

VALUES.

Real Estate

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ESG REPORT
2022

WE GIVE SPACE TO VALUES.

Dear friends and partners,

ESG will shape our company's development in the coming years. Sustainability changes us, just as it changes society as a whole. Global climate change in particular is a reality we are facing. Like the environment, social aspects of real estate management and development at VALUES are essential to preserve our sense of community and inner peace. When examining the microcosm of our company, we start with ourselves – by demonstrating good corporate governance.

In line with this holistic understanding of sustainability, we have realigned our internal processes in recent years in all division. Our team is working on the launch of new impact funds. In the process, a whole range of topics has emerged – from medical and rehabilitation centres to medical training centres, universities, schools, day-care centres and public infrastructure properties such as citizens' offices, job centres and ministries. We have planned other projects, too: with an eye on demographic development, we will devote our attention to the topic of nursing care and hybrid forms of living in the context of care. We also see it as our duty to make the most of funding programmes for affordable housing offered by the federal and state governments. We want to create housing first and foremost, and also high-performance investment products in this area.

In asset and property management, we look for ways to optimise our portfolio every day, i.e. to make it more climate-friendly and inclusive. We do this together with our tenants, because we cannot succeed on the journey to climate neutrality by 2045 on our own. That is an effort for society as a whole that is only achievable with openness, cooperation, determination and curiosity.

The project development division is looking for new ways to build and transform real estate that will reconcile the perceived balancing act between social issues and climate justice. Even as civil engineers and architects, we have no ready-made answers to all the questions here. But we want to find them and improve every day. This is why we are very involved in exchanging with local communities and experts. One example of this is our participation in the European architecture and urban design competition Europan 17. This year, under the motto "Living Cities", the competition challenges us to transform dysfunctional, stigmatised spaces into climate-friendly and socially inclusive neighbourhoods. We're looking forward to the answers, which will influence our transformation project at Helene-Wessel-Bogen in the north of Munich.

We navigate ESG at management level as an overarching strategy. A network of around 20 ESG ambassadors from our company ensures that we consider the issue for every operational



decision we make. We are also supported by a team of external consultants.

Implementing cross-divisional HR management was an important milestone for our internal development in 2022. Three full-time employees now accompany the company's further development.

VALUES lives the topic of sustainability. For four years, we have been subject to GRESB reporting for constant improvement. We are guided by the 17 Sustainable Development Goals adopted by the United Nations and we work daily to further develop our ESG performance on this basis.

By signing the Principles for Responsible Investment (PRI) supported by the United Nations,

we are making a clear commitment. In this sustainability report, you can find out more about our ESG strategy and the concrete actions we are taking.

I hope you enjoy reading it.

Dr. Thorsten Bischoff

Managing Partner / Chief Development Officer
VALUES Real Estate

TABLE OF CONTENTS

06

1. VALUES REAL ESTATE
THE COMPANY

08

Business areas and
competences

10

Figures at a glance

14

Geographical allocation and
types of use

16

2. GOVERNANCE:
ESG STRATEGY

18

ESG as a success factor of
the business strategy

22

Our Sustainable Development
Goals

26

3. ECOLOGY

28

Creating a data basis for
Net Zero 2028

30

Bees buzzing on VALUES
rooftops

32

Climate protection roadmap
for every property

36

ESG key figures

38

4. SOCIAL

40

“The business of people”:
A firm focus on people at
VALUES

44

Our commitment to society

46

Institutional capital for social
infrastructure

50

Legal Notice



1.

VALUES. REAL ESTATE THE COMPANY



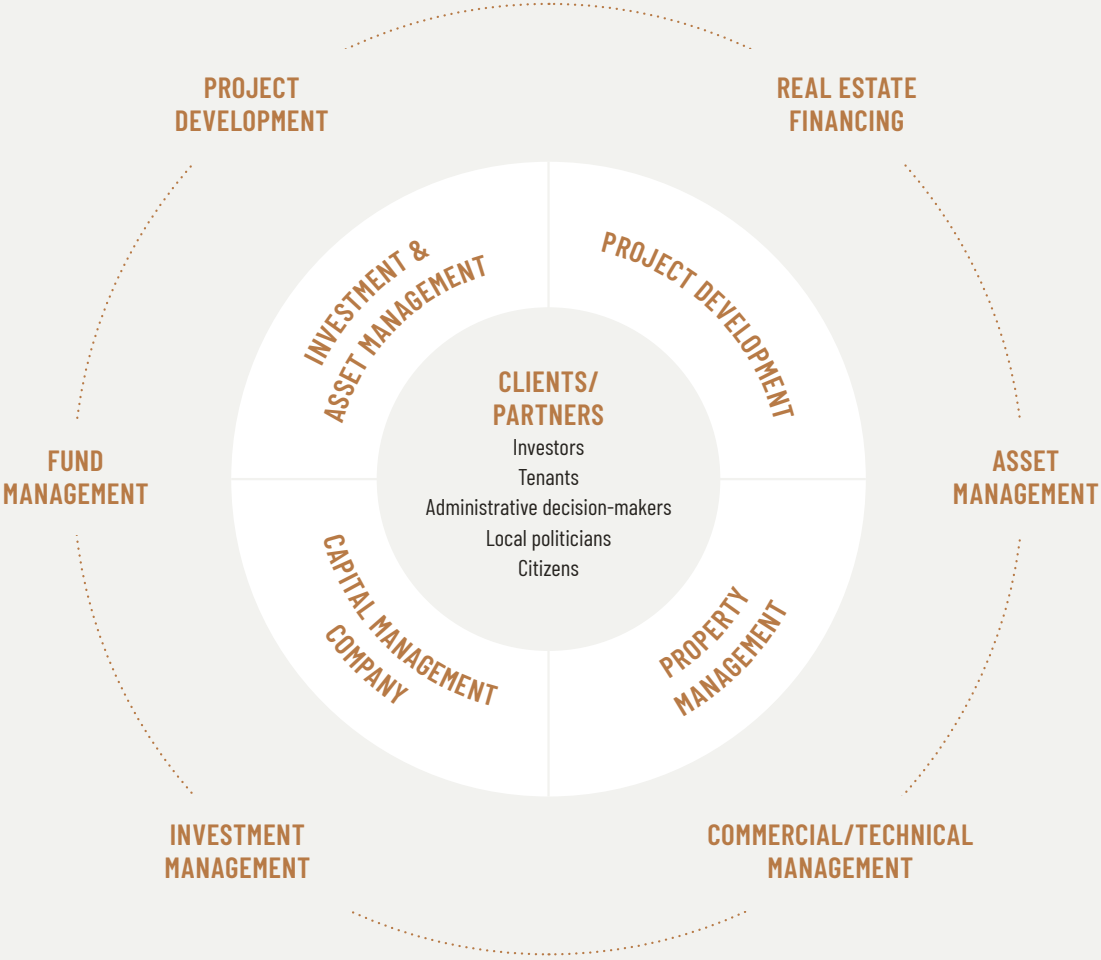
BUSINESS AREAS AND COMPETENCES



Berlin office: conference room with kitchen

VALUES Real Estate is a full-service company operating in the real estate market. With the four business segments Investment & Management, Project Development, Property Management and Capital Management, we cover all core areas of the market. This gives us complete data autonomy, which is an outstanding asset for implementing our ESG strategy with consistent digitalisation and constant further development.

