilot project (holdings)

	2015	2014
t CO ₂ eq per sqm of living space	0.017	0.017

CRE4 Greenhouse gas (GHG) emissions intensity from new construction and redevelopment activity

A CO₂ intensity of 0.015 t of CO₂ equivalents per sqm of living space was calculated in relation to the completed living space of 1,780 sqm for the third construction phase, completed in 2015, of the new build project in Potsdam-Babelsberg. The increase as compared to the result for the previous year is due to the consumption of diesel being included in the data for this reporting year.

G4-EN20 Emissions of ozone-depleting substances (ODS)

The coolants used by us in the air conditioning systems in our conference rooms, in the canteen and in the rooms used to house technical facilities at the head office in Berlin are in line with the most recent standards and do not exhibit any ozone-depleting potential. As a non-producing company, the disclosure of emissions of ozone-depleting substances is not of relevance for Deutsche Wohnen.

G4-EN21 NO_x, SO_x and other significant air emissions

The calculated quantities of the emissions of particulate matter, sulphur and nitrogen in connection with the procurement of direct energy, including any measurable consumption by our holdings and the vehicle fleet of Deutsche Wohnen, totalled 37.991 t in 2015 (2014: 35.107 t). With regard to new builds, diesel consumption produced 0.032 t of air emissions.

Air emissions of Deutsche Wohnen

In t	2015	2014
Business operations of Deutsche Wohnen		
SO ₂	3.508	3.317
NO _x	33.156	30.562
Particulate matter	1.327	1.228
New building		
SO ₂	0.009	-
NO _x	0.022	-
Particulate matter	0.001	-
Total air pollution	38.023	35.107

ASPECT: PRODUCTS AND SERVICES

The environmental impacts of our buildings depend on their architecture, the materials used in their construction, the way they are integrated into the local infrastructure and the way they are used by our tenants. Although Deutsche Wohnen may have little influence over the actions of its tenants, it can implement other environmental protection measures. For example, we place great value on ensuring that we use high-quality construction materials in our holdings.

We are continually modernising our holdings with a view to achieving a more efficient use of energy. To achieve this, we invest in thermal insulation measures, the renewal of heating facilities, and regenerative or efficient means of energy generation, which primarily involves the decentralised, combined heat and power generation of electricity. In 2013, we entered into a strategic cooperation with the utility company GETEC for the purpose of analysing our holdings and developing individual concepts for improving efficiency and lowering consumption (see also G4-EN7).

Our new building activities, which were taken up in 2014, have been carried out in compliance with sustainability criteria from the outset and we construct our buildings in accordance with established guidelines, for example the standards of the German Sustainable Building Council (DGNB). We also take account of building biology criteria, such as the use of non-hazardous construction materials, the creation of a healthy indoor environment, a high quality of indoor ambient air, window frames made of wood from renewable sources or network circuit breakers for the avoidance of electro smog. We set high standards for the environmental sustainability of our new builds and to some extent use construction materials which are certified in accordance with the Cradle to Cradle® concept. These are designed for use in cyclical material flows and create closed circulatory systems for the complete recycling of materials.

We take a holistic approach to our new builds, viewing them as part of the surrounding district, which in turn has a direct influence on the amenity value of and the quality of life in our properties. Taking an "equivalent to parking spaces" approach, for example, Deutsche Wohnen investigates the extent to which individual motorised traffic may be replaced by alternative concepts of mobility, such as local public transport, sharing options, and bicycle and pedestrian traffic. In this manner, investments can be diverted to infrastructural measures, instead of providing the parking spaces prescribed by building law in the form of underground car parks and parking decks for passenger cars with internal combustion engines. This planning tool can thus facilitate the creation of economical and high-quality housing, the responsible handling of resources and the development of sustainable forms of traffic in local areas.

In addition, we are keen to promote the exchange of information and ideas between housing initiatives and established players in the housing market with regard to multi-generational living arrangements, climate protection and sustainable mobility. For this reason, Deutsche Wohnen, in its role as industry representative, supports the "WohnMobil" ("Mobile Living") research project, which is funded by the Federal Ministry of Education and Research (Bundesministerium für Bildung und Forschung – BMBF). This project aims to identify innovative ideas in community housing and mobility concepts and to make these ideas accessible and economically viable for established housing companies. A further aim of the project is to make a knowledge pool available to housing initiatives. Models for the planning, development and implementation of community mobility and utilities services as well as types of land use are jointly developed and tested, with a view to ascertaining their economic viability and their social and environmental impacts.

Deutsche Wohnen's work on the inner-city redensification of the "Westend" district of Berlin-Charlottenburg is a testament to its assumption of responsibility for the sustainable development of the district, and represents a lighthouse project for urban development in Berlin. In this way, we are demonstrating our commitment to ensuring the high quality of our properties in terms of their urban design and architecture through the use of environmentally friendly construction materials, the maintenance of a high level of energy efficiency and the provision of diverse mobility options. In selecting the materials we use, we place great value on longevity, health-related aspects and manufacturing techniques which conserve resources, but not at the expense of our tenants. We strive to keep our operating costs low by adopting energy-efficient construction methods, and also to keep rents affordable by keeping construction and maintenance costs at a reasonable level. The costs accruing over the life cycle of our properties – from the planning stage to demolition – show that the total costs for sustainably constructed buildings are significantly lower than is the case for conventionally constructed buildings, and it is for this reason that we adopt a long-term approach in favour of sustainable building practices.

G4-EN27 Mitigation of environmental impacts of products and services

The rented residential units of Deutsche Wohnen are required to meet high standards with regard to health and the environment. This is the ultimate goal of our core business, one which we are continually striving to achieve.

We dispose of any construction materials in our existing buildings which contain asbestos or are otherwise hazardous in a professional manner and replace them with suitable alternatives. In 2015, 823 measures for the removal of hazardous substances were implemented in the context of eliminating asbestos from our holdings in Berlin, with potentially hazardous floor slabs and window sills being replaced with safe materials such as screed. We dispose of contaminated materials in the prescribed manner in order to ensure that they pose no threat to the environment.

A further measure for the environmental integration of our buildings consists of projects for the creation of green areas, which include the "greening" of facades and outdoor areas with the emphasis on aesthetic appeal as well as aspects of biodiversity and recreation.

