DIC ASSET

SUSTAINABILITY REPORT 2011

CONTENTS

FOREWORD

Dear Shareholders, Business Partners, Employees and Friends of our Company,

As we publish our results for 2011, we also take great pleasure in presenting you with the first Sustainability Report for DIC Asset AG.

Ulrich Höller (CEO) and Markus Koch (CFO)

Sustainability is not a new target for DIC Asset AG. Durability has always been a key feature of our business model – this is underlined by the fact that, since our IPO, we have remained highly profitable for more than 30 quarters in succession. A key priority in our business activities is a long-term, fully responsible approach to handling our financial partners' assets and in our interactions with employees, tenants and business associates. We believe that sustainable management also includes social responsibility and the optimal integration of our stakeholders, in order to create ecological, social and economic added value. It is against this background that we completed another successful year in 2011 – despite strained international financial and economic markets – and successfully achieved all of our growth and results targets.

In the past, we included information about our sustainability activities in our Annual Report. In 2011, we significantly increased the detail in our reporting – and the result is the first Sustainability Report for DIC Asset AG.

- Firstly, we have laid the necessary in-house foundations for regular reporting. In this report you will find the first results of the analysis of the energy and water consumption data for around 60 properties, together with details of our targets and important sustainable projects.

- Secondly, as a member of the leading German Property Federation (ZIA) and together with other market participants, we have been involved in introducing a sustainability code for the real estate industry. As one of the largest sectors of the German economy, the real estate industry has a key role to play in terms of sustainability, since the construction and management of property accounts for a significant proportion of the use and consumption of resources. The ZIA code for the real estate industry was published in autumn 2011 and we have based this first Sustainability Report on its recommendations.

We firmly believe that sustainability will continue to grow in importance, both in terms of public perception and within the industry, and that it will be embedded ever more strongly in corporate decision-making processes. In the future, business success will no longer be measured solely on the basis of economic criteria – ecological and social benefits will also play an important part. Our business model is designed for the long-term and therefore provides us with a good basis for exploiting sustainability-driven momentum in the market and successfully implementing the relevant measures in-house. In order to document our work in this area, we will now be reporting on our sustainability activities and results on an annual basis – with the aim of being able to report continuous progress for our stakeholders.

Yours sincerely,

Ulrich Höller
CEO

Markus Koch
CFO

KEY DATA ON SUSTAINABILITY

Economic key data	2011	2010
Number of properties*	278	288
Lettable area in sqm*	1,228,000	1,171,100
Vacancy rate*	12.4%	14.3%
Rental income per sqm in EUR*	10.50	10.40
Gross rental yield*	6.6%	6.6%
Annualised rental income in EUR million*	139.5	128.9
Market value in EUR million*	2,202.3	2,001.8
Funds from Operations (FFO) in EUR million	40.6	44.0
Profit for the period	10.6	16.5
Cash flow from operating activities in EUR million	38.4	37.7
Equity ratio	27.8	28.6
Net Asset Value in EUR million	682.6	598.5

* all figures pro rata, except number of properties; except number of properties and market values, all figures without developments

Ecological key data **	2010	2009
Electricity consumption in kWh/sqm/year	110.6	97.5
Heating energy consumption in kWh/sqm/year	77.7	77.1
CO_2 emissions in $kgCO_2e$/sqm/year	72.3	68.7
Water consumption in m^3/sqm/year	0.26	0.28

** based on analysis portfolio

Social key data	2011	2010
Total employees	127	110
Fluctuation rate	7.8%	22.7%
Percentage of women	44%	48%
Percentage of men	56%	52%
Absence rate	2.4%	2.7%

Highlights 2011

MainTor Frankfurt:
DIC is realising one of Germany's large, sustainable developments in a top, city-centre location on the bank of the River Main. We have made striking progress in 2011 and signalled implementation of two sub-projects with advance marketing. Further details on page 42 ff.

Project "Green Energy":
We now use communal electricity from renewable sources for the majority of our portfolio. More than 400 energy contracts have been amended for this purpose. Further details on page 41.

Portfolio growth:
In 2011 we made purchases worth EUR 300 million and thus increased our portfolio's yield. The portfolio grew proportionally by around 112,000 sqm, while the contribution of FFO increased pro rata by around EUR 8.5 million on an annual basis. More details on page 24.

Capital increase and corporate bond:
In 2011 we carried out a capital increase to finance growth and accessed a new group of investors with the first DIC Asset bond. In addition to strengthening our capital base, these measures also increase our flexibility where financing is concerned. Further details on page 18.

PROFILE

DIC Asset AG, established in 2002 and based in Frankfurt am Main, is a real estate company with a dedicated focus on investing in commercial real estate in Germany and a yield-oriented investment policy.

Our real estate assets with around 280 properties amount to approx. EUR 3.3 billion, of which EUR 2.2 billion is a pro rata investment of DIC Asset AG. DIC Asset AG's investment strategy aims to continue developing a quality-orientated, high-yield and regionally diversified portfolio.

The real estate portfolio is composed of two segments: the commercial portfolio (EUR 1.9 billion) comprises existing properties with long-term tenancy agreements and attractive rental yields. The co-investments segment (EUR 0.3 billion) brings together fund investments, joint venture investments and investments in project developments.

Via our real estate management teams in six branches at our regional portfolio focal points, we manage our tenants directly and thus have the edge in terms of location and expertise. This creates the basis for the preservation and increase in value of our real estate assets.

DIC Asset AG has been listed on the SDAX index since June 2006 and is part of the international EPRA index of leading real estate companies in Europe.

CORPORATE RESPONSIBILITY

INTRODUCTION

This is DIC Asset AG's first, separate Sustainability Report. In the two previous years we only reported on sustainability activities in our Annual Report. We have chosen this new, detailed reporting method to give appropriate scope to the growing importance of sustainability within our company.

The Investor Relations division is the business unit mainly responsible for coordinating reporting processes and preparing and analysing the necessary information, in close cooperation with other divisions. It reports directly to the Management Board.

In this first report we introduce our strategy and how sustainability is embedded in DIC Asset AG's business model. We also summarise the measures we have planned and specific objectives and, for the first time, also illustrate our sustainability activities' current status, using selected figures. We are striving for Level C in this initial report according to the GRI standard.

In future we will report annually on our corporate activities' objectives, measures, results and progress according to the three-pillar modal for social, ecological and economic sustainability.

Scope of report and basis for data

The information and data in the economic and social reports relate to the DIC Asset Group and its subsidiaries. If this approach differs we will highlight this at the appropriate point.

In our remarks concerning ecology, we refer to the DIC Asset Group and its wholly owned subsidiaries, through which DIC Asset AG holds its properties and which are managed internally through property manager DIC Onsite GmbH. Furthermore, we take account of ecological data on properties from our co-investments, in which we hold minority interests. We thus cover the entire range of properties in our managed portfolio.

We investigated an initial analysis portfolio of 57 properties for the ecological report's results and, where possible, took into account data for 2008 to 2010. We provide information within the individual report sections and in the Appendix to the GRI table of contents on the calculation stages and scope of the analysed data.

The European Public Real Estate Association (EPRA) is a non-profit organisation based in Brussels, which represents the interests of major European real estate companies in public and supports the European real estate corporations' development and market presence.
www.epra.com

Global Reporting Initiative (GRI)
The Global Reporting Initiative was founded in 1997, and its vision is to provide the foundation for transparent, standardised and comparable sustainability reporting on the global economy's economic, ecological and social performance. Its guidelines are supposed to promote sustainable global development and simultaneously to help companies/organisations when preparing sustainability reports with a voluntary framework for reporting.
www.globalreporting.org

The ZIA Immobilen Ausschuss e.V. (German Property Federation) was founded in June 2006 to provide uniform representation of the real estate industry's interests. The Federation's promotes and follows up measures likely to maintain and improve the economic, legal, political and fiscal environment for the real estate industry as a whole.
www.zia-deutschland.de

BASIS OF OUR SUSTAINABILITY REPORTING

The topic of sustainability has increased in importance for real estate companies in recent years. Social influences, statutory provisions and also a change in the expectations of various interest groups have combined, which is why, in conjunction with the ZIA and other enterprises in the sector, DIC Asset AG has promoted the introduction of a sustainability code for the German real estate industry. This code was published in the autumn of 2011. For our first Sustainability Report we have heeded the code's recommendation and will also strive in future to comply with the ZIA industry code's recommendations.

The key feature of the ZIA industry code is voluntary preparation of a Sustainability Report. This forms the basis for a verifiable measurement of corporate activities in the field of sustainability. In the process ZIA recommends the globally applied Global Reporting Initiative (GRI) approach.

Furthermore, the EPRA (European Public Real Estate Association) published the "Best Practices Recommendations on Sustainability Reporting" in September 2011 and compiled the key figures which it feels are most important for real estate company sustainability reporting.

This report is guided by the ZIA code, GRI reporting standards and construction and real estate sector supplements (CRESS) published in the summer 2011, as well as the EPRA recommendations.

Sustainability Report contents

Our first Sustainability Report describes our sustainability strategy's principles, our aims and report for the first time on our real estate's ecological performance. Future reports will increasingly concentrate on documenting our progress.

- We set out the fundamentals of DIC Asset AG's business model and describe corporate objectives for the next few years, as far as sustainability and its importance for our strategic direction is concerned.
- We describe our stakeholders, their differing needs and our stakeholder objectives.
- We depict DIC Asset AG's structure and Corporate Governance principles.
- In the Economy, Ecology and Social sections we provide a detailed report, using the three-pillar approach, in the form of sustainability indicators, about our economic, ecological and social sustainability activities.

DARMSTADT, WILHELMINENSTRASSE:

Complete window refurbishment

Measures:
In 2010, we completely refurbished the windows of our property in Wilhelminenstraße in Darmstadt, a high-rise office building in a city centre location which was originally built in 1961. By replacing the existing windows with double and triple insulating glazing, we were able to significantly improve insulation in accordance with the Energy Savings Ordinance (EnEV) 2009. User comfort was also improved considerably by reducing the draught inside the office tower.

Investment and benefits:
The benefits of this extensive work, which cost in the region of EUR 1.2 million, include the improved equipment and fittings, the enhanced quality of use for our tenant and an increase in the value of the property. Overall, we are expecting total energy savings in the region of 15% per year.

DIC ASSET AG

DIC Asset AG specialises in commercial real estate, particularly office property in Germany. We currently manage a portfolio of 280 properties worth EUR 3.3 billion. The aim of our investment strategy is to continue developing a high-yield, regionally diversified portfolio.

We estimate that more than 83,000 people work in our properties every day. These business activities influence the environment because, inter alia, energy is used, carbon dioxide released and waste produced. As a real estate company which numbers amongst Germany's biggest portfolio holders, we have a position which obliges us to take a long-term approach to our assets, tenants, business partners, co-workers and residents.

We look after our tenants directly and manage the real estate through our own teams at six branch offices. Our proximity to tenants and regional markets gives us a significant location and know-how advantage over national and international competitors who are more remote. Our activities always aim to increase and safeguard rental income and profits, as well as the value of our real estate and co-investments. To do this we control and manage the entire value-creation chain - from acquisition, via property management, to sale, and deployment of resources.

Active in the German real estate market
The real estate industry is the second biggest branch of industry in Germany and is accordingly very important to the economy. Property has a pre-eminent share of German fixed assets. Compared to other European countries, the commercial property market is very heterogeneous, regionally diversified and covers many different-sized market players. There is a high volume of office space, a very active level of transactions and liquid trading, strong competition and therefore more marked price and rent movements, but also greater vacancies, to a certain extent, in the major economic centres of Frankfurt, Hamburg, Berlin, Düsseldorf and Munich. At the same time, there is a multitude of medium-sized towns and cities, which form the centre of economically strong regions. Thus, for example, the metropolitan region of Nuremberg has a GDP of around EUR 110 billion and is the headquarters for DAX-listed corporations Adidas and Puma, among others. The competition is less in these regions, the level of transactions less marked, but prices and rents are relatively stable and vacancies are fewer.

Because, through our branch offices, we operate throughout Germany, we are able to exploit the advantages and opportunities offered by regional centres and appropriately diversify our property portfolio, while minimising risk.