With offices in Hamburg, Berlin, Frankfurt am Main, Düsseldorf and Grünwald, we are represented by experts in all regions of Germany.



FIGURES AT A GLANCE

Assets under management in euros

5 bn

Properties under management

118

*Investment vehicles /
management mandates*

12



*The historic industrial palace in Leipzig's Graphisches Viertel
with anchor tenant Deutsche Bahn*



Once the project has been developed, the University of Hamburg and other educational and scientific institutions will use the former telecommunications office in Hamburg-Rotherbaum.

Real estate under management in square metres

750,000

Realised project developments

14

Employees

114

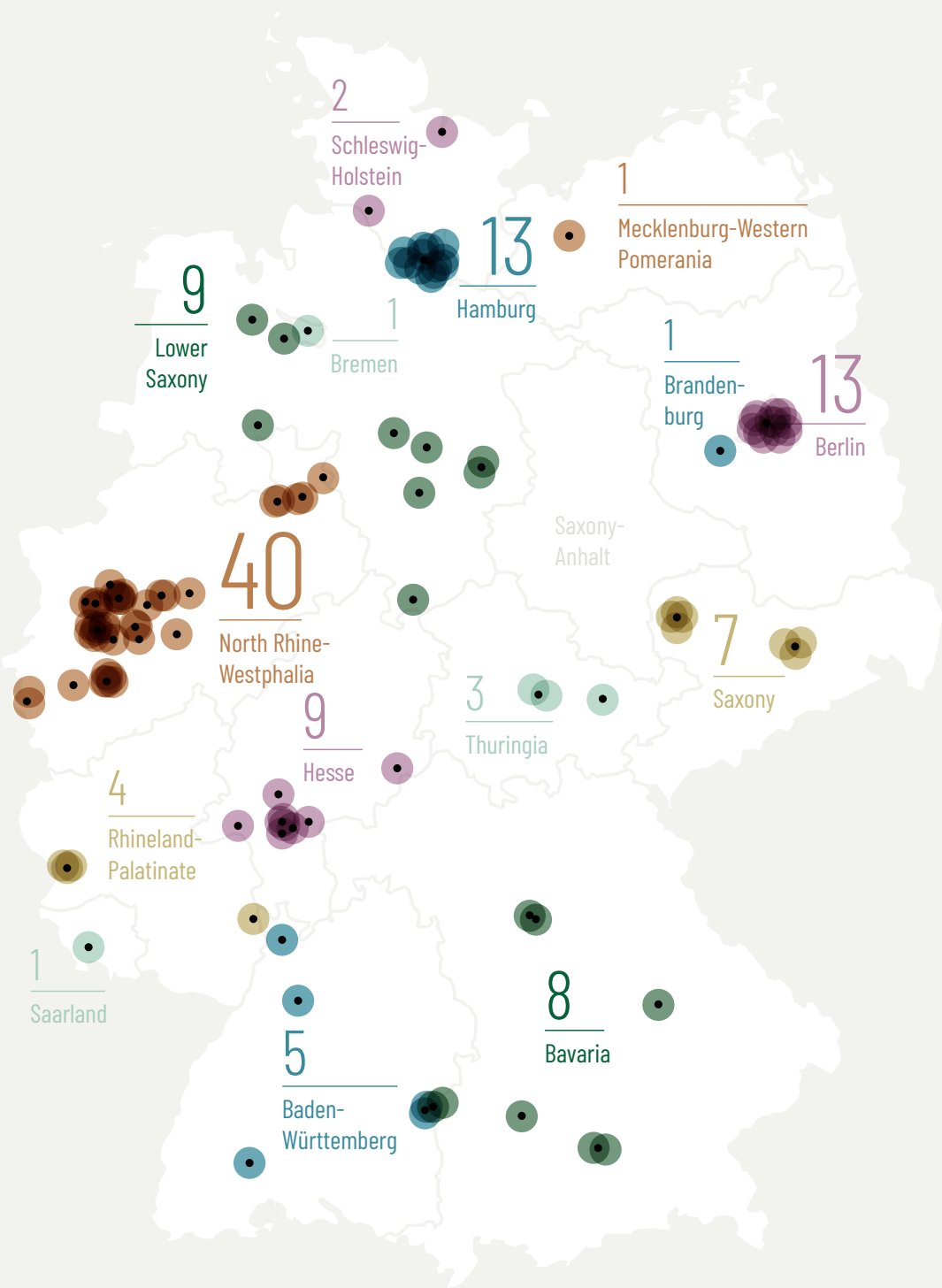
All figures as of 31.12.2022

GEOGRAPHICAL ALLOCATION AND TYPES OF USE

Together with expert colleagues, we cover various asset classes in our respective business segments. We complement this professional competence with sound local expertise in the most important German submarkets.



Types of use in per cent, share of total area.
The remaining 13 per cent are used for: residential, leisure, hospitality, hotel, parking.



Geographical distribution of VALUES objects by federal state

2.

GOVERNANCE: ESG STRATEGY

ESG AS A SUCCESS FACTOR OF THE BUSINESS STRATEGY

With a network of ESG officers in all areas of the company, we have integrated ESG strategically into corporate processes. The main business units work on the various dimensions of sustainability in an integrated manner and keep their expertise up to date with regular ESG training. We have designed all new institutional funds as Article 8 funds at least in accordance with the EU Disclosure Regulation since 2022. VALUES project developments fulfil essential sustainability criteria.

Urgent action needed

On one hand, the climate crisis continues to gain momentum worldwide. On the other, geopolitical upheavals cause us to lose sight of it. Rising construction and energy costs, supply bottlenecks and ever-increasing interest rates are not making it any easier to transform buildings and build sustainably.

Nevertheless, we in the real estate sector have to face some sober facts. Buildings are responsible for around 40 per cent of energy consumption and 36 per cent of CO₂ emissions in the EU. Pressure on the sector is growing and the demands on real estate from both investors and users are increasing. This is reflected in the high demand from investors for Article 9 funds, however, these cannot be filled with properties quickly. At the same time, many buildings no longer meet the demands placed on them today by their users. We are therefore facing one of the largest transformation pro-

cesses of our cities and urban spaces. As an established player in the German real estate industry, we see it as a top priority to make our contribution to sustainable economic activity, a liveable society and crisis-resistant and socially inclusive urban spaces during this functional and ecological transformation. We want to create lasting value: for our customers, investors, the users of our properties and local citizens. Our properties should still be up-to-date in 2045 and therefore climate-neutral and worth living in.