Materials used in our buildings are checked for compatibility and selected accordingly. For example, we make use of cobblestones, which are capable of binding hazardous substances in the ground, in our outdoor areas. With regard to new builds, we observe building biology criteria and the Cradle to Cradle® concept. Insulation for non-load bearing interior walls does not consist of the customary mineral wool fibre but of environmentally sound and permeable lightweight wood fibre boards, which are unproblematic from a building biology perspective and which, despite their minimal layer thickness, also provide greater sound insulation than comparable mineral wool boards. We use wooden windows or windows made of wood/aluminium instead of plastic (PVC chain). These require less external refurbishment and contribute positively to room climate and improved aesthetics. Synthetic dispersions are replaced with silicate paint with mineral binding agents.

The "energy transition" requires surface areas for the production of renewable energies – areas which Deutsche Wohnen is able to provide. On the roofs of its holdings – particularly those in Brandenburg, Berlin, Saxony and Saxony-Anhalt –, it operates 79 photovoltaic systems which have a total installed output of 1,318 kWp and generate approximately 1,075 MWh of electrical energy per year. In 2015, this energy source enabled the production of approximately 622 t fewer CO₂ equivalents, as compared to a conventional energy mix source. This broadening of the range of renewable energy options meant that a further contribution could be made to the CO₂ neutrality of our tenants' energy consumption.

We prefer to use exterior insulation finishing systems (EIFSs) with mineral plaster and a special surface finish, which avoids the biocides and fungicides which are otherwise common with EIFSs and which then leach out into the underlying ground and the groundwater. This system, moreover, has a noticeably longer life span than that of conventional plaster.

ASPECT: LAND DEGRADATION, CONTAMINATION AND REMEDIATION

When carrying out modernisation or maintenance work or new building projects, Deutsche Wohnen treats the relevant plots of land with due care. Plots for new builds are carefully examined for any evidence of contamination and treated in accordance with the applicable statutory requirements.

CRE5 Land remediated and in need of remediation for existing or intended land use, according to applicable legal provisions

No areas required remediation in the year under review.

ASPECT: OVERALL

Deutsche Wohnen does not have any formal system of environmental management in place. Investments in environmental protection comprise measures for the conservation of resources at the company's administrative locations and in its holdings (see also Management Approach Energy).

G4-EN31 Total environmental protection expenditures and investments by type

In 2015, Deutsche Wohnen invested approximately EUR 2.5 million in the renovation of its administrative locations, also taking account of measures to improve energy efficiency (see G4-EN6). External costs were incurred in connection with the previously completed energy audit by the energy agency.

Expenses in the amount of approximately EUR 1.6 million were incurred in 2015 in connection with the professional removal of hazardous substances in the context of ongoing maintenance work carried out both over the course of tenancies and upon changes of tenant.

CATEGORY: SOCIAL

LABOUR PRACTICES AND DECENT WORK

ASPECT: EMPLOYMENT

Our goal of achieving qualitative growth also extends to our relationships with our employees. The personnel management department of Deutsche Wohnen deploys structured employee development and talent management measures to enable employees to discover and apply their individual strengths. The focal point of this strategy is to identify the right employees within the company or to recruit them at the right time from outside of the company, to then integrate them, develop them, deploy them correctly and retain them.

Both the employee surveys conducted every two years and the annual appraisal interviews introduced in 2015 provide us with important insights into the abilities and needs of our staff, and form the basis of our personnel development measures. We hope to create attractive opportunities for career paths and individual development for our employees by identifying their existing capabilities, potential and talent and by developing this talent in a targeted manner. This will enable us not only to increase our attractiveness as an employer and the quality of our recruitment processes, but also to maintain our preferred approach of filling key positions from within our organisation and to strengthen employee loyalty among the top performers and talented members of our workforce.

In the end-of-year employee interviews, we focus on identifying the knowledge and skills of our employees so that we can actively manage and plan training measures on both an individual and a specific target group basis. Identifying key positions within the company enables us to minimise our risk exposure in a targeted manner by way of strategic succession planning, and thereby to lower our employee turnover rate.

If there aren't sufficient or sufficiently suitable skilled employees within the company to fill a vacant position, we supplement our internal talent pool with top performers and high-potential candidates from outside of the company. To this end, Deutsche Wohnen places great emphasis on reinforcing the communication of its values and of its particular merits as an attractive employer to potential candidates.

Our attractiveness as an employer is due not only to the high-quality training and personal development programmes we offer but also to our structured approach to the integration of new employees into the corporate culture of Deutsche Wohnen. This takes the form of an onboarding process involving individual orientation guidelines, a mentoring system and feedback interviews during the probationary period. This process is continuously evaluated and enhanced as required. We foster our existing management talent by means of development programmes which combine theoretical knowledge and company know-how in an optimal manner. Finally, our occupational health management programme offers various benefits – for example, health awareness days, massages, fruit baskets, participation in sporting activities and special deals with trainers. We strengthened our positive performance as an employer as we obtained "Fair Company" certification in May 2016.

G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region

The employee turnover rate at Deutsche Wohnen was 9.5% in 2015 (2014: 6.9%; excluding GSW), due to structural changes in connection with the second and final phase of the integration of GSW. The calculation of the employee turnover rate is based on the number of employees leaving the company voluntarily or as a result of termination, retirement or death, in relation to the annual average number of employees.

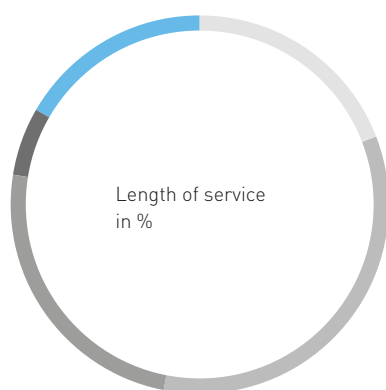
The average length of service has decreased slightly as compared to the previous year, from 10.3 years to 9.2 years.

Employee turnover

	2015	2014 ¹⁾
Total turnover rate²⁾		
Number of men	27	13
Number of women	42	21
Total (in %)	9.5	6.9
Employee-initiated terminations		
Number of men	11	9
Number of women	21	6
Total (in %)	4.4	3.0

¹⁾ As a result of the restructuring in the wake of the takeover of GSW, no GSW data is included in the turnover rate reported for 2014.

²⁾ Incl. employer- and employee-initiated terminations, employees attaining retirement age, termination agreements

Length of service ¹⁾

In %	31/12/2015	31/12/2014
Up to 1 year	19.3	8.7
1 to 5 years	34.0	30.9
6 to 15 years	24.3	29.7
16 to 20 years	5.9	9.9
More than 20 years	16.5	20.8

¹⁾ Excl. building caretakers

G4-LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation

As a general rule, Deutsche Wohnen provides the same support in the form of benefits to all of its employees, irrespective of whether they are employed on a full-time, part-time or temporary basis or as trainees. In 2014, we introduced special voluntary benefits to provide assistance to those of our employees experiencing particular circumstances in life, such as the birth of a child, a wedding or the death of a relative. Further benefits are available to all of our employees as part of our occupational health management programme, for example, massages, fruit baskets, health awareness days and sporting activities.