[1] Total rental space multiplied by occupancy rate as of end 2011/average net lettable area of a workstation in sqm

Our Annual Report, available to download from our website at www.dic-asset.de sets out DIC Asset AG's strategy in detail and results for the 2011 financial year.

Our business strategy in short

1. Clear focus We invest exclusively in German commercial real estate.

We are one of Germany's largest commercial real estate investors, operating exclusively within the German market. Our investment focus is entirely on commercial real estate.

2. Portfolio with strong earnings We manage a high-quality, regionally diversified portfolio with strong cash flow.

We have a quality portfolio, which generates ongoing attractive returns and whose broad diversification enables it to absorb risk.

3. Regional Presence We set up branches to maintain a presence in the areas where our property portfolio is concentrated

We are active throughout Germany. Our long-term presence with branches in the regions allows us to pick up on market opportunities that are closed to investors with a short-term focus.

4. In-house real estate management We guarantee professional support with our internal teams of experts

Our portfolio activities are aimed at increasing rental income and earning power, as well as improving the quality of our portfolio. To achieve this aim, our DIC Onsite property management service provides on-the-spot support for our tenants and properties.

5. Balanced financial structure We secure long-term financing through equity and debt capital

We have chosen to take a long-term approach with regard to our financing, which is in line with the aims that we are pursuing through our real estate.

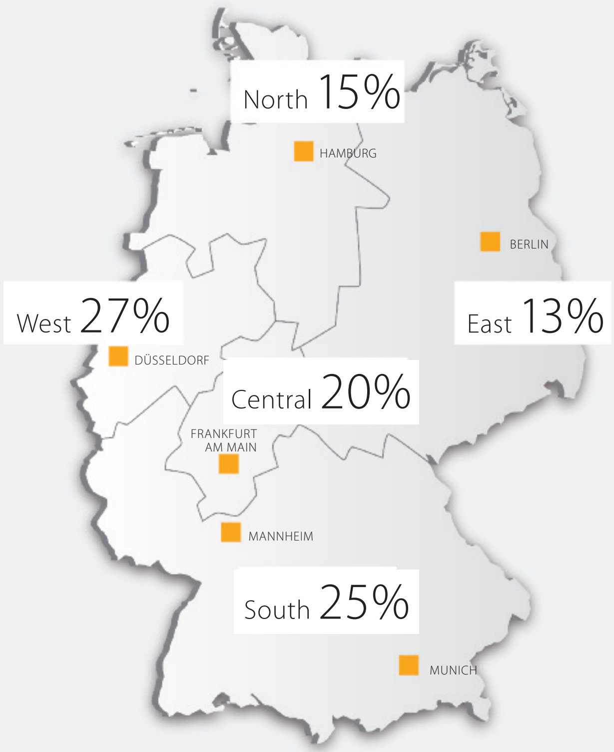
6. Internal and external portfolio growth We exploit earnings potential in the rental and transaction market

We pursue external and internal growth opportunties in order to extend our real estate portfolio profitably in the long term. In doing so we always ensure a stable and appropriate distribution of risk.

7. Diversified Sources of Income We combine high-yield portfolio properties and attractive co-investments in a balanced manner

Our sources of income are diversified: In addition to our rental income, we make regular earnings from our investments and from real estate management for our co-investments.

PORTFOLIO BY REGIONS
Basis: pro rata lettable area in sqm



DIC BRANCHES

Regional portfolio structure

Our activities are managed with a focus on regional markets. Regional planning and management has grown increasingly important in recent years as a result of our real estate portfolio's growth and development of real estate management. The network of DIC branch offices divides Germany into five portfolio regions: North (Hamburg office), West (Düsseldorf office), Central (Frankfurt office), South (Munich and Mannheim offices) and East (Berlin office).

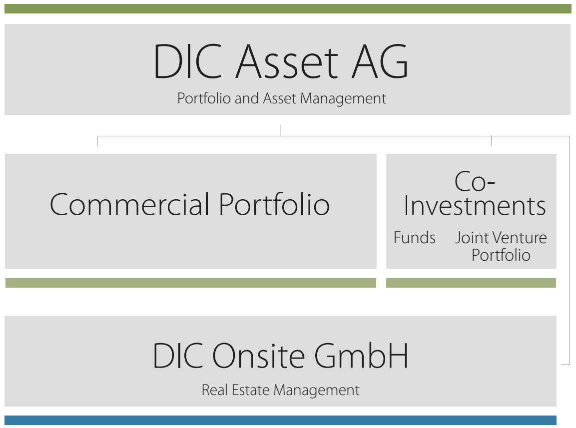
In our investments we ensure balanced diversification, which both opens up attractive opportunities and avoids cluster risks. Around a half of our portfolio volume is located in large cities, with the other half in economically strong regional centres. Our tenant structure has a broad regional and sectorial distribution. This includes a high proportion of financially sound public corporations, many medium-sized business and sole trader tenants. Some 1,500 leases offer a broad spread of risk.

PORTFOLIO BY REGIONS *

	North	East	Central	West	South	**Total 2011**	Total 2010
Number of properties	50	38	56	62	72	**278**	288
Market value in EUR million	234.2	270.6	646.5	641.3	409.7	**2,202.3**	2,001.8
Lettable area in sqm	178,300	160,700	245,200	340,700	303,200	**1,228,000**	1,171,100
Portfolio proportion based on rental space	15%	13%	20%	27%	25%	**100%**	
Annualised rental income in EUR million	14.7	19.7	33.4	41.4	30.3	**139.5**	128.9
Rental income per sqm in EUR	7.70	10.90	13.20	11.50	8.80	**10.50**	10.40
Lease expiry in years	6.9	4.8	6.6	5.5	3.9	**5.5**	5.4
Rental yield	6.4%	7.3%	6.0%	6.5%	7.4%	**6.6%**	6.6%
Vacancy rate	11.1%	9.3%	16.2%	14.2%	9.5%	**12.4%**	14.3%

* all figures pro rata, except number of properties; except number of properties and market values, all figures without developments

Company structure



CORPORATE GOVERNANCE

Strategic Group structure

As the parent company, DIC Asset AG manages the Group. All the management functions are centrally bundled here, including determination of corporate strategy (in particular investment, portfolio management and sales strategy), corporate financing, risk management and control of real estate management. Furthermore, responsibility for corporate communications, including contact with the capital and financial markets and shareholders, is at Group level.

Two DIC Asset AG subsidiaries also have important operational duties: DIC Onsite organises real estate management through six branch offices, and DIC Fund Balance is responsible for the funds business segment.

The Group has a total of 153 indirect and direct holdings. The majority of these are property holding companies, through which the Group's operations are presented and which we manage via intermediate holdings.

Information on Corporate Governance practices

DIC Asset AG attaches great value to Corporate Governance. The Management Board and Supervisory Board feel they have an obligation to ensure the company's continued existence and the generation of sustained value added through responsible Corporate Governance that is focused on the long term. Good Corporate Governance also includes dealing with risks in a responsible manner. The Management Board makes sure that risks are adequately managed and controlled in the company (see also the detailed comments in the 2011 Annual Report) and ensures that the company complies with the law, as well as the recommendations of the German Corporate Governance Code in accordance with the annual Declaration of Conformity. The company's internal control, reporting and compliance structures are continuously revised, enhanced and adjusted to changes in framework conditions.

Close cooperation between the Management Board and the Supervisory Board

The Supervisory Board and Management Board regularly inform each other of innovations in the German Corporate Governance Code and every year adopt an updated Declaration of Conformity, which provides information on how DIC Asset AG complies with the Code's recommendations. The Declaration of Conformity is published on DIC Asset AG's website.

Management Board

The Management Board of DIC Asset AG manages the company's business. It establishes strategy, runs the company, carries out corporate planning and installs effective and adequate risk management systems. The Management Board consists of two members. Each member of the Management Board is responsible for an area within the company which is specified in the rules of procedure.

BOCHUM, HENRY-BESSEMER-PARK:

Energy contracting agreement and replacement of the heating system

Measures:

Henry-Bessemer-Park is a commercial site in Bochum with a variety of uses ranging from the retail market and office space to storage and logistics areas. In 1970, extensive general renovation work was carried out and the heating system was included in this work. The existing energy supply contract expired at the end of 2011. Given the age of the system, we decided in favour of an invitation to tender for an energy contracting agreement under the supervision of our technical property management experts. The contracting agreement includes the replacement of the heating system in order to update the energy supply system in line with the latest technological standards. In return, we undertake to purchase our heating energy from the relevant energy provider for a period of ten years. The replacement of the system is scheduled for summer 2012.

Investment and benefits:

It is estimated that the energy savings and reduction in CO_2 emissions will be in the region of 10%. We are expecting cost savings of up to EUR 50,000 per year. The investment costs are covered by the contracting agreement.

Supervisory Board

The Management Board works closely with the Supervisory Board when making any material commercial decisions and keeps it informed regularly and when required of all business developments and strategic issues. The Supervisory Board is the statutory control and supervisory body and, as such, advises the Management Board in relation to commercial decisions, supervises its operations and decisions and is authorised to make decisions in specific situations. The Supervisory Board of DIC Asset AG consists of six members. In 2001 the Supervisory Board held four ordinary meetings and ten teleconferences jointly with the Management Board.

Further information about remits, powers and remuneration can be found in the 2011 Annual Report at www.dic-asset.de.

Risk management

The risk management system, including the early warning system, helps DIC Asset AG to achieve its aims and is an elementary component in corporate management. It secures its continued existence in the long term in the interests of its management, employees and investors and protects it from critical situations. The fact that it is integrated within our organisation and is mandatory for all employees should ensure that risks are recognised promptly and can be countered in an appropriate and timely manner.

Material business risks have been defined for all levels of responsibility to ensure a standardised and comprehensible approach. Systematic risk analysis has been integrated into the general work processes. All employees are required to conscientiously deal with and take responsibility for risks and opportunities, as part of their skill sets. If an employee identifies a risk, it is assessed for the probability of it happening and the extent of the potential damage. Newly occurring risks entailing a substantial financial impact are notified immediately. The Management Board and Supervisory Board are informed regularly and ad hoc using established reporting pathways. This places them in a position to take appropriate risk-management measures at an early stage and control risk.

The existing guidelines, procedures, instruments, areas of risk and responsibilities are documented in writing and are continually expanded. A document summarises the key elements of the normal cycle introduced as part of the risk management system. Employees therefore always have available binding, job-related instructions for standard, cross-Group approaches to dealing with risk.

Details of DIC Asset AG's risk management can be found in the current 2011 Annual Report at www.dic-asset.de.

RADOLFZELL, HÖLLTURMPASSAGE:

Replacement of the heating system

Measures:

We had originally planned a partial renovation of the heating system in our retail property. However, following a detailed analysis of the heating supply system, it was decided that, for both ecological and economic reasons, it would be better to replace the system completely. As well as being no longer energy efficient due to the age of the original system, it was also at increased risk of breaking down. We therefore took the decision to install a completely new heating system.

Investment and benefits

By investing around EUR 66,000 to replace the heating system, we have provided this property with a state-of-the-art heating system that will function reliably over the coming years. Future energy savings of around 25% will be achieved with the direct benefit of a reduction in operating costs for our tenants.

OUR SUSTAINABILITY STRATEGY

As a real estate company with a long-term investment horizon, we are geared to dealing with resources and the environment in a sustainable manner. This minimises risks, promotes existing business and opens up new business opportunities to us. In our entrepreneurial decisions and processes, we take account of ecological and social requirements and, wherever possible, forego the opportunities for short-term gains in favour of fundamental options for optimisation.

Our strategic approach combines ecological, social and economic aspects and helps us with decisions and business efficiency. We use various systems and indicators, starting with company statistics, sector-wide benchmarks, best-practice examples and right through to environmental aspects, building efficiency, employees, tenant satisfaction and other economic and financial indicators.

Our attitude to sustainability includes

- gearing ourselves to environmental, safety and social standards
- integrating sustainability issues into our business processes
- maintaining good, long-term relationships with all interest groups
- open and transparent communication.