Focus on long-term values

We can maintain our long-term success in a stable economic system if we pay attention to the well-being of all people and to the integrity of our environment. We attach great importance to sustainable standards when managing our company and take our responsibility towards future generations seriously. Our management decisions are geared towards long-



“As fiduciary managers, we create value for our investors as well as society and contribute to environmental protection.”

Dr. Henning Klöppelt
Managing Director

term value creation to the satisfaction of our business partners and local stakeholders. We involve the urban communities as important knowledge carriers in project developments and real estate transformations.

ESG in corporate strategy

We have outlined our commitment to sustainability and our goals in an ESG strategy, which is available publicly and transparently on our website. We comply with the disclosure requirements in the Sustainable Finance Disclosure Regulation (SFDR). The aim of the corporate strategy is to integrate ESG issues into all business areas and activities. We measure the impact of our corporate actions based on various environmental, social and governance aspects. We see the integration of ESG measures at the organisational level as an ongoing company development process, which we adapt to current challenges and improve continuously. We consider sustainability as a whole in our

actions and strive for a balanced cost-benefit ratio. For example, in our properties, we rely on efficient technologies, renewable energy supply and environmentally friendly portfolio management.

Renewable energies as a new business segment

As a group of companies, we have decided to focus on regenerative energy as a new business segment and have founded a company for this purpose. Adding PV systems and more roofs and open spaces to our existing portfolio is only the first step. We will be considering other types of generation in the future as well, such as wind energy, combined heat and power plants or electrolysis.

Digital data management essential

As investment managers, we must also ensure responsible management of invested funds by

offering our investors a range of products and services tailored to their needs. The demands on services in particular from ESG regulations are increasing steadily. Excellent data quality is becoming more and more important. As a full-service company, we see ourselves as being ideally equipped for this with our integrated property management. We have never strayed from the path to becoming a digital full-service company – a basic prerequisite for optimal ESG and fund reporting.

In addition, compliance with laws and regulatory requirements and employee protection are top priorities for VALUES. We see partnership, entrepreneurial spirit, creativity and responsibility towards society as the cornerstones of a good and trustworthy cooperation. Based on these values, we have created an organisa-

ESG

ESG stands for Environment, Social and Governance. The aim is to assess companies according to other factors in addition to purely financial criteria. The “E” stands for Environment and includes the efficient use of energy and raw materials. The “S” stands for Social and refers to social issues such as the health, safety and diversity of employees and building users. The “G” stands for governance, i. e. aspects of corporate management such as ethics, shareholders’ rights and remuneration regulations for executives.

tional manual and an internal compliance guideline in which we have integrated ESG issues and to which all employees adhere. In this way, we ensure compliance with applicable laws, legal standards and internal guidelines and encourage our employees to report violations or suspicious circumstances to their superiors.

VALUES risk management is a prerequisite of the German Investment Code (KAGB), the minimum requirements for risk management of capital management companies (KAMaRisk) and the German Federal Financial Supervisory Authority (BaFin) circulars, among others. Its main objective is to protect the interests of the investors and owners and to ensure the proper investment process. Along with portfolio management, risk management is a strong ally for investors who stands up for their interests. Risk management quantifies risks arising for investors and companies, presents them transparently and controls them.

Both the EU’s disclosure and taxonomy regulations provide the legislative framework for achieving the climate targets for real estate investment products as well. Accordingly, risk management also adopts these tasks for sustainability risks – another aspect of the investment decision-making process. Sustainability risks are events or conditions from the areas of environment, social affairs or corporate governance, the occurrence of which could have significant negative effects on the asset, financial and earnings situation of VALUES or the investment assets managed by us, as well as on VALUES’ reputation.

If sustainability risks arise, all three of the above-mentioned areas are considered equally. Environmental sustainability risks include both physical risks (such as climate change) and transitory risks, associated in particular with acquired assets. Transitory risks may arise in connection with the transition to a low-carbon



“We create high-performance green funds with a social impact for our investors.”

Thomas Oebbeke
Managing Director

economy. Physical risks can arise from individual extreme weather events (e.g. periods of heat and drought, flooding, storms, forest fires) on the one hand and long-term changes in climatic conditions (e.g. frequency and amount of precipitation, weather instability, a rise in the sea level) on the other, and can lead to a significant reduction in value, damage or even complete destruction of assets.

Transitory risks arising in connection with the transition to a low-carbon economy include changing regulations and technologies and changing market behaviour. Risks are managed holistically at company and product level. VALUES has developed a comprehensive, fully integrated management and risk reporting system that includes both financial and ESG criteria.

ESG risk management throughout the real estate cycle

Targeted risk management ensures monitoring and compliance with ESG requirements, for

example with regard to an Article 8 or Article 9 fund. Sustainability risks are included and considered right from the launch and conception of new fund products, through the acquisition and investment process and into ongoing management. During acquisition audits, we carry out and evaluate due diligence with regard to ESG criteria.

We identify and control ESG risks of special assets and companies during ongoing management. An essential part of the strategy for dealing with sustainability risks is therefore their comprehensive and ongoing consideration in the entire value creation process of a property.

In regular update calls and ESG meetings, we check whether we are on the right track. Together with our strategic advisor, we evaluate progress and define the next steps. Our central coordination allows us to keep an eye on all topics across all business areas continuously.

OUR SUSTAINABLE DEVELOPMENT GOALS

Product range diversification in the area of social infrastructure, targeted partnerships and an increased focus on sustainability within the company itself have greatly expanded our field of ESG activities. At VALUES, we now address 15 of the 17 sustainability goals formulated by the United Nations.

Goal 1: No poverty

- Cooperating with and supporting non-profit organisations

Goal 3: Good health and well-being

- Promoting a healthy lifestyle: cooperation with Urban Sports Club, JobRad and subsidisation of contributions to sports clubs for all employees
- Providing organic fruit and vegetables and drinks several times a week
- Duty to use environmentally friendly materials for property renovation and maintenance to improve indoor air quality

Goal 4: Quality education

- Promoting educational institutions (e. g. VALUES Daycare Invest fund)
- Employing trainees and working students with the prospect of a permanent position

- Providing free or discounted educational opportunities for employees (in-service study courses)

Goal 5: Gender equality

- Promoting gender equality in the workplace with equal opportunities and equal pay

Goal 6: Clean water and sanitation

- Using environmentally friendly technologies and processes to reduce water consumption in real estate
- Introducing water recycling in real estate to improve sustainability (grey water treatment)



Sustainable Development Goals

The 2030 Agenda for Sustainable Development, which was adopted by the member states of the United Nations in 2015, comprises 17 goals (Sustainable Development Goals, SDGs) for socially, economically and ecologically sustainable development. These goals provide the framework for achieving a globally sustainable society and are thus a contract for the future of the global community for the 21st century. The topics range from ending world hunger and poverty to clean energies, clean drinking water and gender equality.