G4-LA3 Return to work and retention rates after parental leave, by gender

In 2015, 46 employees took parental leave and 27 employees returned to work after having taken parental leave.

Number of employees taking parental leave

	2015	2014
Employees taking parental leave	46	50
In %	6.1	6.4
thereof women	38	42
thereof men	8	8
Returning employees	27	18
thereof women	19	11
thereof men	8	7
Employees remaining with the company for at least 12 months after returning to work	15	13
thereof women	10	11
thereof men	5	2

ASPECT: LABOUR/MANAGEMENT RELATIONS

A focus group established at the end of 2007 represents the interests of the employees of Deutsche Wohnen, and this body of employee representatives of the Deutsche Wohnen Group functions as the mouthpiece of our workforce. Approximately 20 employees from various occupations and different locations, Managing Directors of DWM and DWI as well as representatives of Human Resources meet twice a year to address current issues. Furthermore, the Chief Executive Officer is invited to and also seeks to attend all of these meetings for the purpose of discussing current problems with a view to finding appropriate solutions. Details of the matters discussed and the outcome of these meetings are made available to employees on the Intranet in the form of minutes and also in the employee newsletter. Points of contact and anonymous letterboxes are available all year round for the airing of any suggestions or complaints.

The structured appraisal interviews introduced in 2015 comprise a feedback component directed at senior managers and constitute a dialogue between the company and its workforce. Furthermore, feedback on the company is collected in the context of the regular employee survey.

G4-LA4 Minimum notice periods regarding operational changes, including whether these are specified in collective agreements

We notify our employees in all company divisions in good time and in detail, having regard to the applicable legislation, for which purpose we use the information channels specified under G4-26.

ASPECT: TRAINING AND EDUCATION

The company's employees are its core and its foundation. Our strategic personnel development and recruitment endeavours ensure that we are able to attract skilled workers who can assist us in attaining our high standards with regard to corporate profitability, the quality of our holdings and customer service.

Deutsche Wohnen's main selling point when it comes to recruiting junior staff is its in-house training programme, which enables us to develop skilled personnel who have extensive knowledge of both the real estate industry and our company and are aware of the advantages of being employed at Deutsche Wohnen. For this reason, we offer young people the opportunity to gain a foothold in our company through paid work experience whilst they are still at school, and through training for such careers as real estate agent and management assistant for marketing and communication. We are considering introducing additional training options for careers in the fields of tax and auditing in 2016. In addition, we offer incentives to encourage top performance. The top-performing trainees within a year's intake and trainers who are evaluated as excellent are awarded a special bonus.

Students have the option of joining the company as interns, student employees or trainees. Junior employees are given responsibility at an early stage, and thereby learn how to manage their own projects independently. The dual courses of study offered and subsidised by us – business administration/real estate industry (bachelor's degree) and technical facility management [Bachelor of Engineering] – are the ideal combination of practical experience and university-level teaching in alternating three-month segments. Students taking such dual courses of study complete the theoretical phases at a university such as the Berlin School of Economics and Law (Hochschule für Wirtschaft und Recht – HWR Berlin) and the practical phases at Deutsche Wohnen.

As a means of actively approaching and attracting the attention of interested schoolchildren and students, we hold informational events and introduce ourselves at job fairs at schools and universities. As part of its "Real Life" campaign, which is aimed at prospective trainees and was launched in 2015, Deutsche Wohnen provides all of the necessary training and application information via its www.das-wahre-leben.de website, where a video clearly explaining the individual steps in the application procedure can also be viewed.

We deploy targeted, individual development opportunities with a view to securing highly specialised expertise and enhancing personal skills. We ascertain the need for further training in the context of employee interviews, applying a combination of methods to offer measures which are tailored to the requirements of each individual employee. As a general rule, training is open to all employees on an equal basis.

We foster new and existing management talent with comprehensive internal development programmes that combine theoretical knowledge and company know-how in an optimal manner. Approximately 18% of our current managers are former trainees. They are given the opportunity to attend special training and coaching sessions designed to strengthen their technical know-how and their ability to deal with their colleagues.

G4-LA9 Average hours of training and education per year per employee, by gender and employee category

As at 31 December 2015, 47 trainees and students were employed by Deutsche Wohnen AG (previous year: 58).

As part of our strategic approach to talent management, we tailor our further training measures to the professional targets and individual needs of the employee in question. Deutsche Wohnen offers employee seminars which are aimed at specific groups, for example seminars addressing the handling of difficult cases in the Service Points and in the back office, and also negotiation training for project managers. In addition, general training courses, for example on time management and self-management, are open to all members of the workforce. With a view to facilitating the measurement of the success of its personnel development measures, Deutsche Wohnen will be recording the number of hours of further training completed by each employee in 2016 and will then disclose this data in next year's report.

In 2015, Deutsche Wohnen invested approximately EUR 350,000 in the further training of its employees.

G4-LA10 Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

Deutsche Wohnen assists all of its employees in maintaining their continued employability, ascertaining the corresponding needs of each individual employee in the context of employee interviews and providing him or her with customised seminar and training options.

A transfer company was set up to assist employees of the former GSW in finding new employment contracts. It was possible for part of the individual severance payments to be invested in a new placement programme supported by Deutsche Wohnen and providing professional assistance with making a fresh start in the job market.

G4-LA11 Percentage of employees receiving a regular performance and career development review, by gender and employee category

In the year under review, Deutsche Wohnen introduced Group-wide appraisal interviews for the purpose of performance evaluation and the planning of personal development measures. All employees are evaluated by their superiors in end-of-year meetings, at which they are given feedback on target attainment and also an evaluation of their performance. This overall evaluation is then the basis for their individual bonuses. In 2015, 65% of our employees received qualitative feedback; in 2016, this number will rise to 100%. 50% of our managers received a performance evaluation in the year under review. As of 2016, the management level below the Management Board also obtains so-called 360-degree-feedback from their employees, their colleagues at the same management level and also their superiors.

ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

We endeavour to assist our employees in achieving a balance between their professional and private lives, whatever their personal circumstances. Accordingly, we implement various measures to promote work-life balance and family-friendly working conditions. For example, we provide the option of working from home or on a part-time or flexi-time basis, and all of our employees are given the unofficial holidays of Christmas Eve (24 December) and New Year's Eve (31 December), in addition to their 30-day holiday entitlement. We also grant special voluntary benefits to employees experiencing particular circumstances in their personal life.