We strive to further develop and optimise the strategic and organisational approach to sustainability step by step, which also includes implementing sustainability targets in our business processes and consequently making them achievable for employees in their day-to-day work. This will be a lengthier process in some areas, which we will regularly document in our Sustainability Reports.

Principles of sustainability

“For companies in the real estate industry, sustainability means the universally defined, long-term goals and objectives for dealing responsibly with the natural environment and economic, social and cultural values, including with regard to future generations, and managing the company with appropriate Corporate Governance. Sustainability is acknowledged to be an indispensable feature of quality which, with regard to real estate, encompasses the whole life cycle and value-added chain. The intention is that it should contribute to improvement of urban development and people's socio-cultural environment.“

Preamble of the ZIA sustainability code

ADHERENCE TO THE ZIA SUSTAINABILITY CODE

In the autumn of 2011, the ZIA set out a sustainability code for the German real estate sector, the preparation of which we, as a ZIA member, were involved. DIC Asset AG follows the principles of the ZIA industry code and will base its future sustainability reporting on it.

The Code provides the framework for individual corporate definition and implementation of guidelines for the economic, ecological and social aspects of sustainability. It sets out keys points of a voluntary undertaking, which forms the basis for positioning of sustainability in corporate value systems, structures and processes. In this respect the industry code reflects how the industry positions itself with regard to pro-active entrepreneurial measures, which exceed compulsory statutory requirements.

The sustainability code as a voluntary undertaking

Due to the multitude of tasks and diversity of business processes within the real estate sector, the ZIA Code makes a distinction between the general undertakings that apply to every business in the sector, and cluster-specific supplements, which on the one hand cover specific sub-sections of the whole process chain and on the other simultaneously cover all sectors of the industry. According to its fields of activity, a single real estate company can be allocated to several clusters if it covers several of the specified fields of corporate business.

We try to take account of the general undertaking principles and cluster-specific supplements in our corporate actions and are gradually integrating them into DIC Asset's corporate processes.

Additional information about the ZIA's Sustainability Code can be found at www.zia-deutschland.de

Relevant clusters to DIC Asset AG

Operate and lease
We manage our property portfolio ourselves and, with DIC Onsite, operate close to our properties and tenants through six branch offices.

Invest
We invest in real estate, for both our immediate portfolio and as a co-investor with minority holdings.

Build
As a project developer DIC Asset AG itself is involved in smaller property developments. Apart from this, it makes selective investments in bigger project developments through co-investments, with which real estate is brought newly to the market through extensive construction projects. In doing so, it makes use of the expertise of the Deutsche Immobilien Chancen Group as an experienced developer.

Fundamental ZIA principles

1. We realise the importance of a sustainable real estate industry and accept the social responsibility.
2. Our value systems, strategies and structures are characterised by sustainability principles.
3. We are geared towards the determination and pursuit of short-, medium- and long-term sustainability objectives.
4. Our services and business relationships are based on sustainable principles.
5. Sustainable action is based on choice, development, education and management of employees.
6. We involve our stakeholders in our efforts to achieve sustainability and want to make them enthusiastic about it.
7. We strive to exceed statutory minimum requirements, achieve continuous improvements and thus be exemplary.
8. We publish our objectives, measures, activities and progress annually in Sustainability Reports and concentrate on verifiable facts based on industry standards.
9. We support transparency and publish the required information on how quantifiable the sustainability measures are.
10. By positioning ourselves as a sustainable company, we contribute to dissemination of the principles of sustainability inside and outside the real estate industry.

ZIA cluster definitions
The ZIA has defined the following, supplementary clusters:

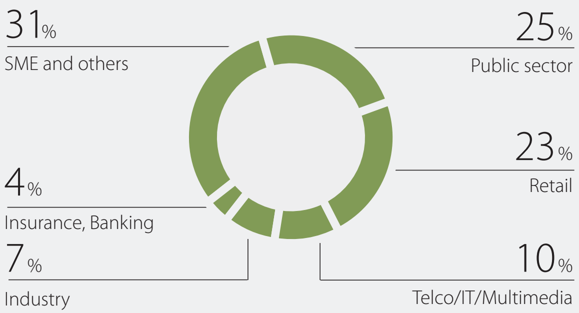
- **Build:**
  Companies which plan, design or build real estate
- **Operate and lease:**
  Companies which influence real estate performance long term
- **Invest:**
  Companies which purchase, hold and sell real estate
- **Finance:**
  Portfolio, new-build and corporate financing
- **Use:**
  Real estate users and tenants
- **Advise:**
  Strategic, organisational, legal, economic, fiscal and technical advisers
- **Research and teach:**
  Qualification and professionalization of the real estate industry

OUR CAPITAL PARTNERS

- **Equity capital partners:**
  - DIC Asset shareholders
  - Special fund investors

- **Debt capital partners:**
  - Real estate financiers (mortgage banks, savings banks, Landesbanks, private banks)
  - institutional and private bond investors

MAIN TENANTS *
by rents paid



* pro rata

LONG-TERM MEASURES AND AIMS

KEY STAKEHOLDERS

Thanks to its pan-German activities, DIC Asset AG has a wide real estate industry network, with a multitude of links to players and service providers in the real estate sector. Our decisions and activities influence our investors and shareholders, more than 125 employees, some 1,500 commercial tenants, a multitude of business partners, and the global environment surrounding our real estate.

We realise that our entrepreneurial decisions affect the various interest groups differently, which is why it is essential that we identify and understand our interest groups' requirements and needs through regular, reciprocal exchanges. We include the interests of all participating stakeholders for the purpose of sustainability. As far as possible, we strive to pursue our interests and activities in the interests of all the stakeholders involved, and take into account their different needs.

Capital partners

Capital partners either have direct shareholdings in DIC Asset AG or have made finance available to our company. These are primarily shareholders (main shareholders: Deutsche Immobilien Chancen Group MSREF, solvia Vermögensverwaltung), holders of DIC bonds and financial institutions (banks and insurance companies).

Tenants

Some 1,500 commercial tenants use spaces in our real estate. These are primarily office tenants and trading companies. The size ranges from small and medium-sized enterprises to international groups of companies.

Employees

DIC Asset AG employs around 125 employees. Most of them work in local real estate management at the six branch offices. DIC Asset AG is managed from the company headquarters in Frankfurt am Main, which handles strategic and administrative tasks.

Business partners

DIC Asset AG maintains business relationships with many enterprises, with which we jointly implement projects, or whose services we use. Most relationships exist along the real estate value-added chain.

Public

This group comprises everyone who has an interest in DIC Asset AG, or has contact with our company. We count our tenants' employees who work in our properties and people who live and work at our real estates' sites as part of the more immediate social setting.

"Our investors strive for a defined profit, with the greatest possible security at the same time. They are relying on real estate's stability of value and our management's responsibility with a comprehensive track record."

OUR AIMS FOR STAKEHOLDERS

Capital partners

Aims

- We want to offer our capital partners sufficiently attractive rates of interest and simultaneously create long-term value.
- Our aim is invariably to convey to DIC Asset AG's investors and shareholders a realistic and detailed picture of our company, its situation and the future trend.
- To achieve this we work closely with our capital partners and take care to maintain open and transparent communications.

Communication measures and successes:

- We further developed our communication with capital partners in 2011. Among other things, we have addressed the subject of sustainability in depth and prepared and designed the first Sustainability Report.
- In 2011, at 22 roadshows, at conferences in seven countries and in discussions with more than 200 institutional investors, we provided shareholders and analysts with information about our company.
- We launched the DIC Investors' Day. More than 300 capital and business partners came together at this event in the autumn of 2011 for in-depth industry discussions and cross-company networking. We supplemented the event with a presentation on the following day, specifically for investors and analysts, on DIC Asset AG's current performance and the MainTor quarter development.
- We invest energy and time in our reporting. We are pleased that the quality of our work has received international recognition: out of a total of 5,000 participants, our Annual Report was voted one of the 20 best reports and came first for the second time in a row in the real estate sector at the world's biggest annual report competition, the LACP Vision Awards.

NEU-ULM, GOLDEN TULIP PARK HOTEL:

Complete window refurbishment

Measures:

In 2011, we decided in favour of a thorough refurbishment of the Golden Tulip Parkhotel in Neu-Ulm which was originally built in 1980. Both the technical installations and a majority of the hotel rooms were extensively modernised and the work included the installation of windows with triple glazing over a total area of more than 400 square metres. The result was a notable improvement in the level of comfort experienced by hotel guests. The refurbishment work secures our rental income for the long-term, helps to increase the value of the property and also satisfies the technical standards of the Energy Savings Ordinance.

Investment and benefits:

The total investment was in the region of EUR 2.5 million. By upgrading the hotel property, we were able to conclude a new long-term tenancy agreement. Heat energy savings of more than 30% are also being achieved during operation.

Value added measures and successes:

- In 2011 we enhanced our portfolio by an investment volume of more than EUR 300 million. To finance this growth we increased our capital in 2011 and issued the first DIC Asset bond.

- In 2011 we significantly cut the vacancy rate by just two percentage points, to 12.4%, primarily by letting 247,000 sqm.

- We supplemented our special funds business by another platform for growth and corporate development and offer institutional investors the opportunity to invest in selected classes of real estate. DIC Asset AG is itself involved as a co-investor and provides investment and real estate management services.

- One of Germany's large and sustainable city quarter developments – "MainTor – The Riverside Financial District" – is currently being successfully implemented. Two pre-marketings within 6 months have given us the opportunity to launch the MainTor Primus and MainTor Porta commercial sub-projects.

Yield and risk optimisation measures and successes:

- Our dividend policy relies on continuity – for the 2011 financial year the Management Board is also proposing to pay a dividend of EUR 0.35. This corresponds to an attractive dividend yield of 6.5% (based on the closing price as at 31.12.2011).

- We have significantly strengthened our own equity position to reduce financing risks. Since 2009 we have gradually raised the equity ratio from 24% towards 30%.

- We have gained new capital partners with issue of the DIC Asset bond in May 2011. The funds from the bond offer us flexibility when financing acquisitions.

- By refinancing and purchase financing on improved market terms, we have improved the structure of the loan term and cut the average interest rate.

"Our tenants use our real estate to pursue their business objectives and thus make a profit. They are interested in long-term, economic and undisturbed use of their premises."

Tenants

Aims

- Our tenants' satisfaction is one of the fundamental conditions for our long-term success. We prefer leases over several years, as we are interested in a good landlord-tenant relationship over an extended period.
- We provide our tenants with personal, direct and local service and ideally refrain from using third parties to assist us with our letting activities.
- Our organisation's tenant-focussed optimisation, such as our employees' specialisation in companies of a certain size or belonging to a certain sector, advances our relationships with tenants.
- Increasingly our tenants value efficient use of real estate, which is economical with resources. We want to help you achieve this as best we can.
- Regular investments in our portfolio, which increase useful life, building efficiency, equipment and attractiveness, improve the quality of our real estate and thus provide the impetus for a high level of tenant satisfaction.

Tenant support and tenant satisfaction successes

- We conducted a satisfaction survey of our major tenants with an external management consultancy.
- Our overall average rating was good, in particular where property management and facility management were concerned. Our ongoing local presence pays off in this respect.
- With the tenants concerned, we immediately discussed criticisms, mainly with regard to the length of time required for processing and decision making. We immediately took improvements measures, which could be implemented in the short term, to further increase tenant satisfaction.
- Above all, to further increase tenant satisfaction, we want to standardise our enquiry response process, better convey our high quality of service and be better than our competitors on relevant factors.

Successes in cost optimisation and sustainability issues

- In 2011 we increased investment in our real estate by EUR 3.2 million to EUR 15.3 million (2010: EUR 12.1 million). The main aim was to optimise equipment and energy-saving technical measures, which also have a positive impact on our tenants' service charges.
- We are in constant communication with our tenants, with the priority being on quality service, reliability and permanent ease of access to our commercial and technical property managers. This helps us with early identification of our tenants' wishes or requirements.
- In conjunction with tenants, we try to initiate opportunities for cost optimisation and sustainable use of resources and to implement these in the long term. Recently, we have significantly improved waste disposal with a logistically optimised process which lets us achieve more efficient and cheaper waste disposal. More information on page 48.