Goal 7: Affordable and clean energy

- Expanding renewable energy sources such as solar energy to reduce the environmental impact and relieve the burden on the energy sector
- Promoting energy-efficient technologies in real estate to reduce energy consumption (smart metering)
- Green electricity as standard for all common areas and inclusion in the form of green lease clauses for tenant electricity

Goal 8: Decent work and economic growth

- Commitment to fair working conditions for all employees, service providers and suppliers

- Promoting training and development programmes for employees to improve skills and increase career opportunities

Goal 9: Industry, innovation and infrastructure

- Continuous training on innovative technologies and concepts to improve the sustainability performance of properties
- Using environmentally friendly building materials to construct and carry out major renovations of project developments

Goal 10: Reduced inequalities

- Promoting construction of barrier-free real estate for people with disabilities
- Promoting projects for the social integration of disadvantaged groups (cooperation with organisations providing workshop programmes for people with disabilities, e. g. Stadtbienen e.V.)

Goal 11: Sustainable cities and communities

- Promoting environmentally friendly transport options in the vicinity of real estate (e. g. by expanding the supply of electric charging stations)
- Duty to create green areas and public spaces in real estate to improve residents' quality of life (green roofs, playgrounds)

Goal 12: Responsible consumption and production

- Promoting waste separation and recycling initiatives in properties to reduce the amount of waste generated in office spaces
- Informing tenants about sustainable property management

Goal 13: Climate action

- Commitment to reduce greenhouse gas emissions from real estate by managing and monitoring emissions actively
- Staff ESG training
- Electrification of the company car fleet
- Business travel policy with climate-friendly travel guidelines
- Expansion of renewable energies

Goal 15: Life on land

- Promoting initiatives to restore ecosystems and improve biodiversity through cooperation with non-profit organisations (urban beekeeping projects, green roofs)

Goal 16: Peace, justice and strong institutions

- Commitment to promote human rights and equal treatment of all employees and residents in properties in accordance with the 10 principles of the UN Global Compact
- Optimising buildings with public tenants to promote the rule of law and strengthen these institutions (public fund)

Goal 17: Partnerships for the goals

- Cooperation with other companies, governments and non-profit organisations to promote sustainable development (signing UN PRI, partnership with concular)
- Developing digital reporting tools to monitor ESG targets with external companies

3.

ECOLOGY



CREATING A DATA BASIS FOR NET ZERO 2028

Despite efforts to keep our carbon footprint as small as possible, our business activities still cause residual CO₂ emissions, e.g. through business trips or products or services in the supply chain that are often not (yet) available free of CO₂.

We have already begun to reduce our carbon footprint in the company. We have introduced timer switches for lights and waste separation in our offices. Water is now only available in glass bottles. In Hamburg and Berlin, we now have a preparation system in place for mineral water.

Environmentally friendly mobility

We are gradually switching to electric models for our fleet of company cars. New company cars are generally only electric. In justified exceptional cases, we still use hybrid models. We have already started to promote public transport. In 2023, there will be a comprehensive subsidy for all employees. In future, employees will be able to travel to the office using a company bicycle if they wish. We have also digitalised our invoicing workflow as far as possible.

On the way to greenhouse gas neutrality

In 2022, we decided to get a concrete picture of emissions generated, and for this purpose we brought ConClimate GmbH on board as a professional partner.



As a specialised climate protection consulting company, ConClimate supports us by analysing and evaluating our CO₂ footprint. Using established measurements and scientific expertise, we will receive an accurate assessment of our emissions, which will serve as a basis for future actions to reduce CO₂. Determining the status quo this way is absolutely necessary to uncover potential savings and to quantify the unavoidable share of emissions that must be reduced.

Initial discussions with ConClimate have resulted in the following parameters for 2023 and beyond:

- Paper-free offices: raising awareness among all employees to reduce paper printing to a minimum and to use recycled paper; use of digital signatures, digital document storage; digital rental agreements (first example: Google)
- Low-energy office operation: more timer switches on lights
- Sensor technology for windows and heating: installation in office spaces to exclude simultaneous ventilation and heating
- E-company fleet: non-extension of contracts for company cars with combustion engines; company car policy will only allow vehicles with alternative, climate-friendly driving
- A binding business travel policy: use of train prioritised over flight and car; allow domestic flights only with significant time saving; pay compensation contributions for flights; business travel only if necessary, use of video conferencing if possible

ConClimate

ConClimate is a company specialised in climate protection consulting and assessing the carbon footprint of companies and institutions. The company helps organisations improve understanding of their ecological footprint and suggests concrete actions to reduce CO₂ emissions. By analysing office energy consumption, the number of employees, company car fleets and business trips, ConClimate determines the respective organisation's individual CO₂ footprint.

Based on the results, ConClimate develops individual solutions to reduce CO₂ emissions. Clients receive detailed reports on their carbon footprint and recommended actions.



Compensation strategies

Since there are always unavoidable emissions in reality, ConClimate also provides suitable strategies to offset these. Above all, these should generate an actual positive impact on the climate. Transparency and traceability are particularly important to us. ConClimate will provide us with detailed reports on our carbon footprint as well as on the progress in implementing measures to reduce CO₂. This will allow us to monitor progress, celebrate successes and adjust as needed.

BEES BUZZING ON VALUES ROOFTOPS

The protection of bees and other pollinators is central to maintaining biodiversity and safeguarding our livelihoods. Stadtbienen e.V. is a non-profit organisation working to protect bees in cities. It enables companies to provide a home for bee colonies in urban areas. The association focuses on various activities such as educating the population about the importance of bees, promoting bee-friendly habitats and supporting beekeepers.

As part of our commitment to sustainability and environmental protection, we have decided to further expand on our cooperation with Stadtbienen e.V. from last year. In spring 2022, the first two VALUES city bee colonies were established in Hamburg on the Großer Burstah. The beekeeper in charge was pleased to note during his regular visits that they survived the winter very well. This is an encouraging sign for us and all those interested in increasing and maintaining the bee population in cities.

We have positive evaluations of two further locations for project development: one in Berlin-Neukölln on Karl-Marx-Straße, and the other a conversion of the C&A department store opposite Dortmund's Reinoldi Church. We will settle two more bee colonies on each of the roofs at swarm time in 2023. We will also give our employees information about our colonies to strengthen and maintain awareness of their importance. Through our cooperation with Stadtbienen e.V., we not only want to contribute to the protection of bees, but also set an example for sustainable business practices. We are firmly convinced that sustainability and economic success can and must go hand in hand.