The universal application of these rules to all of our employees is stipulated in our Code of Conduct and management standards, which were adopted in 2011 and provide a framework for constructive interaction: reliability, respect and transparency. We encourage diversity and prohibit all discrimination on grounds of gender, age, ethnic origin, disability or sexual orientation in the hiring, continued employment and career development of our employees. It is solely the performance, personality, ability and suitability of the individuals in question that are decisive in such matters.

G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age, minority group membership and other indicators of diversity

Deutsche Wohnen promotes equality of opportunity and the maintenance of work-life balance. More than 65% of the entire workforce of Deutsche Wohnen are women. This proportion fell slightly compared to the previous year. At the management level of Deutsche Wohnen, comprising the Managing Directors, directors and managers with managerial responsibility, the proportion of female employees is 51.7%, having risen slightly as compared to 2014 (48.2%). 65.5% of senior managers are under 45 years of age [2014: 61.1%].

The proportion of female members of the company's governance bodies is 0%. The target for female membership of the Management Board for the target attainment period up to 30 June 2017 has been set at 0%. 11% of governance bodies members are between 30 and 50 years of age, and 89% are older than 50 years of age.

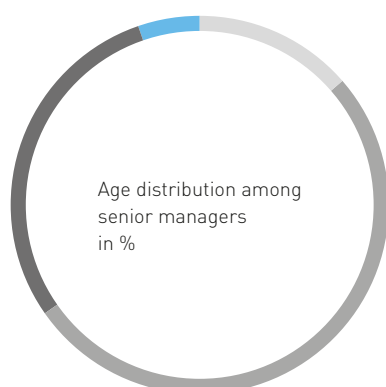
The average age of employees at Deutsche Wohnen was 41.3 years in 2015 (2014: 41.9 years). A large proportion (almost 40%) of the workforce is younger than 35 years of age, while the percentage of employees over 55 years of age is 10.7% (2014: 14.9%).

The proportion of disabled employees at Deutsche Wohnen AG (Holding) was higher than the 5% stipulated by statute; the equivalent ratio at DWCF and DWC was in line with the statutory requirements. DWM, DWI and DWSC do not satisfy the requirements. Their contribution in this regard takes the form of the payment of the equalization levy.

Proportion of women

In %	31/12/2015	31/12/2014
Women	65.1	66.6
Proportion of women in management positions	51.7	48.2

Age distribution among senior managers



In %	31/12/2015	31/12/2014
Up to 35 years of age	13.8	11.1
36 to 45 years of age	51.7	50.0
46 to 55 years of age	29.3	33.3
More than 55 years of age	5.2	5.6

Age distribution among employees



In %	31/12/2015	31/12/2014
Up to 35 years of age	39.8	35.2
36 to 45 years of age	22.8	22.1
46 to 55 years of age	26.7	27.9
More than 55 years of age	10.7	14.8

ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN

We are aware that our success is largely due to the dedication and motivation of our employees. For this reason, the milestone achievements of the past year also include the implementation of our performance-based and market-aligned system of remuneration, which was introduced in 2014 and ensures the application of uniform standards. The system has received positive feedback from employees to date. We define four salary levels on the basis of both a market comparison for all of the positions within the individual companies of the Deutsche Wohnen and wage agreements applicable in the industry. Employees are allocated to one of these levels in accordance with their job description and qualifications. This system of remuneration in accordance with transparent rules rather than on the basis of negotiation ensures fairness.

G4-LA13 Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation

The remuneration paid to our employees is based on their individual responsibilities, qualifications and experience, the degree of difficulty and responsibility involved in their work, and their individual performance. Women and men naturally receive equal treatment in this regard. The remuneration structure implemented in the year under review ensures that employees in comparable positions receive the same amount of remuneration.

HUMAN RIGHTS

ASPECT: NON-DISCRIMINATION

The principle of the equality of all human beings is reflected in Deutsche Wohnen's approach to the observance and upholding of human rights within its sphere of influence, which includes the preclusion and penalisation of discriminatory conduct within the company and ensuring appropriate conduct by its external service providers and suppliers. All business activities are essentially subject to German law, including the provisions of the German Constitution, which contains clear statements as to freedom of association and the prohibition of forced labour, for example. We employ temporary workers only in exceptional cases and do not use the services of any unpaid interns. Given that the issue of human rights is regulated by law for real estate companies operating solely within Germany, there are no additional procedures going beyond compliance guidelines in place at Deutsche Wohnen in this regard.

Our contractors in the new construction context are obligated to comply with the standards of the German Sustainable Building Council (DGNB), which in turn prescribe compliance with recognised environmental and social standards.

G4-HR3 Total number of incidents of discrimination and corrective actions taken

As a matter of principle, no discriminating conduct of any kind is tolerated within Deutsche Wohnen. All Deutsche Wohnen executives are aware of the provisions of the General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz – AGG). We have no knowledge of any incidents of discrimination having occurred in the year under review.

SOCIETY

ASPECT: LOCAL COMMUNITIES

Housing is a basic requirement of human beings. The social impacts of our actions as one of the leading real estate companies within Germany and Europe are therefore manifold. High housing standards and an intact infrastructure are of great significance for the quality of life of the individual, and contribute greatly towards a positive social climate in society as a whole. The creation of sufficient housing is the joint responsibility of central, regional and local government in conjunction with companies and investors, with the real estate industry also playing a crucial role in this context.

We are keen to live up to this responsibility and are involved in various endeavours aimed at creating stable neighbourhoods and districts providing attractive living conditions (see also G4-EC7 and G4-EC8). We inform our tenants in good time of any impending structural modifications and can be reached via numerous channels, such as local Service Points or tenants' meetings. We continually strive to achieve a diverse social mix within our neighbourhoods, with a view to integrating marginal groups to an even greater degree. Our Service Point employees meet with carefully selected groups of tenants with the goal of fostering functioning neighbourhoods. Since 2015, we have been working even more closely with local authorities and charitable associations to achieve the integration of refugees, and have already been successful in finding suitable apartments for refugees in a variety of locations.