“Our employees want a meaningful job, which lets them earn an adequate living and achieve their personal and professional goals through their work and their personal performance. We realise that every employee has a personal attitude to his or her work and defines the meaning, purpose, scope and success of their work differently.“

Employees

Aims

- Our employees are key building blocks in our success. We treat them fairly, we ensure a good work environment and we appropriately reward good performance.
- In keeping with the corporate philosophy, when making appointments the highest priority is placed on qualifications, personal suitability and ability to work in a team.
- We promote our employees according to their abilities and examine opportunities for development within DIC. Because we have a flat hierarchy with small teams, we purposefully dispense with complex organisational and personnel structures.
- We assist our managers with personnel tasks and provide them with the necessary tools through training, and other methods. Our personnel development ensures that talent can be discovered and fostered.
- We offer flexible working time models, mainly to help employees with the return to work after parental leave.

Measures and successes

- In 2011 we enhanced our personnel development system. We use modern analysis tools and processes to systematically identify our employees' skills and to help them to develop them over the long term. The aim is to fairly assess our employees.
- By taking part in job fairs, we have increased our presence as an employer at the EXPO REAL real estate trade fair and through other collaborations we have increased the perception of us as an attractive employer.
- We regularly organise work meetings and events at which branch and head office employees can get to know each other and have a chat, to promote good cooperation and improve exchange of know-how.

“Service providers and other commercial undertakings with whom we collaborate are interested in a fair partnership with us, which serves their long-term corporate interests, takes them forward and helps them make a profit.“

Service providers

Aims

- We see ourselves as a long-term partner throughout the overall real estate industry value-added chain, starting with financing, through to efficient real estate management.
- Our in-house real estate management covers the majority of the tenant support task. Furthermore, we work with national and regional partners who we select according to sustainable principles.
- We create an economically sound corporate structure, geared to the long term, with sustainable, clear and fair structures for our business partners. This basis allows us to pursue real estate strategies with a timescale covering several years.
- In the next few years we want to gradually persuade all our service providers of the importance of sustainability and together devise potential improvements and optimisations. Where possible, sustainability will in future form an integral part of our service providers' services.

Measures and successes

- "Green Energy" project: in 2010 and 2011 we concluded master agreements for all real estate managed by DIC Onsite to supply electricity sourced 100% from renewable energy sources. We are thus making a meaningful ecological contribution in the interests of our tenants and are helping to reduce CO_2 emissions.
- In facility management we have started to incorporate the subject of sustainability into master agreements with our service providers. Even now, the responsible facility managers are recording energy consumption in 70 properties, preparing a monthly energy report and highlighting ideas for optimisation.

„Every single day our real estate provides space for people who spend the majority of their time there, and who are entitled to a high quality in the areas where they work and spend their time. In addition, our activities affect the immediate environment and our neighbours' quality of life. We are aware of our social responsibilities and duties. As far as possible, we respect and promote the social, cultural and economic environment of our real estate.“

Public

Aims

- Through our pan-German offices we, as a real estate company, are interlinked with local and regional structures. We recognise the needs, wishes and concerns that surround us and enter into a debate.
- We support local, regional and national initiatives to regenerate and develop residential and economic areas.
- DIC Asset AG is involved in projects which have a clear impact on urban development. In the process, in addition to sustainable aspects, we pay attention to high quality and take into account the impact on the immediate surroundings. To achieve this, we consult closely with the various interest groups, to uphold the common good.

Measures and successes

- In 2011 we got involved in industry associations and organisations with two key aims: sustainability in the real estate industry and the promotion of recognition of German real estate shares. Among others aspects, the results include ZIA's introduction of a Sustainability Code for the German real estate industry and the direction adopted for the EPRA conference in Berlin in 2012.
- Our “MainTor – The Riverside Financial District“ project, is one of Germany's large and sustainable city quarter developments.
- In recent years we have sponsored cultural institutions such as the Museum of Modern Art (MMA) and the Goethe House in Frankfurt and the Klingspor Museum in Offenbach.
- A detailed report of our social projects and public commitment to "social" issues can be found on page 35ff.

We know that we are only just embarking on our efforts towards sustainability. This report constitutes the first step. Now we have to increase our employees' enthusiasm for a sustainable approach and further integrate our awareness of sustainability into our daily work. We also want to set our tenants and service providers a good example and convince them to use resources sustainably.

We are setting ourselves targets to support and manage this long-term process. Combined with the plans with which we want to confront our stakeholders, the result is a comprehensive milestone schedule for DIC Asset AG's approach to sustainability.

MILESTONE SCHEDULE

Status quo and successes 2010/2011

- Publication of first Sustainability Report.
- Implementation of sustainability in future business strategy.
- Embarked on communication of sustainability strategy to stakeholders.
- Nomination of officers responsible for sustainability at Management Board and Division level.
- Compilation of an initial analysis portfolio to record energy consumption data (electricity, heating) and water.
- Calculation of CO_2 contribution.
- "Green Energy" project launched – bundling of communal electricity supply from 100% renewable energy sources for the DIC real estate portfolio.
- Inclusion of aspects of sustainability in facility management service agreements newly put out to tender and concluded.

2012-2016 aims

- Development of standard reporting structures and expansion of basis of data for determining energy consumption values (electricity, heating) and water.
- Drawing up of an initial sustainability action plan for 2012-2016 based on findings from our initial analysis portfolio (e.g. optimisation of energy efficiency).
- Gradual expansion of sustainability reporting according to GRI, ZIA and EPRA standards, achievement of a higher reporting level according to GRI.
- Participation in education and training on the subject of sustainability.
- Reporting of annual sustainability initiative data.
- Participation in initiatives and projects which promote the subject of sustainability in the real estate industry.
- Raise DIC Asset AG employees' awareness of sustainability, and awareness of employees in subsidiaries.
- Expand communication with tenants and service providers with the aim of gradually and permanently implementing aspects of sustainability in operational processes.
- Additional support for projects which have a positive influence on the social, cultural and economic environment.

ECONOMY

Our economic sustainability principles

- Investment in long-term value added
- Stable, long-term cash flows based on a diversified real estate portfolio
- Balanced financial structure geared to the long term
- Profit-orientated growth for corporate development
- Continuity: continuous positive contributions to results and dividends

Sustainable management

DIC Asset AG is a cost-effective company, geared in the long term to creating lasting value through its activities for the benefit of shareholders, employees, tenants and business partners and making a positive contribution to the community.

Financial year 2011: Growth targets realised

We have set ourselves the major goals for 2011 of further developing DIC Asset AG's internal and external growth and increasing the quality of our portfolio.

With a high letting volume of 247,000 sqm, we have secured our rental income and improved the portfolio quality. The positive result is based on new leases, which we were able to increase by 16% and which made a decisive contribution to decreasing the vacancy rate by 1.9 percentage points to 12.4%. Our rental income increased significantly by 1.7% on a like-for-like basis as a result of new leases.

In 2011, we strengthened our capital basis with a capital increase of EUR 52 million, as well as by means of our first corporate bond with an issue amount of EUR 70 million. With an acquisition volume of approx. EUR 300 million, we reached the upper end of our planning volume and is therefore an attractive extension to our real estate portfolio. The main focus was on real estate with strong cash flows and long-term leasing in economically strong regions of Germany. The portfolio grew proportionally by around 112,000 sqm, while the FFO contribution increased pro rata by around EUR 8.5 million on an annual basis.

In addition, the beginning of 2011 saw the complete placement of our first special fund "DIC Office Balance I", which invests in top quality office real estate, and also increased the fund volume to around EUR 275 million at the end of the year by acquisition of two properties.

In order to optimise our portfolio, we sold 22 real estate properties, mostly smaller properties, with a volume of EUR 72 million. The annual valuation of our real estate resulted in a 0.7% increase in market value. As of 31/12/2011, our real estate portfolio had a proportional market value of around EUR 2,202.3 million. The net asset value was EUR 682.6 million (2010: EUR 598.5 million), the net asset value per share totalled EUR 14.93 (2010: EUR 15.27).

In 2011, we were able to record increasing rental income on a quarter to quarter basis. In comparison with the first half of the year, the rental income increased by EUR 3.7 million to

EUR 60.2 million. The acquisitions for the year and good rental performance contributed to this. The rental income in 2011 was lower than in the previous year at EUR 116.7 million as a result of the portfolio being reduced through disposals from the previous year. As a result of the fact that, in line with our plans, our lower transaction volume in 2011 led to lower profits from sales and, as expected, the results from co-investments were lower, Group profit totalled EUR 10.6 million (2010: EUR 16.5 million). As a decisive key figure for our operating success in real estate management, FFO remained at a good level of EUR 40.6 million. The FFO yield remained stable at 35% with reference to rental income. FFO per share remained high at EUR 0.92 (previous year EUR 1.15).

ECONOMIC KEY DATA

	2011	2010
Number of properties*	278	288
Lettable area in sqm*	1,228,000	1,171,100
Vacancy rate*	12.4%	14.3%
Rental income per sqm in EUR*	10.50	10.40
Gross rental yield*	6.6%	6.6%
Annualised rental income in EUR million*	139.5	128.9
Market value in EUR million*	2,202.3	2,001.8
Funds from Operations (FFO) in EUR million	40.6	44.0
Profit for the period in EUR million	10.6	16.5
Cash flow from operating activities in EUR million	38.4	37.7
Equity ratio	27.8%	28.6%
Net Asset Value in EUR million	682.6	598.5

* all figures pro rata, except number of properties; except number of properties and market values, all figures without developments





ACQUISITIONS 2011

	Galeria Kaufhof properties	Marktforum Duisburg	Office properties Karlsruhe, Leipzig	Joint venture portfolios	Office property Airport Frankfurt
Number of properties	2	1	2	22	1
Volume in EUR million	108	16	62	95	22
Rental area in sqm	49,000	10,000	40,000	90,000	11,500
Vacancy rate	0%	0%	0%	10%	0%*
Average lease term in years	11	12	8	6	7
Annual rental income in EUR million, pro rata	7.3	1.2	4.0	7.0	1.6
Transfer of ownership	Q1 2011	Q4 2011	Q4 2011	Q4 2011	planned Q1 2012
Portfolio segment	Commercial Portfolio	Commercial Portfolio	Co-Investments/ Funds	Commercial Portfolio	Commercial Portfolio

* including rental guarantee of the seller

SUCCESSES REGARDING STRATEGIC KEY POINTS IN 2011

Portfolio with strong earnings	■ Continued high FFO of around EUR 41 million ■ 1.7% like-for-like increase in rental income ■ Term structure of lease agreement improved to 5.5 years
In-house real estate management	■ Strong rental performance from 247,000 sqm ■ 16% increase in new tenancies ■ 1.9 percentage points decrease in vacancy rate to 12.4% ■ +0.7% increase in the real estate market value
Balanced financial structure	■ Capital base strengthened by EUR 52 million by means of a capital increase ■ First DIC asset bond with a volume of EUR 70 million extends financing spectrum ■ Interest cover ratio increased to around 170% ■ Loan term structure improved by means of refinancing and acquisition financing
Internal and external portfolio growth	■ Acquisition of real estate properties in Chemnitz and Bremen with a volume of EUR 108 million ■ Acquisition of "Marktforum" real estate property in Duisburg for a volume of EUR 16 million ■ Complete take over of joint venture portfolios with a market value of EUR 190 million ■ Acquisition of two office properties in Karlsruhe and Leipzig with a volume of EUR 62 million for our "DIC Office Balance I" fund ■ Sale primarily of smaller real estate for a total of EUR 72 million in more than 20 individual transactions
Diversified sources of income	■ 51% increase in service income to EUR 5.3 million ■ MainTor project: Advance marketing and start of two construction phases ■ First special fund fully placed, further resources acquired for fund expansion

RECKLINGHAUSEN, HERNER STRASSE:

Façade and roof refurbishment

Measures:
In 2011, it was decided that a partial façade and roof refurbishment was required for our property in Recklinghausen, an office building originally built in 1969, with the aim of making the building more attractive and increasing its energy efficiency. We decided in favour of a long-term solution: the installation of a thermal insulation composite system.