And soon enough, we may notice another benefit: chances for the first VALUES honey are high — in Stadtbienen e.V.'s ecological beekeeping practice, harvesting is only permitted from the second year onwards and only if there is a sufficient surplus of honey.



CLIMATE PROTECTION ROADMAP FOR EVERY PROPERTY

To achieve climate-neutral operation of our buildings by 2045, we consider all properties individually. In Green Capex plans, we evaluate the status quo of the building in terms of its CO₂ footprint, both currently and over time. We can see clearly when a property falls out of the climate protection roadmap and determine actions to prevent this. Green Capex plans provide us with an instrument to manage our properties and thus our entire portfolio. So far, 44 of our properties have a climate protection roadmap. This corresponds to a rate of around 37 per cent.

To this end, we rely on a holistic management approach. This consists of planning, implementation, review and further development tools with new measures.

To prepare climate protection roadmaps, we initially prioritised properties from two funds: an office fund and a healthcare property fund. We are already aligning both funds according to specific ESG criteria. The office fund is now participating in the GRESB rating for the fourth time, and the health care real estate fund is classified as an Art. 8 under the EU Disclosure Regulation. It has also already purchased the first properties successfully.

Exchange with stakeholders

To improve our environmental performance, we also seek contact with our tenants to negotiate green lease clauses. We are gradually converting the lighting in our buildings to LED. We are also identifying fossil fuels in the overall portfolio and developing a strategy to convert successively to district heating or other heating media that reduce or eliminate fossil fuel combustion such as oil and gas.

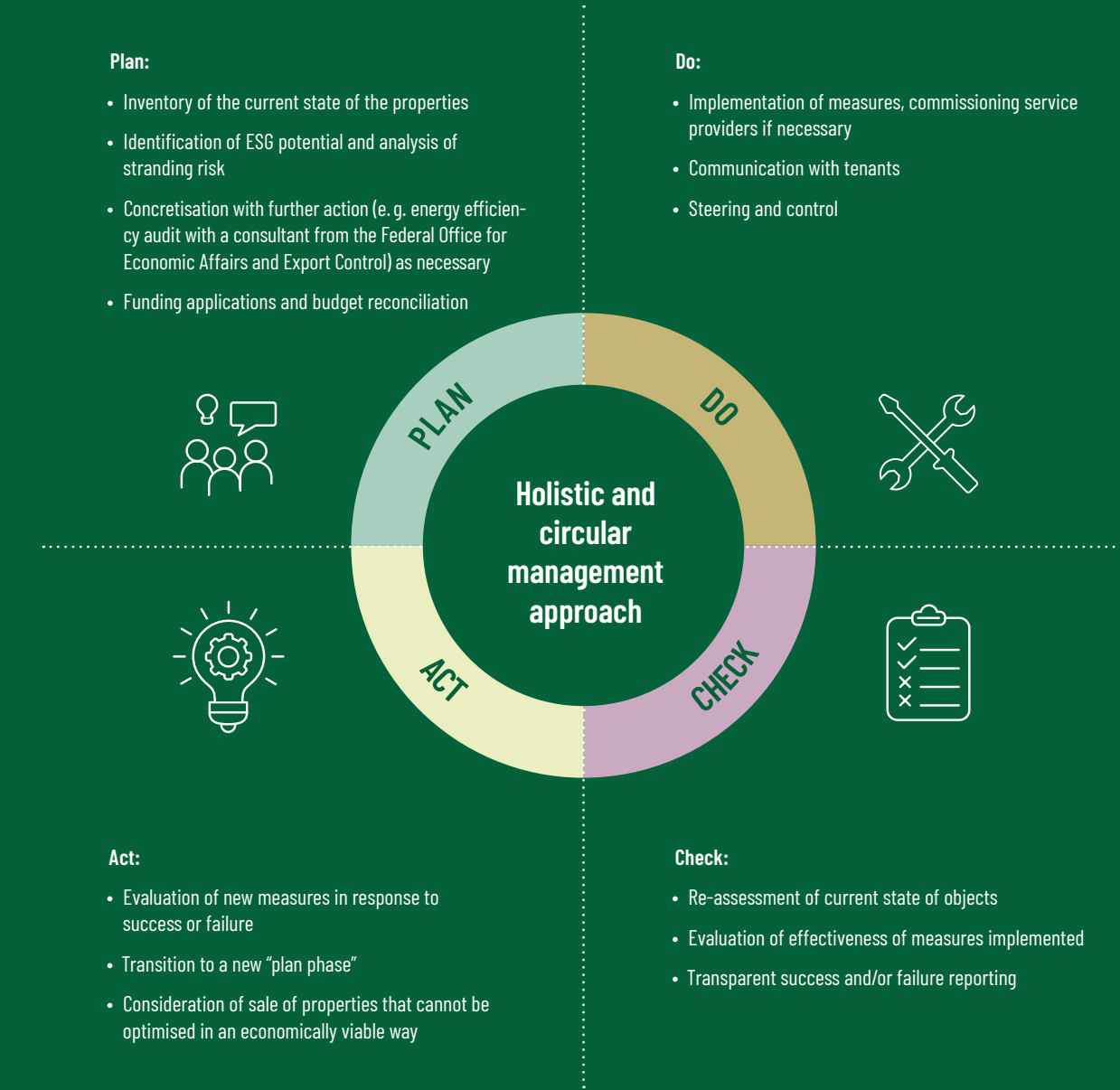
A close exchange with our facility management services is essential to sensitise them to the issue of resource-saving operation. The aim is to introduce further measures such as demand-oriented use of lighting, heating, ventilation and air conditioning systems.

Targets 2023

In 2023, we want to introduce smart metering across the portfolio. This will make it easier to control consumption data. We will use a standardised tool for data management. With special ESG software, we wish to refine our ESG management further using model predictions of the effects of certain ESG measures.

Specific energy audits for properties will also optimise our Green Capex plans. At the property level, we will evaluate the respective potential for photovoltaics and e-charging stations. In the investment product area, we will launch our first two Article 9 funds in 2023.

How is ESG implemented? How do we achieve our goals at the object level?



STRANDING RISK ANALYSES AS A MANAGEMENT TOOL



Kurfürstendamm 38,
Berlin

Main use:	Office
Total area:	6,121 m²
Heat:	District heating
Year of construction/last modernisation:	2005
Risk class:	Core+
Number of tenants:	17

Stranding risk describes the risk of a property failing due to non-compliance with time-related, use-specific benchmarks derived from the Paris Climate Change Agreement.

The relevant parameters to assess the property within the framework of the climate protection roadmap are the emissions of CO₂ equivalents in kg CO₂ equivalent, simplified as kg CO₂. The goal is to reduce a building's CO₂ emissions to almost zero kg CO₂ on the balance sheet, thus achieving climate-neutral building operation.