Deutsche Wohnen also participates in political discussions of relevance to the real estate industry (see also G4-26), for example, about the framework conditions for the construction of new housing. Housebuilding is lagging behind demand in conurbations and this is leading to rising costs for housing, a development which is particularly to the detriment of low-income tenants. Deutsche Wohnen has initiated two new building projects for the first time in 20 years in an attempt to meet the growing demand for housing in urban areas, while paying tribute to the traditions of "Classic Modernism" and the workers' estates that were built in the 1920s and 1930s. These innovative housing concepts involved light and airy rooms and practical floorplans and also meet the needs of today's tenants. Our construction measures are as energy-efficient as possible, having regard to climate protection and the maintenance of a stable level of operating costs over the long term for our tenants. At the end of 2015, we completed the

first of a total of 103 new apartments – 91 in multi-storey residential buildings and twelve in terraced housing – on a 20,000 sqm site in Potsdam-Babelsberg. The entire residential estate will be supplied with district heating from combined heat and power generated by the City of Potsdam, and will comply with the KfW 58 energy standard. Work is set to begin on the construction of a sustainable, modern and mixed-use estate with a total of 600 contemporary, high-quality apartments in 2017, as part of a project for the redensification of the inner-city “Westend” district in Berlin-Charlottenburg. By adopting a comprehensive life cycle approach, and by using environmentally friendly and high-quality materials, and sustainable energy, water and traffic concepts, both projects comply with the criteria for sustainable building stipulated by the German Sustainable Building Council (DGNB). This sustainable approach, moreover, has been given recognition by the awards of the DGNB (see also CRE8).

G4-S01 Percentage of operations with implemented local community engagement, impact assessments and development programmes

In the future, ever more people will be living in urban areas, where the demand for housing, and thus the cost of housing, is rising. The prices for new lettings in our core market Berlin, for example, have risen by approximately 54% from EUR 5.85 per sqm to EUR 8.99 per sqm over the past six years.⁷¹ Deutsche Wohnen’s average net cold rent was EUR 5.89 per sqm as at the end of 2015. The business activities of Deutsche Wohnen are based on the realisation of rent potential, on which our investors rely as well. This calls for a balancing of the affordability of our residential units against a well-balanced mix of residents within our districts and against the expectations of our investors. Modernisation measures implemented with a view to energy conservation also require the making of investments, which then filter down into rents. However, we have taken a reasonable and proportionate approach here in order to strike a balance with the interests of our tenants. Accordingly, in the year under review, the rental growth breaks down as follows: 0.1% applies to modernisation measures, 1.2% can be attributed to new lettings and 2.2% to regular adjustments to the rent index.

Deutsche Wohnen maintains the high quality and attractiveness of its holdings through continuous investments in maintenance and modernisation. Combined with our efficient administration and the fast processing times in our Service Points, this enables us to maintain a low vacancy rate, which we were able to lower further to 1.8% in 2015 (2014: 2.2%).

More than 300 employees in 19 local Service Points are available to address any questions or concerns which our tenants may have. Deutsche Wohnen informs its tenants at an early stage of any planned refurbishment or maintenance measures and offers various forms of contact – for example, tenants’ meetings, tenant consultations, an on-site tenants’ office and personal visits by our employees – for the purpose of initiating discussions on construction-related or even financial matters and enquiring as to tenants’ needs. In 2015, our employees made around 250 such on-site visits. In addition, in May 2015 about 100 tenants accepted the invitation extended by Deutsche Wohnen to attend an innovative and participatory event for the dissemination of information and the promotion of dialogue on the subject of the outdoor facilities in the Hellersdorfer Promenade district. In the case of the planned redensification of the “Westend” district in Berlin from 2017, Deutsche Wohnen has combined various forms of dialogue, such as a blogs and guided tours (see G4-S02).

Unlike many large residential property companies, Deutsche Wohnen has its own in-house claims management system in place, which, among other advantages, offers possible solutions at an early stage to those of our tenants finding themselves in financial difficulty. We ensure that payment reminders are issued in good time and provide affected tenants with the opportunity, as needed, of attending one-on-one meetings with our tenant advisers in Berlin or Hanover with the goal of preventing evictions and finding alternative solutions. In addition, we offer the possibility of paying off outstanding rent in instalments, where necessary putting tenants in contact with debt counsellors on site, a measure which as of the beginning of 2016 has also been extended to tenants in GSW properties. Tenants who find themselves in financial difficulty through no fault of their own can apply to the GSW social fund – which Deutsche Wohnen has been operating under the name “DW-Fund” since the beginning of 2016 – for financial aid, where the individuals in question have neither a sufficient legal claim to state aid nor any insurance claims.

⁷¹ Source: CBRE Residential Property Market Reports 2009 – 2015

G4-S02 Operations with significant actual and potential negative impacts on local communities

Deutsche Wohnen plans to commence work on a second new building project aimed at inner-city redensification in the "Westend" district of Berlin-Charlottenburg in 2017, with the goal of creating a sustainable, modern and mixed-use city neighbourhood, comprising a total of 600 high-quality apartments, on the grounds of the housing estate that was first constructed in the 1950s. This endeavour will involve the replacement of the now almost 60-year old and defective structures of the current 212 apartments. The newly constructed residential estate will provide housing for an additional 300 to 400 families, whilst retaining the sense of an open space full of greenery. In order to keep all of the residents up-to-date and at the same time to involve them in the design process, we post regular reports on the progress of the project on our designated website @ www.siedlung-westend.de, and tenants and interested citizens are able to ask questions relating to the renewal of their neighbourhood via a discussion platform. Deutsche Wohnen employees post responses to these questions and also maintain a blog which provides some insight into the current status of the planned construction work. Furthermore, with a view to also creating greater transparency as regards its role as project developer, in the autumn of 2015 Deutsche Wohnen invited the tenants on the estate to take a tour of the new building project which was completed in 2016 in Potsdam-Babelsberg.

In the summer of 2014, Deutsche Wohnen commenced comprehensive refurbishment work on its residential holdings throughout the Hellersdorfer Promenade estate in the Marzahn-Hellersdorf borough of Berlin. Deutsche Wohnen is investing approximately EUR 39 million in the refurbishment measures (thermal insulation, refurbishment of cables and new facade cladding) with a view to improving the quality of the housing in this city district, with its around 1,300 residential and commercial units, and strengthening tenants' sense of identification with where they live. We invited our tenants to attend an innovative and participatory event for the dissemination of information and the promotion of dialogue as a means of hearing their wishes and ideas, involving them in the ongoing planning process and thus also strengthening their sense of identification with their district. Almost 100 participants have used this opportunity to inform themselves about the plans and share their ideas for the design of the outdoor facilities.

CRE7 Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project

The plans for the new building project for the inner-city redensification of the "Westend" district in Berlin-Charlottenburg provide for the replacement of the 212 existing apartments from the 1950s with 600 new high-quality apartments (see also G4-S02). The current residents will be offered equivalent replacement housing from the company's portfolio and former tenants will have preferential rights with regard to the new residential units. Several construction phases are planned, with a view to facilitating the relocation of tenants within the estate. Deutsche Wohnen will provide financial aid to tenants required to temporarily move out of their homes.