Investment and benefits:
Following an investment of around EUR 250,000, we are expecting to make annual energy savings of between 10 and 15 per cent for the heating of the renovated part of the building, and this will also have a positive impact on the operating costs. As a result of the upgrade, we made the property more attractive on the market and successfully concluded a long-term tenancy agreement with a well-known bank branch.

Balanced financial structure

Our company is based on a sustainable financing architecture. We use traditional bank financing, bonds, our access to the capital markets, and other financing partners for financing purposes. We have significantly strengthened our capital base over the past few years by means of steady profits, capital increases, regular sales and loan repayments. In addition, we offer strategic financing partners the opportunity to participate in investments, growth and our expertise with their own capital, for example by means of joint ventures, our special funds and other co-investments.

We conclude real estate financing on a strictly long-term basis. The financing focuses on the respective property targets. Ongoing business, as well as the portfolio investments, are financed primarily by the strong cash flows from our real estate properties. We have been continually building up our portfolio for many years now. As a result of the fact that our income is easy to calculate, it offers a reliable basis for efficient and long-term external capital. We agree attractive terms for these borrowings and hedge them adequately against any increase in interest rates. We finance our investments at property and portfolio level and use a balanced ratio of our own capital, funds from our bond, as well as external capital.

After successively increasing our equity ratio from 24% to around 30% since 2009, we want to increase our equity share in investments to 35% in the medium term. As at 31 December 2011, the average term of our liabilities was around 3.4 years. The term structure was further strengthened by the acquisitions and refinancing carried out in 2011. The largest refinancing measure, involving some EUR 37 million for two office properties, was implemented in the fourth quarter of 2011 with a five-year term. Compared with the previous financing structure, interest costs are now some 120 basis points lower. Interest costs were also lower than before in the case of a number of other extensions worth some EUR 33 million.

Transparency: expansion of reporting structure to include a regional perspective

In order to monitor the agreed targets, we use result-oriented figures which are a part of regular reporting. We manage our portfolio with a regional focus, particularly with regard to the increase in value from property management (including letting volume and changes in rental income (nominal and like-for-like and vacancy rates).

From the point of view of the company as a whole, the operating profit from real estate management (funds from operations, FFO), and the operating profits after deducting taxes related to capital employed (return on equity, ROE) are of the utmost importance. In the case of sale-oriented investments and project developments, the internal rate of return (IRR) is also used as a key figure, whereas for fund

Our aims for 2012:

- Significant earnings growth
- Increase in rental income
- Further cutting of vacancy rate to around 11.5%
- Acquisition volume of at least EUR 200 million
- Significant FFO increase of around 10% to around EUR 1 per share.

investments the distribution yield and performance are used. Growth targets are guided above all by the actual acquisition volumes. Deviations are analysed promptly and management measures are established in regular meetings with the Management Board and the respective managers.

From 2011, we are expanding our reporting to include a regional perspective on our portfolio. In doing so, we increase transparency and generally follow the internal management of our portfolio. The growth of our real estate portfolio and the expansion of real estate with a current total of six branches in Germany has continually increased the importance of managing the content of our portfolio by region.

Outlook

Our aim for 2012 is to achieve a significant growth in earnings based on our operative strengths. In addition, we will continue to implement acquisitions and use our internal real estate management to further extend the quality and earnings power of our portfolio.

On the basis of our current portfolio and a further reduction in the vacancy rate to around 11.5% at the end of the year, we are expecting rental income of between EUR 124 and 126 million including planned acquisitions. On this basis, we expect operating profit with an FFO of between EUR 43 and 45 million.

For further information on our outlook and on the business development of DIC Asset AG in 2012, please see our forecast report in the 2011 Annual Report at www.dic-asset.de

ECOLOGY

Our ecological sustainability principles

- Efficient management of our real estate
- Long-term measures in the portfolio and during project developments
- Optimisation and reduction of CO_2 emissions and consumption of resources

Real estate makes a significant contribution to general energy consumption and the emission of greenhouse gases. The efficient and environmentally friendly operation of our real estate properties is important to us and is also of interest to our tenants. We constantly discuss ways of saving energy with tenants and inform them of optimisation opportunities. We adjust properties, processes and procedures to enable the most efficient and at the same time cost-effective provision of services.

The focus of ecological sustainability is on permanently maintaining the sustainability and resilience of our ecosystems. The primary goal of sustainable use of natural resources such as energy, water and other raw materials is to maintain ecological functionality in order to guarantee long-term and consistent use of all tangible and intangible services and functions of the environment.

Basis of data collection

For the first Sustainability Report, we collected extensive data on energy and water consumption for the first time, as well as on contributions to CO_2 emissions, in order to be able to analyse the environmental impact of the real estate portfolio under our management. For this purpose, we used an analysis portfolio of 57 properties as of the end of 2010 as a reference amount, for which it is currently possible for us to obtain sufficient and consistent consumption data.

In order to obtain comprehensive or complete information, among other things, we rely on the cooperation of our tenants, who for the most part obtain electricity for their business operations themselves, for example. Another factor to be taken into account in future in the evaluation of individual consumption will also be the intensity of use of the property. Our influence on the energy and water consumption of our tenants is limited. Over the next few years, we want to extend our analysis portfolio successively and work on gaining a broad tenant basis for cooperation in data collection. The building up of the analysis portfolio is the first step in obtaining insights from data analysis and deriving appropriate approaches to the optimisation of the energy efficiency of our real estate in conjunction with our tenants and implementing these in stages.

BERLIN, BADENSCHE STRASSE:

Installation of a heat recovery system

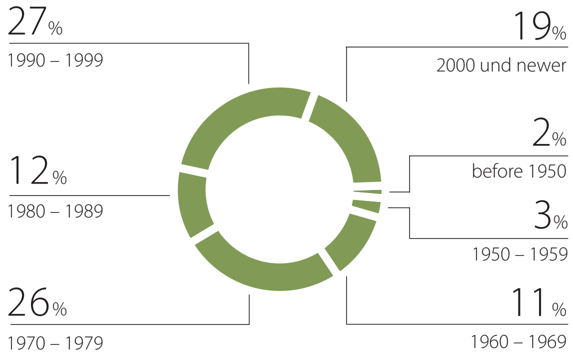
Measures:
In 2010, some 3,000 sqm were developed and prepared for occupation by a new tenant within our property in Badensche Straße in Berlin, which was originally built in 1988. As part of this work, we installed an effective system for supplying fresh air and removing waste air at least three times per hour. The system also recovers heat.

Investment and benefits:
We use a system for air exchange, which – with the help of heat recovery – reduces the total amount of heating energy required by around 40 to 50%. The additional investment for the heat recovery system increases user comfort and reduces our tenant's operating costs to a minimum.

The analysis portfolio

Distribution by construction year*

as % of lettable area

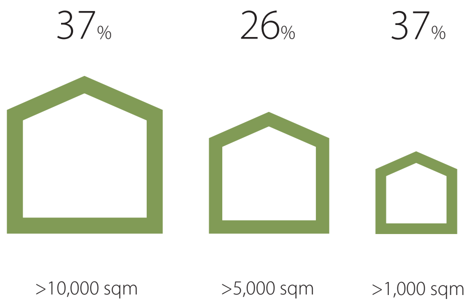


*In case of extensive refurbishments/modernisations: Year of most recent modernisation

The analysis portfolio has a balanced distribution structure by construction year. Around 16% of the lettable property area of the analysis portfolio was constructed before 1970. Around 38% originated from the period 1970 - 1989. Around 46% of the real estate is from after 1990.

Distribution by size

as % of lettable area

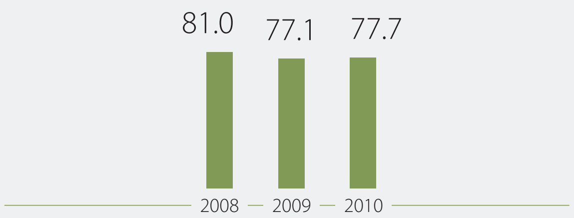


The distribution of sizes within the analysis portfolio has a uniform distribution between small (up to 5,000 sqm), medium-sized (5,000-10,000 sqm) and large real estate properties (>10,000 sqm)

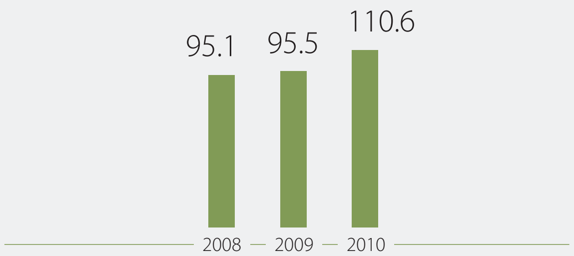
DIC Asset AG's overall real estate portfolio included 288 properties with a proportional lettable area of approx. 1.2 million sqm as of the end of 2010. For the first sustainability analysis, we were able to identify a portfolio of 57 properties for the consumption types electricity, heat and water during 2008-2010.

The analysis portfolio includes a total lettable space of 563,000 sqm and therefore represents around 48% of the proportional lease area of the DIC asset portfolio.

Electricity consumption
in kWh/sqm/year



Heating energy consumption
in kWh/sqm/year



Water consumption
in m³/sqm/year

Calculating the consumption of electric power, heating energy and water

We evaluated the data from our analysis portfolio for the period 2008 to 2010. In order to calculate the amount of electricity used, we initially evaluated consumption-based and requirement-oriented energy performance certificates. We used the available utility bills from the supply companies to calculate the amount of heat energy and water consumed. The most challenging aspect is calculating the total electricity consumption for each property, since almost all tenants arrange their own supply contracts. The varying intensity of use of buildings can also have a major effect on the average values of our statistics: for example, properties which have their own computer centre and a cooling system in constant operation record higher average energy consumption. In contrast, properties with a bigger proportion of storage space or without their own cooling systems generally have a much lower energy consumption rate.

Electricity

In 2010, electricity consumption in our analysis portfolio was 77.7 kWh/sqm. The three-year average value is 78.7 kWh/sqm. The difference between the 2008 and 2010 figures is due both to a change in the basic population and a reduction in the number of properties with an above-average consumption of electricity.

For the evaluation of electricity consumption during the period 2008 – 2010, we had energy performance certificates for an average of 62% of the analysis portfolio, which represents approximately 30% of the pro rata lettable area of the DIC real estate portfolio at the end of 2010.

Heating

For 2010, the heating energy consumption was 110.6 kWh/sqm. The three-year average heating energy value is 101.7 kWh/sqm. The increase in heating energy consumption in 2010 is due to a much longer and colder winter. Moreover, the analysis for 2010 included more properties with a higher heating energy requirement due to a higher intensity of use.

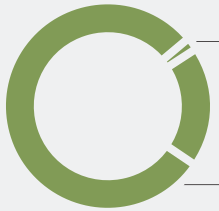
Electricity consumption

Year	in kWh	in kWh/sqm/year
2010	26,216,940	77.7
2009	26,551,141	77.1
2008	29,403,733	81.0
Three-year average		**78.7**

Heating energy consumption

Year	in kWh	in kWh/sqm/year
2010	53,786,809	110.6
2009	38,279,020	97.5
2008	38,617,160	95.1
Three-year average		**101.7**

Energy supply by type of energy



District heating

District heating is the collective term for all types of heating which are generated centrally in a power plant and then distributed to the user via a network of pipes. Water or steam is generally used as the distribution medium, as it has a high specific heat capacity.

Based on the utility bills, we identified three different forms of energy for a direct and indirect heating energy supply: district heating, natural gas and heating oil. We collected heating energy consumption data for the period 2008-2010. By using the available utility bills from the energy supply companies, we were able to evaluate data for 76% of our analysis portfolio. This figure corresponds to 36% of the pro rata lettable area of the DIC real estate portfolio at the end of 2010. We were unable to evaluate the remaining proportion, as in these cases, our tenants have their own heating energy supply contracts.