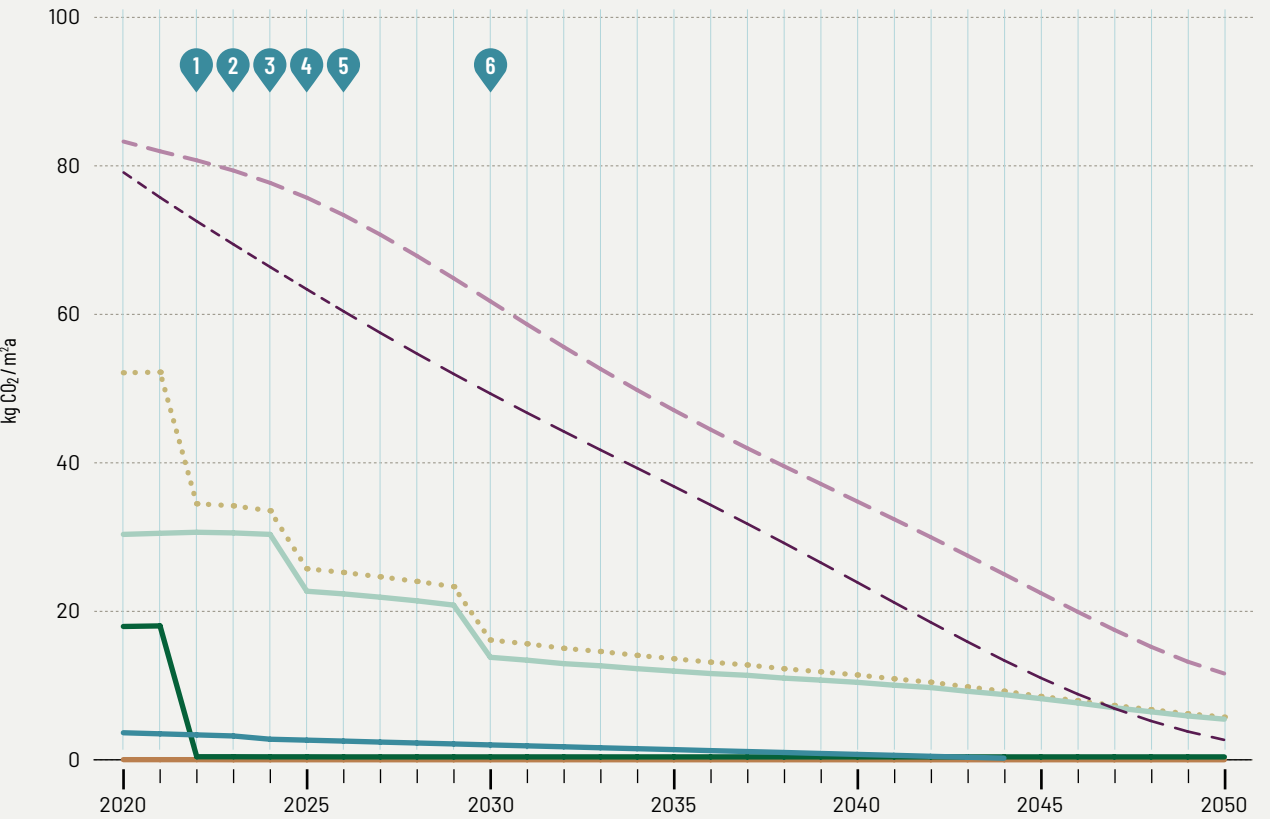
Regarding energy efficiency of a building, the final energy consumption [kWh] is also used for evaluation.

Based on the overarching goals of the Paris Climate Agreement, benchmarks can be derived for various building typologies and locations with regard to the relevant parameters (see *Carbon Risk Real Estate Monitor [CRREM; www.crrem.eu]*).

To identify the stranding point for our properties, we have already drawn up climate protection roadmaps for some of our portfolios (44 properties) – further properties will follow next year.



Planned CO₂ development path for the Berlin Kurfürstendamm asset



Optimisation measures in the scenario

1	Conversion to green energy in general areas	2022	Target path CO ₂ emissions for 1.5°C target according to CRREM
2	Installation PV system	2023	Target path CO ₂ emissions for 2°C target according to CRREM
3	Hydraulic balancing	2024	Total CO ₂ emissions
4	50 % share of tenant electricity as green energy	2025	District heating
5	LED lighting in general area	2026	General electricity
6	75 % share of tenant electricity as green energy	2030	Tenant electricity
			Total CO ₂ reduction through renewable energies

Stranding risk points in relation to CO₂ emissions

Predicted stranding risk scenario 1.5°C target	2046
Predicted stranding risk scenario 2°C target	No stranding