PRODUCT RESPONSIBILITY

ASPECT: CUSTOMER HEALTH AND SAFETY

Ensuring the health and safety of our tenants is our top priority. We spent EUR 113.5 million on ongoing maintenance and tenant turnover in the year under review. Approximately EUR 65 million of that amount was attributable to ongoing maintenance and repairs and EUR 48.1 million to measures in connection with a change of tenant, with an average of EUR 4,026 (2014: EUR 3,359) being invested per residential unit in the context of new lettings.

In the case of contracts with a value of more than EUR 5,000, the work carried out by the tradespeople in question is always subject to formal acceptance, which is documented in the form of a joint, written record confirming acceptance and, where applicable, indicating any defects to be rectified. In the case of defects which compromise our duty to maintain safety, the tradespeople in question are required to rectify these without delay. Our system providers are obligated to notify Deutsche Wohnen without delay in writing of all identified or suspected defects or damage. They must also examine the work to be carried out for any potential for improvements, take account of any new findings and keep Deutsche Wohnen informed of any possible or necessary measures in this regard. All of these steps are intended to ensure that each tenant or purchaser is provided with a residential unit in the best possible condition – with the ultimate goal being to secure a high quality of life.

Deutsche Wohnen also considers the effect of building structures on health – with regard to the materials used as well. Its pilot project for the creation of 103 new apartments in Potsdam-Babelsberg is guided by the requirements for the attainment of certification from the German Sustainable Building Council (DGNB). It is also based on an integrated and sustainable planning approach involving the use of natural and environmentally friendly building materials.

Should any of our maintenance, refurbishment or modernisation activities call for the removal of asbestos, we make sure, as a matter of course, to comply with all of the required standards in this regard (for further information, see also under G4-EN27).

We explain the correct heating and airing techniques, amongst other things, to our tenants when we enter into a tenancy agreement. However, should mould nevertheless occur, a contractor will remove it in the proper manner, as well as carrying out any necessary follow-up work, and provide the tenant with appropriate instruction materials. In addition, the contractor documents the incidence of the mould in the form of a "data collection sheet" and supplies the tenant with a moisture meter. With regard to fire protection measures, Deutsche Wohnen continued in 2015 with its programme for the installation of approximately 10,000 smoke alarms per year, and has already begun with installation work in 2016 in its holdings in Berlin – ahead of the coming legislation governing the installation of smoke alarms in residential units.

We want to offer our tenants a living environment which is not only well-maintained but also safe and tailored to their needs. Thus, at the end of 2015 we started to gradually introduce a new security and concierge concept, analysing, together with our operating divisions, the reasonableness and cost structures of various security and concierge concepts. We also carried out risk assessments to identify those districts in particular need of such measures. We have consolidated nearby areas into so-called satellite areas, with a view to making our planning endeavours more efficient in terms of quality, cost and performance and enabling optimal exploitation of deployment radii, thus improving safety in our residential complexes and outdoor facilities and also guarding against noisy neighbours, dirt and vandalism. In this context, not only a duty to implement safety precautions but also tree management and deadwood removal obligations apply. All of our playgrounds are likewise monitored on a monthly basis, as well as being subjected to annual inspections by qualified inspectors.

In the event of any notification of malfunctions or defects which pose a threat of imminent danger, for example burst water pipes or the complete disabling of the electricity supply, our service providers are required to send an employee to the location in question immediately or at most within 90 minutes of their receipt of the notification.

G4-PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

The following applies to all of Deutsche Wohnen's holdings: We inspect our residential units to identify and eliminate any safety issues and health hazards upon every change of tenant. In 2015, the electrical and fixed installations in buildings with approximately 21,600 residential units were inspected in accordance with the DGUV-V3 regulation of the German Social Accident Insurance (Deutsche Gesetzliche Unfallversicherung – DGUV), enabling the identification of any defects and the prevention of accidents. The costs involved in the inspection amounted to approximately EUR 520,000, and approximately EUR 480,000 was invested in the rectification of the defects. Further statutory provisions, furthermore, stipulate the inspection of gas facilities, warm water facilities and mains piping – particularly in water protection areas –, and regular inspections of technical facilities by tradespeople and experts.

We consider the sustainable and safe design of our new buildings over their entire life cycle, from the design, planning and implementation phases to putting the building in question into operation.

G4-PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services, by type of outcomes

We are not aware of any infringements of regulations or voluntary codes concerning the health and safety impacts of products or services having occurred in the period under review.

ASPECT: PRODUCT AND SERVICE LABELING

We guarantee transparency with regard to our products and services by providing our tenants with annual statements of operating costs indicating detailed consumption and cost data and by providing them with information about any impending building work. In addition, we provide tenants with a comprehensive tenant file containing information on contact persons and tips for maintaining a healthy home environment upon the conclusion of the tenancy agreement. Our statements of operating costs are transparent and clearly set out. Tenants may direct any questions that nonetheless arise to the more than 300 employees who are available on a daily basis in 19 local Service Points or to the employees in our Service Centre. Deutsche Wohnen informs its tenants at an early stage of any planned refurbishment or maintenance measures and offers them various means of getting in contact (see also under G4-S01).

G4-PR3 Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements

We comply with the stipulations of the Amendment to the German Energy Saving Ordinance (EnEV) and provide new tenants and purchasers with evidence of our energy certification. Our listed holdings are exempt from the requirements imposed by the Ordinance. In addition, we provide tenants with a comprehensive tenant file containing information on contact persons and tips for maintaining a healthy home environment upon the conclusion of the tenancy agreement. Our statements of operating costs are transparent and clearly set out, and thus presented in a manner which is comprehensible to our tenants. We provide a precise breakdown of the costs incurred according to type of cost; the participation groups are clearly and intelligibly indicated, and we also include an explanatory text with each statement. Employees at our local Service Points or at our Service Centre are available to provide any further information required.

Deutsche Wohnen informs its tenants at an early stage of any planned refurbishment or maintenance measures and offers them various means of getting in contact (see also under G4-S01).

G4-PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes

We are not aware of any infringements of regulations or voluntary codes concerning the provision of information on or the labelling of products or services having occurred in the period under review.

G4-PR5 Results of surveys measuring customer satisfaction

Our more than 300 employees in the local Service Points and at our central Service Centre are available on a daily basis to address all concerns of our tenants, including any suggestions for improvement they may have. Tenants can also contact us via our company website.