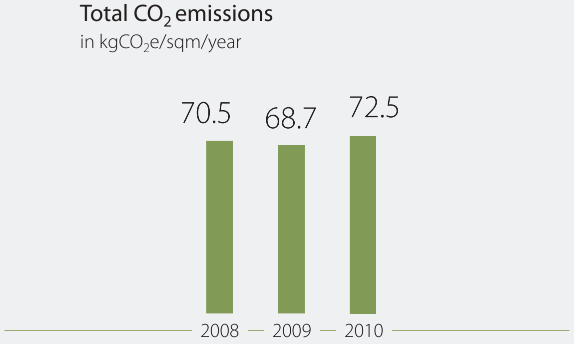
Water

In 2010, a decrease in water consumption to 0.26 m^3 per sqm was recorded, despite an overall increase in consumption; this can be explained by an increase in the size of the database in 2010 and a high proportion of properties with a lower water consumption per sqm. The three-year average figure for water consumption is 0.28 m^3 per sqm.

By using utility bills from the supplier companies, we were able to evaluate water consumption for around 64% of the analysis portfolio for the period 2008 – 2010. This figure corresponds to 31% of the pro rata lettable area of the DIC real estate portfolio at the end of 2010. We were unable to collect any data retrospectively for part of the analysis portfolio, since some of our tenants have their own supply contracts.

Water consumption

Year	in m^3	in m^3/sqm/year
2010	102.321	0,26
2009	98.576	0,28
2008	99.939	0,30
Three-year average		**0,28**



CO_2 emissions

The consumption of energy releases greenhouse gases which play a major part in climate change. Our aim is to reduce the emission of greenhouse gases to the lowest possible level. Based on our analysis portfolio, CO_2e emissions in 2010 were 72.3 $kgCO_2e$ per sqm. The average value for the period 2008 - 2010 is 70.5 $kgCO_2e$ per sqm.

We calculated the CO_2 emission figures by applying specific conversion factors and on the basis of the available consumption figures for electricity and heating energy (district heating, natural gas and heating oil). We particularly used data from the GEMIS database (Global Emission Model for Integrated Systems) produced by the Institute for Applied Ecology in Freiburg*. We calculated an average CO_2e conversion factor for heating energy consumption in accordance with the respective proportions of the different types of energy (district heating, gas and heating oil). The CO_2e conversion factor includes not only CO_2, but also other greenhouse gas emissions, such as methane or nitrous oxide.

* Source: GEMIS database version 4.6 and the report by the Institute for Applied Ecology "Bestimmung spezifischer Treibhausgas-Emissionsfaktoren für Fernwärme"

Derivation of CO_2 emission

Jahr	Heating energy consumption in kWh	Ø-CO_2e heating energy conversion factor in gCO_2e/kWh*	electricity consumption in kWh	CO_2e electricity conversion factor in gCO_2e/kWh*	Total CO_2 emission in $kgCO_2e$/sqm/year
2010	53,786,809	234.7	26,216,940	597	72.3
2009	38,279,020	231.8	26,551,141	597	68.7
2008	38,617,160	232.8	29,403,733	597	70.5
Three-year average					70.5

Consumption of an typical DIC property

A property belonging to DIC Asset AG has an average surface area of around 6,500 sqm at the end of 2010*. Based on the calculated average values for the analysis portfolio, the annual environmental performance results for a property of this size are as follows:

Average energy, water and emission values per sqm 2008-2010

	pro Jahr	m^2/Jahr
Heating energy consumption	0.66 mn kWh	101.7 kWh
Electricity consumption	0.51 mn kWh	78.7 kWh
Co_2e emissions	458 tCO_2e	70.5 $kgCO_2e$
Water consumption	1,800 m^3	0.28 m^3

* Total lettable area / Number of properties at the end of 2010

Comparison with ISA international benchmark

The International Sustainability Alliance (ISA) has been active since 2009. Its aim is to intensify research into sustainable building and to promote this internationally. The International Sustainability Alliance is a global network of leading real estate suppliers who are committed to understanding how an even more sustainable built environment can be achieved in the future. To this end, the ISA collects data from its members relating to buildings in commercial use at both a national and an international level and provides average figures as benchmark parameters.

In 2010, for the first time, the ISA published provisional comparative figures at a European level and for Germany. Our electricity, heating and CO_2e figures stand up well against these comparative figures: our calculated characteristic values are better than the ISA benchmark figures for office buildings in Germany.

Our average energy value is 180.4 kWh/sqm (benchmark: 375 kWh/sqm), our figure for water is 0.28 m^3/sqm (benchmark: 0.66 m^3/sqm) and our CO_2e figure is 70.5 kg/sqm (benchmark 77 kg/sqm). Our key figures are also better than the European average values for 2010.

Currently a comprehensive comparability of CO_2e figures is only possible to a limited extent due to the differences between various countries. The energy mix in France, for example, contains a high proportion of electricity generated by nuclear power, which therefore leads to significantly lower CO_2 emission figures.

In October 2011, the ISA published its European benchmark for 2011, which reveals significant differences in comparison to the 2010 results. Consequently, the development and significance of the ISA benchmark remains to be seen during the next few years.

ISA
International Sustainability Alliance

SOCIAL

Our principles of social sustainability

- Fair and tolerant interactions with stakeholders
- Good working environment, together with support and promotion of our employees
- Long-term partnerships with high-performing companies
- Cautious urban development with respect for the growing environment
- Not-for-profit and social commitment with the focus on vitalisation of the public space

With our properties, we are part of the social and daily lives of many people. We therefore assume social responsibility and become involved, even if this does not contribute directly to financial success. This also means ensuring that we are always responsible and fair in our interactions with employees, clients and business partners. We are equally very aware that our success is based on the knowledge, performance and commitment of our employees. We can only achieve our ambitious goals if our employees are qualified and motivated.

OUR EMPLOYEES

DIC Asset AG is one of the large listed real estate companies in Germany, but without the specific features of a large company. We focus on lean structures, the ongoing exchange of ideas and the requisite flexibility to strive for the best solution at all times. We strive to empower our employees to display and develop their ideas and potential. The resulting speed in decision-making and flexibility in responding to opportunities is important – it allows us to be faster in taking any decisive steps.

The knowledge, performance and commitment of our employees form the basis for our company's success. We can only achieve our ambitious targets, if we have qualified and motivated employees, who represent our company to the outside successfully and with conviction. We therefore value and promote entrepreneurial thinking and action, the ability to act on one's own initiative, flexibility and specialist knowledge. Other important aspects include a healthy corporate environment, characterised by fairness and where variety and equal opportunities have a positive impact both on the work itself and on the sense of cohesion amongst our employees.

Number of employees

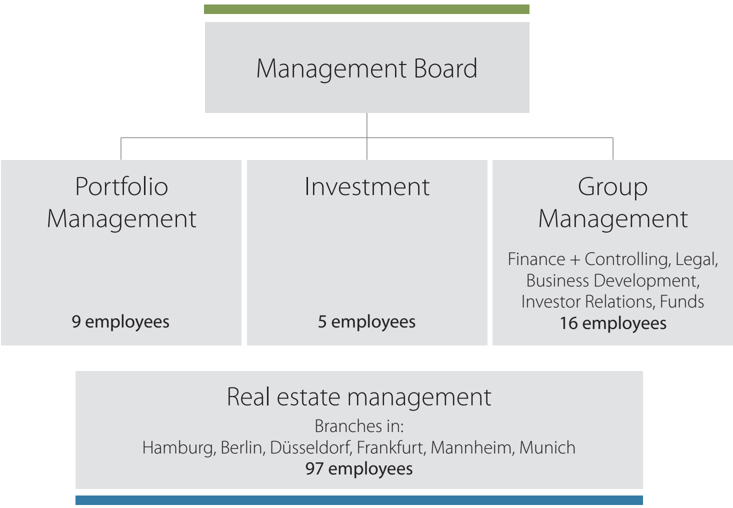
In 2011, DIC Asset AG employed an average of 121.5 employees (2010: 109.5); at the end of the year the total headcount was 127 (2010: 110). In 2011, we increased our staffing levels in order to allow us to achieve our company's growth targets and the high-quality expansion of our business segments. The required expansion of capacity applied in particular to portfolio management, investment, fund business and DIC Onsite's real estate management. On average, we hired around 12 additional employees.

Number of employees

	31.12.11	31.12.10
Portfolio management, investment and funds	14	10
Asset and property management	97	85
Group management and administration	16	15
Total	127	110

The majority of our employees work in real estate management on the direct creation of added value for our properties at our subsidiary DIC Onsite. It operates throughout Germany with six branches located in areas where our portfolio is con-

Organisational structure



centrated. DIC Asset AG is managed from Frankfurt am Main, as the location of the Management Board, and central management and administrative duties are also carried out there.

Salaries: Fair remuneration and promoting performance

Our salaries consist of a basic income, supplementary benefits and performance-related components. We base our salaries on industry standards and those of our competitors. The performance-related component is linked to the achievement of strategic, operative and personal targets. In this way, we encourage and support an awareness of entrepreneurial issues among our employees. In 2011, DIC Asset AG paid a total of EUR 10.2 million to its employees. This figure included performance-related payments of EUR 1.4 million, which represents 14% of the total. Social security taxes, pension contributions and other additional benefits amounted to a total of EUR 1.3 million.

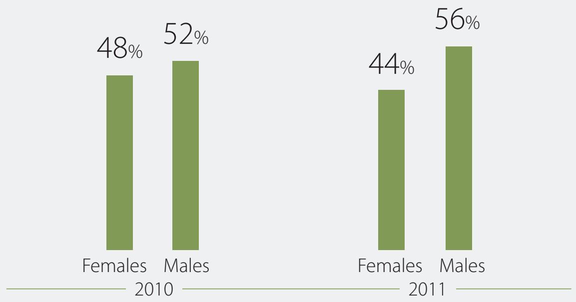
Systematic personal development

Systematic personal development is a major part of our long-term corporate development strategy. The aim of personal development is to support and promote our employees and improve their qualifications, and to secure their long-term loyalty.

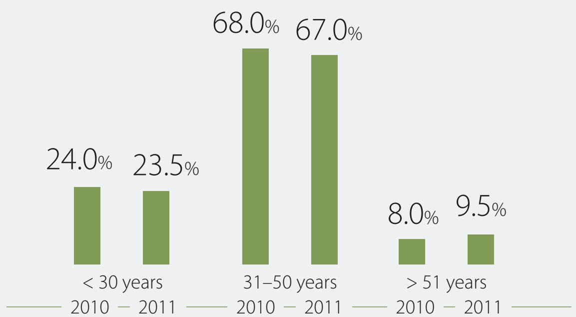
We have recently focused in particular on the further development of our personal development system. We use defined analytical tools and processes to identify employees' skills systematically and to provide long-term support for these as part of the further development process. This analysis is also used to identify and promote employees with particular talents (High Potentials). We are working on a consolidated approach to job interviews and appraisals in a number of ways, including the standardised assessment of skills, and on ensuring that our assessments are both consistent and always comprehensible to our employees. Our management staff undergo a two-and-a-half-year training programme, which focuses on the systematic further development of skills.

We support our employees in their personal further development goals and invest in consolidating and expanding knowledge and skills. Specific training is therefore offered in every specialist area (for example, training in IFRS innovations in accounting or on the subject of sustainability in project development), as well as interdepartmental training in particular areas, such as languages or presentation skills.

Proportion between female male employees



Age structure



At DIC Asset AG, personal development is both a centralised and a decentralised task. We support our management in their personnel duties in the relevant unit and use a number of approaches, including training, to equip them with the necessary tools.

Training of junior employees, support for students

We invest in the training of young people and regard this as an important socio-political contribution. In 2011, we trained one employee in the real estate sector at the Frankfurt am Main office. In addition, students and pupils spend periods ranging from 2 to 6 months gaining an insight into various areas of our company and are entrusted with duties relating to everyday business. We offer university graduates the opportunity to embark upon a 12-month training programme following their studies, and we currently have three employees on this scheme. We also provide students with support for their Bachelor's dissertations or Master's theses. We view all these programmes as important ways of acquiring new and well-qualified junior employees for our company.

Flexible working hours

DIC Asset AG offers flexible working hours, particularly to support parents returning to work following parental leave. All part-time employees can therefore benefit from family-friendly working patterns. In 2011, one employee returned from parental leave. In 2011, there were six part-time employees in total (5% of a total of 127 employees). There were also six part-time employees in 2010 (6% of 110 employees).