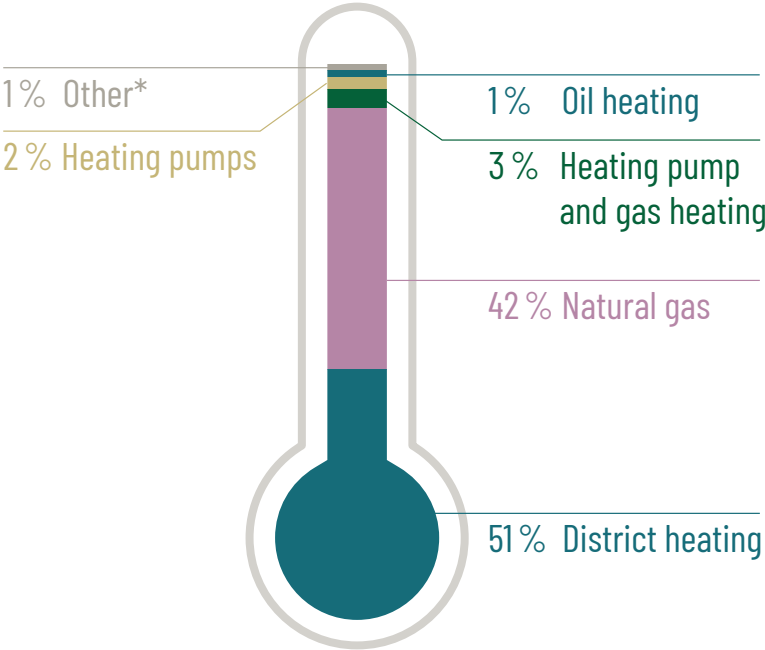
ESG KEY FIGURES

Green energy



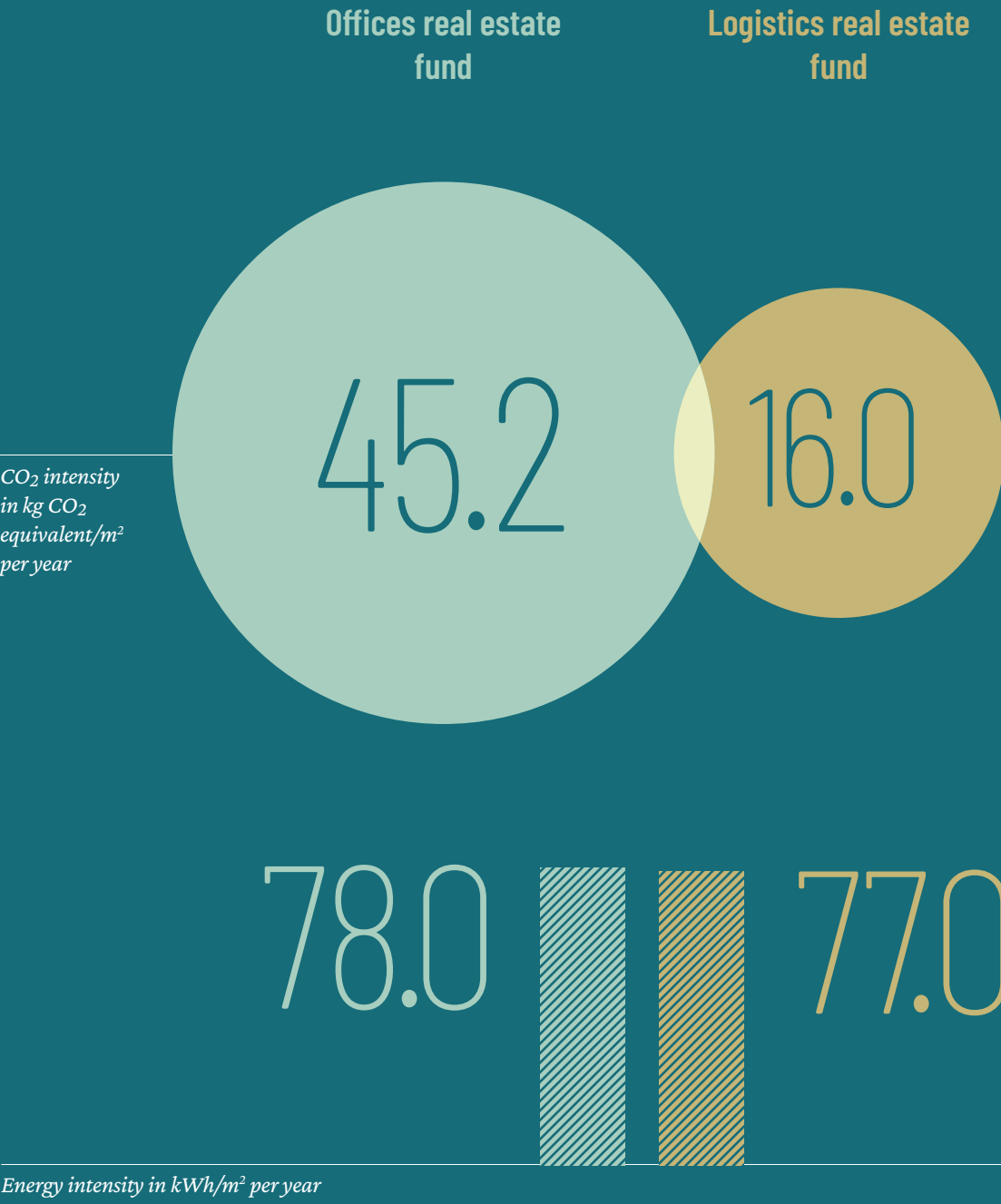
* Last updated 31.12.2022 based on all general spaces

Heating media



* e. g. wood pellets, solar thermal energy, biogas, heat recovery ventilation

Consumption data at fund level



Figures are based on consumption data, energy performance certificates and scientifically based projections.

4.

SOCIAL





“THE BUSINESS OF PEOPLE”: A FIRM FOCUS ON PEOPLE AT VALUES

Whether negotiating suitable spaces with tenants, decarbonisation strategies with investors or on-site urbanisation concepts with local decision-makers: our daily business is “the business of people”. Our most important capital is our employees. An interview with the VALUES Real Estate HR trio.

Philipp, last summer you came to VALUES from a renowned German capital management company to build up the human resources department strategically. Tell us about your first impression: what kind of company did you join at VALUES?

Philipp: Even though there are several different headquarters, I found a cohesive community spirit. We have maintained this spirit despite our rapid growth – even across the five locations. It should be emphasised that the composition of the employees is varied due to the different fields of activity. A project developer thinks and works differently to an investment manager. But that has no effect on the team spirit.

Which aspects will be important in the future for HR management?

Philipp: The two most important keywords for me are corporate culture and digitalisation. Demands on workplaces are increasing. We have an employee market. Today, companies apply to potential employees. The younger generation in particular seeks meaning in both their own work and in the company. That’s why a good corporate

culture is how to survive the “war for talents” and to stand out from the competition at best. Another important task is digitalising HR management – from recruiting to applying for leave and training. It’s important to create smart infrastructures here and to make them accessible to employees of all age groups.

Lisette, when you joined VALUES in 2019, the company not only had a different name, it also had a different identity. How has VALUES changed since then from your point of view?

Lisette: When I stopped working in November 2020 to give birth to my first child, there were about 40 employees and we belonged to another group of companies.

About a year later I came back, but now to an independent VALUES headquarters and a company with a new corporate identity. On the one hand, I had the feeling of starting in a new company. The number of employees had more than doubled and new business areas had emerged. Suddenly the company was dealing with medical and day-care centres. On the other hand, the

new employees had the same spirit as those I already knew. It was fascinating and still is.

You’ve been working as a VALUES recruiter since November 2021, but you started as an executive assistant in 2019. How did you discover your interest in human resources?

Lisette: I have always been interested in combining profitability and personality in entrepreneurial decisions. After graduating from my bachelor’s degree in business administration, I started at VALUES on the condition that I could do my master’s degree in business psychology at the same time. The company was very supportive. I also predicted that the need for HR at VALUES would grow as the company grew, which was indeed the case.

Christin, you have followed Lisette’s example and have just moved from executive assistance to human resources management. How did that come about?

Christin: When I started as an executive assistant at VALUES in January 2020, I always had a bit to do with HR. At that time, there was no overarching human resources department. Little by little, I noticed that HR suits me and I enjoy it a lot. And so I was able to develop further and I’ve been in the HR team since April this year. The company is very supportive. I receive introductory training and a plan for further education.

What did HR management achieve in 2022?

Philipp: The most important thing was being able to create the same standards while working in an overarching, centralised HR management system in an ever-expanding company. We’re getting there.

We now have uniform employment contract models and payroll accounting and all recruiting is managed in-house. I wanted clear rules for our

feedback culture. Also, last year’s first employee survey was an HR management milestone.