Our service providers, who are contracted to handle the rectification of any defects or malfunctions, are subject to stipulations as to availability and reaction times. They provide 24-hour availability, even on Sundays and public holidays, through a call centre, where a qualified contact person records any notifications of defects or malfunctions and initiates the implementation of all necessary rectification measures without delay. A tradesperson must then immediately make an appointment with the tenant in question for the rectification of the defect or malfunction, in any case within 48 hours of the notification being made. The defects or malfunctions must be rectified as quickly as possible: 85% within no more than nine calendar days and 15% within a reasonable period of time.

As part of our marketing activities, we welcome evaluations via the independent platform www.immobilienscout24.de, where customers are able to grade us in the following categories: informational content of property synopsis, accessibility, advice, and property as described on the website. We were able to raise our rating to 3.5 out of 5 stars over the past twelve months (2014: 3.3 stars)⁸¹, with 75% of the total of approximately 1,800 customers indicating that they would recommend Deutsche Wohnen to others.

Another means of securing the involvement of our tenants are project-related tenants' advisory committees, tenants' meetings and tenants' offices set up on site in the context of the modernisation and refurbishment measures implemented in Berlin-Hellersdorf and in Rixdorfer Strasse, as well as the planned new building project for the inner-city redensification of the "Westend" district in Berlin-Charlottenburg (see also G4-S01).

CRE8 Type and number of sustainability certification, rating schemes and labelling systems for new construction, management, occupation and redevelopment

For Deutsche Wohnen, sustainable new building makes good sense from both an environmental and an economic perspective. Our new building projects comply with the German Assessment System for Sustainable Development (Bewertungssystem Nachhaltiges Bauen – BNB) and with the requirements for German Sustainable Building Council (DGNB) certification. Thus, our terraced housing in Potsdam-Babelsberg will be awarded the gold standard, amongst other reasons, due to our application of the Cradle to Cradle® life cycle principle, our compliance with the requirements of the German Institute of Building Biology + Sustainability (Institut für Baubiologie + Nachhaltigkeit – IBN) and our economical approach to energy consumption. In fully complying with the KfW 58 energy standard, the buildings actually exceed the stringent requirements of the KfW 70 standard. In addition, the residential units are heated using district heating from combined heat and power generated by the City of Potsdam. This form of power has a very good primary energy factor. The multi-storey residential buildings aim to receive gold standard certification, and even slightly exceed the energy-related requirements of the KfW 55 standard, which are commensurate with those applicable to the construction of "passive housing".

Deutsche Wohnen's "Westend District" project in Berlin was awarded the highest DGNB commendation (platinum) in February 2016, which makes the planned estate in Charlottenburg-Wilmersdorf one of the very first city districts in Germany with a focus on the construction of rental property which has received pre-certification from the DGNB. Sustainability aspects were already accorded particularly great significance in the context of the two-level competitive tender involving nationally and internationally renowned architecture firms. The DGNB pre-certification process involved the evaluation of the project and the planning activities relating to it in light of a total of 45 sustainability criteria, with Deutsche Wohnen's overall compliance being assessed at 83.1%. In addition to the master plan, several expert opinions, for example on the subject of innovative means of supplying the district with energy and water, the use of sound building materials and even the issue of sustainable mobility or the design of attractive open spaces, formed the basis for the certification.

In November 2015, Deutsche Wohnen was awarded the "Deutscher Bauherrenpreis Modernisierung 2015" award for its refurbishment of the historic listed railway workers' estate in Elstal, Brandenburg, in a tenant-friendly manner and in accordance with the specifications for the preservation of historic monuments. This award is bestowed by the Bundesverband Deutscher Wohnungs- und Immobilienunternehmen (GdW), the Association of German Architects (Bund Deutscher Architekten – BDA) and the Association of German Cities (Deutscher Städtetag). The jury accorded particular recognition to our success in restoring the original historic character of the estate while carrying out extensive refurbishment work with a view to energy conservation.

⁸¹ <http://www.immobilienscout24.de/anbieter/deutsche-wohnen-gruppe/a81f9031eb35e66b77> accessed on 19/5/2016

EPRA SUSTAINABILITY PERFORMANCE MEASURES

Deutsche Wohnen's reporting is in line with the "EPRA Best Practice Recommendations on Sustainability Reporting" (EPRA sBPR). The information disclosed in this Report meets the requirements of the second edition of the EPRA sBPR of September 2014.

Given that the data requests in connection with the EPRA Indicators are actually directed at commercial property administrators who are able to collect consumption data directly in their buildings – like the owners of shopping centres, for example –, it is not possible for Deutsche Wohnen to fully comply with these requests. Since the tenants of residential property companies procure resources from third-party suppliers, residential property companies are unable to provide detailed information regarding consumption in their holdings, with the result that the requested data is not always provided in accordance with the standard allocations to the GRI Indicators, as stipulated by EPRA. In the EPRA Table, we show the actual allocations for Deutsche Wohnen and supplement them with the following detailed explanations.

Water-Abs & Water-Lfl: Total and like-for-like total water consumption

The water consumption of the administrative locations is to some extent estimated, given that some locations share meters with residential units in the same building. The employee-based water consumption was calculated on the basis of the Frankfurt/Main location, and this figure, together with the number of employees for each of the other locations, was used to estimate the water consumption for each of these locations. No water consumption data is calculated or taken into account for tenants' and sales offices, which are only used on an hourly basis.

Given that the data for the pilot project holdings for 2015 was estimated based on the consumption data for the previous year, and no projections can be made with regard to the water consumption of our holdings on the basis of the number of consuming parties, the data for 2015 is commensurate with the data collected for 2014 and also the like-for-like data. The data for the coming year will be collected and reported on the basis of the actual consumption figures.

Water consumption

Fresh water in m ³	Absolute values		Like-for-like	
	2015	2014	2015	2014
Administrative locations of Deutsche Wohnen	8,962.0	7,964.6	5,170.6	4,767.6
New building	224.0	–		
Pilot project: holdings	613,075.9	613,075.9		

Water-Int: Building water intensity

Water intensity

Fresh water m ³ per m ² of commercial/residential space	2015	2014
Administrative locations of Deutsche Wohnen	0.222	0.198
Pilot project: holdings	0.988	0.988

Waste-Abs: Total weight of waste by disposal route

In the year under review, Deutsche Wohnen (including GSW) recycled 86.2 t of paper, with the disproportionately large increase as compared to the previous reporting year being due to the one-time disposal of old files of GSW in the amount of 42.1 t. Further data relating to non-hazardous types of waste – whether arising as a result of our business activities or produced by our rented residential units – cannot be considered reliable as it refers to communal tonnage or estimated volume data, and is therefore not reported.