Promoting open communication and fostering team spirit

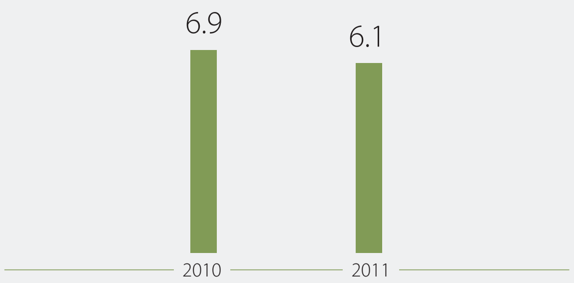
In addition to the established tools for personal development, such as annual feedback reviews, we also place great value on the open exchange amongst our employees, unimpeded by different hierarchical levels. As a general rule, it is important that our employees are able to approach their managers with questions or concerns at any time. There is regular cooperation between the head office and the individual branches, with work groups working on projects together and sharing knowledge.

In order to support this form of shared work, we hold an annual corporate event for all employees and use team-building activities to promote a sense of community and cohesion among our employees. We also regularly participate in the Frankfurt JP Morgan Corporate Challenge run, with the majority of our employees taking part in this each year. In addition to the sports elements of this event, the focus is also on values such as team spirit, communication, loyalty to colleagues, fairness and a sense of community.

Balanced employee structure

We have balanced proportions of male and female employees. At the end of 2011, 56% of our employees were male and 44% were female. At a figure of around 67%, the majority of our employees are aged between 31 and 50.

Days of absence per employee



Absence rate reduced

We are endeavouring to reduce the number of days lost due to sick leave with adequate measures. Following prolonged sick leave, we hold talks with the employees concerned when they return to work, in order to agree on specific prevention measures to minimise the probability of a repeated absence. The absence per employee has improved considerably, from an average of 6.9 days in 2010 to 6.1 days in 2011. This is the equivalent of an absence rate of 2.4% in 2011 (2010: 2,7%). Sick leave at DIC Asset AG is therefore much lower than the average figure for members of two major German health insurance companies; the average number of sick leave days among these members was 13.2 days in 2011, which represents an absence rate of 5.2%*.

Staff turnover reduced

In 2011, the staff turnover rate was around 8%. This good result is lower than the figure for 2010 and was achieved by stepping up our personal development work, with clearly formulated job profiles, regular feedback and personal career prospects. There was also greater movement in 2010 as a result of our regional expansion phase, meaning that there was a strong focus on consolidating the organisation and on establishing standardised structures and tried-and-tested processes across all branches. This resulted in changes to job specifications in a number of areas and to responsibilities in everyday business.

Absence	2011	2010
Total days of absence	**754**	741
Ø days of absence per employee	**6.1**	6.9
Absence rate * in %	**2.4**	2.7

* DAK health report 2012 (www.presse.dak.de) and Techniker Krankenkasse (www.tk.de health report) 2011

** Calculation: Absent days in the year/(total working days in the year multiplied by average number of employees in the year)

New/leaving employees	2011*	2010*
New employees	**38**	25
Leaving employees	**10**	38
Staff turnover in %	**7,8**	22,7

* adjusted, does not include parental leave

Our involvement

„Innovation as an ongoing duty: DIC fosters the fruitful exchange of ideas and stimuli above and beyond day-to-day business."

INVOLVEMENT AND MEMBERSHIPS

We are involved in associations and organisations in the sector, with the aim of embedding sustainability-related issues such as transparency, reporting and communication with investors in the real estate sector even more firmly.

We are therefore a member of a number of organisations, including the German Property Federation (ZIA), the European Public Real Estate Association (EPRA), the German Investor Relations Association (DIRK) the Real Estate Share Initiative and the Corporate Governance initiative of the German real estate industry.

Involvement in establishing a sustainability code for the real estate industry

In 2011, we were involved in developing a Sustainability Code for the German real estate industry by the ZIA. This was published in September 2011 and, as a key element of the industry's code, includes the (self-imposed) obligation to compile a Sustainability Report and should form the basis of the verifiable measurement of corporate activities relating to sustainability.

Strengthening the interests of German real estate companies at a European level

The CEO of DIC Asset AG, Ulrich Höller, was elected to the Management Board of the European Public Real Estate Association (EPRA) in 2011 and, in this role, will represent the interests of the German real estate companies. In order to raise the European market profile of the listed real estate companies in Germany, the 2012 annual conference will be held in Berlin.

DIC Investors Day: Meetings between investors and the industry initiated

In October 2011, we organised an Investors Day for the first time and invited investors, financial partners and individuals involved in the industry. The format for the event was panel discussions between opinion leaders in economics and politics, and, on the following day, a presentation especially for investors and analysts about the redevelopment of the MainTor district in Frankfurt. The direct dialogue with the Management Board and senior management, together with the opportunities for discussion with other delegates went down well. Since this Investors' Day was both successful and well received, we are planning to make this a regular event and to establish it as a fixed feature in the industry's calendar.

MMK MUSEUM FÜR MODERNE KUNST FRANKFURT AM MAIN

Information about the MainTor project was displayesd in the Blue Room of the MMK art show

Social responsibility in the real estate sector

As part of the local and regional community structures, we place great importance on the preservation and improvement of the social and cultural environment in the immediate vicinity of our properties and business locations.

■ Revitalisation of residential and economic areas

- We support economic initiatives such as the Frankfurt Rhine Main, the Rhine-Neckar metropolitan region and the Industriehof Frankfurt district initiatives. The aim of these initiatives is to improve perception of the advantages of the area through financial contributions or by providing human resources.

- We have been supporting the Butzweiler-Ossendorf initiative in Cologne since 2010. The aim was to finance construction work for better public transport links which would benefit our local tenants. Under a private co-financing model unique in Germany, the construction of the new 1.8 kilometre long line was made possible by subsidies of EUR million provided by local companies and real estate owners. The new line 5 link started in February 2011.

■ Art and culture

- We regularly sponsor cultural and artistic projects by making empty office and shop premises available for a specific period of time, thereby supporting campaigns and exhibitions. We also benefit from this, as it increases awareness of our properties.

- From June to October, MainTor served as a temporary exhibition site for the MMK Museum of Modern Art that was celebrating its 20th anniversary and was exhibiting part of its collection to more than 100,000 visitors. DIC was the main sponsor of the special anniversary exhibition "MMK 1991-2011. 20 Years of Presence". We made one of the buildings on the MainTor site available for this exhibition, thus providing an area of around 4,000 square metres over seven floors for the showcasing of a cross-section of contemporary art.

- As a Frankfurt-based company which also benefits from the diversity of the city, we generally support cultural life by sponsoring museums such as the Goethe Museum or the Klingspor Museum in Offenbach, as well as supporting up-and-coming young artists at Städel Schule Art College.

GIESSEN, CARLO-MIERENDORFF-STRASSE:

Renovation of the heating and cooling system

Measures:
In our property in Gießen, a mixed-use property built in 1981 with office and storage areas, the system installed for heating and cooling was technologically outdated. By installing an electric control unit, the flow and return temperature is now regulated more efficiently and the entire system can be used much more effectively.

Investment and benefits:
The investment costs of this work were in the region of EUR 230,000. Thanks to the high energy savings and the lower maintenance requirements, the user can enjoy the benefits of much lower operating costs. The savings in the amount of gas energy required are in the region of 65%.

SUSTAINABLE SUCCESS

"GREEN ENERGY" PROJECT

Contract bundling and an electricity supply from renewable energy sources

Initial position

The electricity supply for our properties is a key focus when we are devising our sustainability policy. In our properties, we are directly responsible for the use of the communal power supply (e.g. electricity for air conditioning and ventilation systems or lighting in communal areas). As one of the biggest German portfolio holders, we use approximately 17 GWh of communal electricity per year in order to operate our properties – the equivalent of the amount of energy required to keep one million 11-watt energy-saving lamps continuously lit for 17 months.

Our approach

We have decided that, in future, we will only sign up to electricity supply contracts which guarantee an electricity supply from renewable energy sources: this energy is generated mainly in wind and hydroelectricity stations, by solar and photovoltaic systems and in geothermal power plants.

We are implementing this policy in stages and, by the end of 2012, virtually all of our properties will be supplied with electricity from renewable energy sources. In the last two years, we have renewed more than 400 individual contracts with more than 40 energy providers and have bundled these into framework agreements with three energy providers. The changeover to sustainable energy not only protects the environment, but will also result in future cost-savings, thanks to the bundling of our purchase quantity. Processes will also become more efficient, since we have far fewer contractual partners. As a company, we are therefore supporting an environmentally-friendly and CO_2-neutral generation of electricity from renewable sources and are consequently making a contribution towards the further development of sustainable electricity production.

Further potential

Cooperation with our tenants represents further great potential for the protection of the environment by using electricity from renewable sources. The communal power supply is just one part of the total power requirement for a property – the majority of the electricity is consumed by our tenants who have individual contracts with electricity providers.

Our goal is to enter into communication about energy consumption with our tenants. We also want to encourage the users of our properties to be energy-efficient in their use of electricity and to use an electricity supply from environmentally-friendly sources. We therefore intend to share with them our experiences of both energy-efficient property management and the purchasing of electricity from renewable sources. This approach not only saves money thanks to increased energy efficiency, but also makes a contribution to a cleaner environment thanks to the use of electricity from renewable energy sources.

SUSTAINABLE DEVELOPMENT

MainTor – The Riverside Financial District

When planning long-term real estate projects, there is a major focus on sustainability. It is not only the developers who benefit from a modern, efficient and environmentally friendly property – it is above all the users of the building who reap the benefits. Sustainable project development means consistently exploiting cost-saving potential, making optimal use of the available space, improving productivity and the quality of life for employees and the inclusion of the property's surroundings in considerations. If these aims are to be achieved, it is important to make the right decisions early in the planning phase.

MainTor – the facts

Adress	Banking district Frankfurt am Main
Use	Offices, retail, restaurants, premium apartments
Total area (gif)	approx. 89,000 sqm
– Office	approx. 71,500 sqm
– Retail / restaurants	approx. 2,500 sqm
- Apartments	approx. 200 units
Parking facilities	700 underground parking bays
Construction	Started in 2011

MainTor: Sustainability from the planning phase through to use

DIC is constructing an open and lively quarter on one of the most attractive development sites in Frankfurt city centre. In the banking district located directly next to the Main river, three high-rise buildings are being constructed – the "WinX" at a height of around 110 metres and two towers, each measuring around 65 metres. While the towers will be used almost entirely as office space, smaller residential buildings will supplement the variety of uses available to the site. It is expected that the entire MainTor district will be in the implementation phase by 2015/2016. The buildings, which are being constructed in accordance with the latest Green Building Standards, form a district with a variety of urban uses, including offices, residential areas, retail units and restaurants, with space for approximately 3,000 workers and around 200 exclusive apartments. With the MainTor district the riverside architecture in Frankfurt's banking quarter will be enhanced and the area's urban development will be improved.

Aiming for sustainability certification

The construction stage is to take account of numerous aspects relating to sustainability and will thus make the MainTor project one of the major sustainable development projects in Germany. We are aiming to achieve the top Green Building certificate from the German Sustainable Building Council, a DGNB gold certificate, for all of the commercial sub-projects in the MainTor district. Additional certification of the properties in accordance with the American LEED (Leadership in Energy and Environmental Design) criteria is also feasible.

MIPIM Award 2012: Best German Project

On 8 March 2012, the MainTor development has won the MIPIM Awards 2012 in the category „Best German Project“. The price was awarded during the annual MIPIM in Cannes, one of the world’s largest real estate trade fairs with around 20,000 attendees from 80 countries.

The price once again is proof for this remarkable city district development and a project with premium quality at the international financial centre in the midst of Frankfurt am Main.

Above all, this awards also complements the efforts of the City of Frankfurt, which is committed to further developing the cityscape and enhancing the attractivity of the city for both its citizens and the economy.