Lisette: Another milestone was our strategy day in Scharbeutz. We agreed on the corporate culture and our corporate values. Incentives such as after-work meetups should not be underestimated. Nor should our own bar here in Hamburg.

Christin: We’ve also set out on the path of further incentives. We started by subsidising Urban Sports memberships and public transport tickets. These subsidies will now be

Numbers, data, facts

114	Employees
53	Male
61	Female
99	Full-time
15	Part-time
36 years	Average age
7	Sick days employees/year

Staff structure

11	Managing directors
11	Managers
82	Employees
10	Young professionals: (working students, interns and trainees)



(l. to r.) Philipp Meindl, Head of Human Resources, Lisette Pörschke-Kaeding, HR Business Partner, Christin Anders, Junior HR Business Partner

standardised for all in 2023. Whether it’s an Urban Sports membership or a sporting association: we promote sport because we care about employee health. VALUES gives everyone the 49-Euro-Deutschland-Ticket for national train travel. Our cooperation with the bike leasing company JobRad will be another building block for health management. Also, cycling saves CO₂ emissions.

You’ve already given a small preview of 2023. What else do you want to tackle?

Philipp: Introducing digital HR management with a recruiting interface is a central project. In future, contact with potential employees will begin via the careers portal on the website. Data

will be collected and transferred to internal HR management after recruitment. I would also like to introduce central personnel development concept at VALUES.

What shouldn’t change at VALUES?

Lisette: Our team spirit, our camaraderie and the many friendships. Also, our values at VALUES, which are based on humanity above all.

Christin: Plus, our many shared experiences on the rooftop terrace in Hamburg: barbecues, summer parties and plenty more.

OUR COMMITMENT TO SOCIETY

Interim cultural use: POSTOST Ukraine

Russia has been waging aggressive war on Ukraine for over a year. Millions of people have fled. Unfortunately, there is still no end in sight. Stiftung Neue Kunst Berlin-Brandenburg (SNKBB) organised the exhibition "POSTOST: Україна / Ukraine" to present the positions of Ukrainian artists. All proceeds were donated directly to the Ukrainian Cultural Community (UCC) in Berlin.

VALUES gave this temporary exhibition a home at Karl-Marx-Straße 84 in Berlin-Neukölln from 19 June to the end of October 2022. In 2023, the ESG-compliant conversion and development project begins for the commercial building directly opposite Neukölln's town hall. The exhibition primarily showcased the positions of Ukrainian artists. The result was a prismatic view of the present day at war, in everyday life under threat and stories about identification, solidarity and belonging.

Sponsoring clubs

In addition to art projects, VALUES also supports various social and charitable projects. For example, the company now sponsors the Braunschweig Acosta Sports-Club and donates to children's charities, among them the German Children's Fund, die Freunde der Arche in Frankfurt am Main, Sternenbrücke children's hospice in Hamburg and the Mittagskinder Foundation in Hamburg.



INSTITUTIONAL CAPITAL FOR SOCIAL INFRASTRUCTURE

Real estate in the social infrastructure sector touches on important social issues. Whether day care centres, schools, medical centres, rehabilitation centres, specialist medical educational institutions or office properties with public sector tenants: we at VALUES Real Estate contribute to social cohesion in Germany by acquiring and managing these properties and bundling them in attractive investment products for institutional investors. We direct the capital paid in by savers into important thematic areas that have an overarching significance. Contributions don't just generate the necessary returns for the retirement provision of the paid-in capital – they also contribute to the provision of high-quality real estate for the respective areas.

For example, the VALUES Public Sector fund recorded seven property acquisitions with an investment volume of around 200 million euros. These include such important properties as the Liegenschaftskarree Kiel, the two Thuringian state ministries of the interior and economy, and the Schwerin town hall. In acquiring the former telecommunications office in Hamburg-Rotherbaum, VALUES Real Estate not only succeeded in making the largest single transaction in the mid triple-digit million euro range. The investment also represents a milestone for the city of Hamburg in making its university education and research infrastructure fit for the future. After conversion is completed, the development will be a new home for the University of Hamburg, the Leibniz Informationszentrum Wirtschaft (ZBW), the German Institute for Global and Area Studies (GIGA) and the Studierendenwerk Hamburg.

In Berlin, VALUES acquired the new building on Landsberger Allee with the tenant Jobcenter Friedrichshain-Kreuzberg. VALUES also launched its first Article 8 fund, VALUES Health Invest II. This fund focuses on the breadth of both outpatient and inpatient care facilities, among other things. This includes hybrid residential and care concepts as well as proper-



The "Haubrichforum" medical centre on Neumarkt in Cologne (top) and the Thuringian State Ministry of the Interior and Communications in Erfurt (bottom)



Day care centre in Hamburg, Bergstatter Straße

ties for assisted living and medical centres, but also selected inpatient healthcare properties such as nursing homes or rehabilitation clinics. In addition, there is a focus on properties for healthcare-related uses, such as offices of medical companies or health insurance companies as well as educational institutions, medically oriented retail, laboratories and the life science sector. The first properties, such as the rehabilitation clinic in Glückstadt near Hamburg, have already been purchased.

VALUES Daycare Invest reached its final fund volume with a total of 37 day care centres and a fund volume of 170 million euros. We are aware of the great responsibility that comes with managing these properties. After all, nothing less than the growth of our next generations is at stake. In the meantime, we have also been able to upgrade this fund to an Article 8 fund.

Transforming real estate: revitalising urban spaces

In 2022, VALUES completed the "Rosi" project development opposite Hackesche Höfe in Berlin-Mitte and sold this newly created mixed-use ensemble to the BVK VALUES Real Estate Fund CBD. The project development and sale exemplify how VALUES creates sustainable value by transforming urban spaces for local people and the investment market.

Two further inner-city project developments by VALUES Real Estate reached milestones with their topping out ceremonies in 2022. In Düsseldorf, a hotel and retail complex is being built for Alte Leipziger at Joachim-Erwin-Platz with future main tenant Motel One. In Dresden, VALUES is transforming the former Wöhr department stores on Prager Straße into a hotel with retail and the future main tenant Premier Inn.

Target 2023: Two Article 9 funds firmly in view

VALUES Real Estate has its sights set firmly on the 2022 target for a new impact fund in the health sector. We are primarily concerned with new forms of assisted living in old age. One objective, for example, is that children in need of care can continue to live together with their parents in a sustainable environment once their parents also require care due to old age.

Another topic has arisen from the social debate about the lack of affordable housing in Germany. We are looking for ways to make investments in subsidised housing in Germany attractive again. After all, the creation of affordable housing contributes to keeping society together.

Tenant survey

VALUES launched a pilot tenant survey for all tenants of properties in the BVK VALUES Real Estate Fund CBD. Once a year, all tenants give feedback on their respective property. The survey provides asset management with important information for improvement. The survey will be implemented for all properties from 2023 onwards.



Legal Notice

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