We hire qualified disposal companies to remove any hazardous waste produced in the context of scheduled modernisation or maintenance measures and document such waste removal in the form of individual electronic disposal records. In the year under review, such service providers disposed of 21.8 t of polycyclic aromatic hydrocarbons (PAHs) or bituminous roofing felt, 8.8 t of man-made vitreous fibres (MMVFs) and 14.2 t of category A4 wood waste treated with wood preservation agents, as well as 3.7 t of asbestos, 6.7 t of flexible tiles and 3.7 t of grinding dust in the context of asbestos removal measures.

In 2015, in connection with ongoing maintenance measures involving the removal of asbestos, 305.9 t of waste containing asbestos, comprising 90.2 t of flexible tiles, 108.5 t of grinding dust and milled material, 10.4 t of flexible tiles and grinding dust, and 96.8 t of window sills containing asbestos, were removed by qualified disposal companies, largely underground and as evidenced by means of collective disposal records. 0.1 t of man-made vitreous fibres (MMVFs) were disposed of following the refurbishment of night-storage heaters.

Disposal of waste

In t	2015	2014
Non-hazardous waste		
Paper ¹⁾	86.2 ²⁾	36.0
Hazardous waste		
Waste containing asbestos ³⁾	319.8	66.7
PAHs	21.8	-
MMVFs	8.9	-
Category A4 wood waste	14.2	-

¹⁾ Recycling

²⁾ Thereof, a one-off amount of 42.1 t as a result of the disposal of old files of GSW

³⁾ Largely disposed of underground

EPRA Table: Deutsche Wohnen

Code	EPRA indicator	Type	Place of performance	Additional information
EPRA Sustainability Performance Measures				
Elec-Abs	Total electricity consumption	Core	G4-EN3	Disclosed in connection with total portfolio.
Elec-LfL	Like-for-like total electricity consumption	Core	G4-EN3	Like-for-like disclosure with regard to total portfolio of 140,000 residential units operated throughout the year not feasible on grounds of non-allocability.
DH&C-Abs	Total district heating & cooling consumption	Core	G4-EN4	Disclosed in connection with pilot project.
DH&C-LfL	Total like-for-like district heating & cooling consumption	Core	G4-EN4	Like-for-like disclosure with regard to pilot project commensurate with absolute data due to identical composition of universal set.
Fuels-Abs	Total fuel consumption	Core	G4-EN3, G4-EN4	Disclosed in connection with total portfolio and pilot project.
Fuels-LfL	Like-for-like total fuel consumption	Core	G4-EN4	Like-for-like disclosure with regard to total portfolio of 140,000 residential units operated throughout the year not feasible. Like-for-like disclosure with regard to pilot project commensurate with absolute data due to identical composition of universal set.
Energy-Int	Building energy intensity	Core	CRE1	
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	Core	G4-EN15, G4-EN17	
		Additional	G4-EN15, G4-EN20	
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	Core	G4-EN16, G4-EN17	
GHG-Dir-LfL	Like-for-like total direct greenhouse gas (GHG) emissions	Core	G4-EN16, G4-EN17	Like-for-like disclosure with regard to total portfolio of 140,000 residential units operated throughout the year not feasible. Like-for-like disclosure with regard to pilot project commensurate with absolute data due to identical composition of universal set.
GHG-Indir-LfL	Like-for-like total indirect greenhouse gas (GHG) emissions	Core	G4-EN16, G4-EN17	Like-for-like disclosure with regard to pilot project commensurate with absolute data due to identical composition of universal set.
GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	Core	CRE3	
Water-Abs	Total water consumption	Core	Water-Abs	
		Additional		Deutsche Wohnen's water consumption in the context of its business activities involves solely fresh water from the public water supply network.

Code	EPRA indicator	Type	Place of performance	Additional information
Water-LfL	Like-for-like total water consumption	Core	Water-LfL	
Water-Int	Building water intensity	Core	Water-Int	
Waste-Abs	Total weight of waste by disposal route	Core	Waste-Abs	
Waste-LfL	Like-for-like total weight of waste by disposal route	Core		A like-for-like calculation cannot currently be carried out with regard to waste paper, as this cannot be allocated to individual locations. Hazardous waste is generated on only an occasional basis in the context of the refurbishment of holdings, so that a like-for-like calculation would not have any informative value.
Cert-Tot	Type and number of sustainably certified assets	Core		Certification of current portfolio not economically feasible due to the total number of residential units (146,000) involved.
		Additional	CRE8	Sustainability certifications in the new building context disclosed (100%).

Overarching recommendations

5.1	Organisational boundaries	Core	G4-12, G4-17, G4-18, G4-23, CRE1	
5.2	Coverage	Core	G4-23	Additional information to some extent directly included in the relevant indicator-related text.
5.3	Estimation of landlord-obtained utility consumption	Core	G4-22, G4-EN4	
5.4	Third party assurance	Core		
5.5	Boundaries – Reporting on landlord and tenant consumption	Core	G4-22, G4-23, DMA Energy, EPRA	
		Additional	G4-22, G4-23, DMA Energy, EPRA	
5.6	Analysis – Normalisation	Core	G4-EN5, CRE1, G4-EN18, CRE3, CRE4, Water-Int	
5.7	Analysis – Segmental analysis (by property type, geography)	Core	G4-8	See also the section entitled “Property portfolio” on D 54 of the Annual Report 2015.
5.8	Disclosure on own offices	Core	G4-22, G4-23, Category: Environmental	
5.9	Analysis – Narrative on performance	Core	G4-1, G4-2, G4-27	
5.10	Location of EPRA Sustainability Performance Measures in company reports	Core	Sustainability Report	

Other issues to consider

6.1	Materiality		G4-18, G4-19, G4-20, G4-21	
6.2	Emerging indicator: Return on carbon emissions (ROCE)			
6.3	Socio-economic indicators related to sustainability performance		Aspect: Indirect Economic Impacts, Aspect: Local Communities	
6.4	Transport			There were no significant environmental impacts resulting from the transport of employees.
6.5	Refrigerant gases		G4-EN20	

■ Not reported

GRI CONTENT INDEX



The Deutsche Wohnen Sustainability Report 2015 was prepared in accordance with the Global Reporting Initiative (GRI) guidelines and fulfils the "in accordance" Core option. The G4 guidelines

in force since May 2013 were applied. The GRI G4 Construction and Real Estate Sector Disclosures (CRE) were also taken into account.

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