History of the MainTor site – the birthplace of the banking district

1873:	Site where Degussa was founded as the "Deutsche Gold- und Silber-Scheideanstalt" with the first modern mint in Frankfurt am Main
ab 1956:	Closed-off area, loss of important public access routes between the city and the river
ab 1986:	Used solely as the Degussa/Evonik administrative headquarters
2006:	DIC and Morgan Stanley make the joint purchase of the Degussa site
2007:	Agreement reached between the City of Frankfurt and DIC concerning the redevelopment of the MainTor site
2009:	Acquisition of the 50% stake from MSREF, DIC Asset AG now holds 40% share
2010:	Final decision about the future architecture of the two high-rise buildings, WinX and MainTor Panorama within the framework of an international architectural competition
2011:	Sale of the first sub-project, MainTor Primus, in June In August, start of demolition work on the whole site and gutting of the Primus building
2012:	Start of construction of MainTor Porta after conclusion of a tenancy agreement for around 14,000 m2 with future main tenant Union Investment (70% pre-letting) MIPIM Award 2012: Winner in category „Best German Project“ Preparation and start of the marketing of the MainTor Palazzi and MainTor Patio apartments

Benefits for our tenants:

- Optimisation or reduction of ancillary leasing costs
- Enhanced sense of well-being and productivity for the building users
- Tenants benefit and make a contribution to the positive image of Green Buildings

DGNB Certification

The DGNB certificate does not only extend to ecological, economic and socio-cultural aspects, but also defines further areas which must be considered when planning and constructing a sustainable building, such as:

- Technical quality
- Process quality
- Location quality

The DGNB certificate fundamentally analyses a building's entire lifecycle and distinguishes between a new building and an existing building. Depending on the degree to which the defined requirements are met, the building then receives a bronze, silver or gold certification.

Ecological goals

Our aspiration for the MainTor project in terms of ecological sustainability is to find energy-saving, resource-protecting and environmentally compatible solutions for the construction and operation of the properties and to make full use of structural and technical optimisation potential. We have therefore focused on the requirements for meeting the highest sustainability standards from the earliest planning phases. For example, a specification for the efficient use and future energy supply was drawn up at an early stage and defines the specific energy targets for each building. We also include the entire procurement process, including the manufacturing of construction materials, in the implementation phase. Similarly, when selecting the companies to be involved in the construction work, we ensure that the defined sustainability targets are met and check this constantly as the building work progresses.

- Main approaches
  - Extensive recycling and responsible waste disposal
    A total of around 320,000 cubic metres of existing buildings will be demolished on the MainTor site. We have contracted experienced companies to carry out the demolition work. The demolition materials will be reused as far as possible. Around 90 employees of our service provider, including an environmental coordinator, are responsible for the demolition of the whole site. Our service providers have an obligation to dispose of materials using environmentally compatible methods, including extensive recycling and the removal of hazardous substances.
  - Saving energy
    The MainTor buildings are to be fitted with natural stone façades with good heat insulation. Moreover, the intelligent building services system allows for efficient use of energy and water and keeps CO_2 emissions to a minimum level. We are setting ourselves the target of achieving figures which are more than 25% lower than those set by the current Energy Savings Ordinance (EnEV 2009).
  - High efficiency of office space
    We combine the latest spatial planning knowledge and use technical innovations for optimal use with highly efficient layouts. For example, access and shaft areas were reduced to a minimum in an integrative planning process and the dimensions of load-bearing structural elements necessary for the construction were optimised. These planning processes allow our users to arrange and use their rental space much more efficiently.
  - A high level of comfort and flexibility for the user
    We use hybrid heating and cooling ceilings which offer maximum efficiency. The office user enjoys the dual benefits of lower costs and a healthy, pleasant environment in aesthetically pleasing rooms with a ceiling height of 2.75m and floor-to-ceiling windows which can be opened. External sun protection with individual controls and additional internal glare protection put the finishing touches to the quality of the room.

Added value data

- Available space increased from 64,000 sqm to 108,000 sqm (+40% space gained)
- Urban district development in a completely unique riverside setting
- Positioning as premium sites in the banking district
- Excellent variety of urban uses with areas for premium apartments in addition to the main use of office space, as well as restaurant and retail areas

Economic goals

- **Implementation in sub-projects once let**

  The MainTor project is being planned and implemented as five independent sub-projects covering areas of between 5,500 sqm and 28,000 sqm. All sub-projects will only be implemented once sufficient pre-letting levels have been achieved – i.e. not speculatively. Thanks to the wide range of sizes and various letting levels that we offer, our properties appeal not only to a small number of major tenants, but to a much wider circle of potential tenants. This gives us greater flexibility in the implementation and marketing of the individual construction phases. Through the implementation of five separate and completely independent sub-projects, we avoid the fundamental risks of a large-scale, interdependent project development in terms of construction, leasing and marketing.

  At the start of 2012, two sub-projects – "MainTor Primus" and "MainTor Porta" are already in the construction stage. Together, these two sub-projects represent around a third of the total commercial project volume. To date, the demolition and construction work has progressed both on schedule and on budget. In order to prevent financial risks, we attach great importance to constant controlling during the project planning and implementation phases. DIC Asset AG holds a 40% share in this project.

- **Solid financing**

  Solid and attractive land financing has been in place for the entire site for some time now. With the pre-letting and the start of the implementation phase for individual sub-projects, we will enter into separate, long-term project funding agreements in each case which will replace the land financing.

- **Notable progress: Two sub-projects pre-marketed within six months**

  We sold the first sub-project „MainTor Primus", to a private investor as part of a forward deal in the summer of 2011. As a result of this, we were able to give the go-ahead for the demolition work and the first construction phase. The early sale even before the start of construction offers us the benefit of being able to make gradual profits prior to completion, thus minimising the overall project risk. We made further significant progress in the form of the major lease of the „MainTor Porta" sub-project to Union Investment, one of the biggest investment companies in Germany. The future anchor tenant is renting around 14,000 sqm (approx. 70% of the lettable area) for a period of 10 years with an option to extend the tenancy agreement. Within a six-month period, we have therefore successfully pre-marketed two sub-projects.

With the MainTor project, we are aiming to improve the urban development and socio-cultural situation, with due respect for the built-up shared environment and incorporation of the historical and cultural heritage.

Social targets

- Opening up a closed-off district
  The site, in its unique riverside position within the banking district, was inaccessible to the public for decades, but is now being opened up, thereby enhancing the city centre. Traditional routes between the old town, the riverside and the banking district are now being resurrected. The result is the much sought-after amalgamation of riverside living and working – thanks to the combination of office space, shops, culture, lifestyle and residential areas.

- Looking after the structural features for preservation
  In cooperation with the Frankfurt Office for Historical Monuments and the Historical Museum, all of the structural features worthy of preservation have been identified and ways in which they can be dismantled and preserved have been determined. The most prominent feature is Frankfurt's historic stone statue of the "Metallgießer" (metal caster). This was carefully removed by experts prior to demolition and has been restored and preserved. The new construction work will see it integrated into the new façade back at its historical location. Other objects to be preserved include the historic keystone in the archway, remains from the façade of the laboratory building and the Mägdelein fountain.

- Protection for local residents during construction
  To ensure that the process runs smoothly and causes as little disruption as possible to local residents and passers-by, we have developed a comprehensive concept, focusing on the following main aspects:

  – Reducing noise, dirt and debris to a minimum
  This concept has been jointly developed with the TÜV Hessen and aims to minimise the problems of noise, dirt and debris, particularly for local residents. For example, the largest long-front excavator in Germany is being used (weight: 180 t), thereby substantially reducing the demolition time required. Furthermore, the site is intended to be a daytime-only site.

  – Carefully planned building demolition
  Only in the final stage will the eastern building nearest the city centre be demolished, so that it can serve as a natural sound barrier for the city for as long as possible.

  – Meticulous planning of the process logistics:
  We have commissioned an engineering company specialising in construction logistics to develop supervise and optimise for logistics. The plan includes, for example, barrier-free and traffic-light-controlled crossings to separate construction site traffic from pedestrian areas as far as possible.

  – Publicity campaign for the planned measures
  DIC has launched an extensive publicity campaign to ensure that the citizens of Frankfurt are constantly kept updated about what is happening in the city centre. Information will be provided by means of a dedicated website, press releases and the magazine "The Riverside". People who live and work in the immediate vicinity have also been kept informed about all stages of the project by means of face-to-face meetings, information events and letters. A hotline is also available.

WASTE MANAGEMENT

A concept that cuts costs

■ Our approach

In 2010, we bundled the waste collection service for thirteen of our properties in Frankfurt and the surrounding area into a contract with one service provider. This allowed us to cut our controllable costs by more than 70% (a total of around EUR 113,000).

■ Further potential

However, waste management is about more than just the management of waste disposal – it is also about separating waste as much as possible and the optimal utilisation of waste in the interests of sustainability. During the course of 2012, our aim is therefore to analyse the individual waste processes for our properties – from waste separation and disposal to collection by a waste disposal company – and to optimise this step by step. We want to raise our tenants' awareness of waste management issues and lay the foundations which will enable our tenants to separate their waste in an environmentally friendly way. We further aim to reduce our tenants' waste disposal costs: approaches ranging from the intelligent planning of the intervals between collections to requirement-based collections offer the dual benefits of reduced costs and a more environmentally friendly process.

SUSTAINABILITY IN THE EXISTING PROPERTY PORTFOLIO

The efficient and environmentally friendly management of our existing properties is of great interest both for us and for our tenants. We are constantly in discussion with our tenants regarding the economical consumption of energy and show them opportunities for optimising their consumption. We combine processes and operations, such as waste disposal and maintenance measures, in terms of their logistics, to ensure that an efficient and, at the same time, highly cost-effective service can be provided. Many of our properties are located in close proximity to public transport and can therefore be easily accessed by employees.

For many years, we have been continuously increasing investment in the portfolio with the aim of modernising and increasing the efficiency of our properties and making them more attractive to tenants. In 2011, we invested a total of EUR 15.3 million in our portfolio. Further details of a number of these investments are provided at various points of this report.

Self assessment according to GRI application level

The guidelines of the Global Reporting Initiative (GRI) are internationally recognised guiding principles for sustainability reporting. They propose reporting principles and specific contents designed to increase the comparability of company reports and improve the quality and the accuracy of reports.

GRI aims to continously develop and improve its guidelines. The current valid framework G3.1 is complemented by trade-specific principles and indicators in order to improve reporting and measuring performance of individual industries.

We used the G3.1 Guidelines and supplement for the construction and real estate sector (CRESS) for measuring our economic, ecological and social performance. We rate our performance when it comes to meeting the GRI guidelines as Level C.

Standard Disclosures

Report Application Level	C	C+	B	B+	A	A+
G3 Profile Disclosures (Output)	Report on 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report externally assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13, 4.16-4.17	Report externally assured	Same as requirement for Level B	Report externally assured
G3 Management Approach (Output)	Not required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
G3 Performance Indicators & Sector Supplement Performance Indicators (Output)	Report on a minimum of 10 Performance Indicators inkluding at least one from each of: Economic, Social und Environmental		Report on a minimum of 20 Performance Indicators inkluding at least one from each of: Economic, Environmental, Human Rights, Labor, Society, Product Responsability		Report on each core G3 and Sector Supplement with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission	
	DIC Asset AG					

* Sector Supplement in final version

G3.1 CONTENT INDEX - CONSTRUCTION AND REAL ESTATE SECTOR SUPPLEMENT

STANDARD DISCLOSURES PART I: Profile Disclosures

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
1.	**Strategy and Analysis**				
1.1	Statement from the most senior decision-maker of the organization.	■■	page 2		
1.2	Description of key impacts, risks, and opportunities.	■■	pages 1-13		
2.	**Organizational Profile**				
2.1	Name of the organization.	■■	DIC Asset AG		
2.2	Primary brands, products, and/or services.	■■	pages 5, 9		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	■■	pages 5, 9, AR pages 26-27		
2.4	Location of organization's headquarters.	■■	Eschersheimer Landstr. 223, 60320 Frankfurt am Main, Germany		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	■■	1 country, page 5		
2.6	Nature of ownership and legal form.	■■	German public limited company		
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	■■	AR pages 11-18		
2.8	Scale of the reporting organization.	■■	pages 4-5		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	■■	pages 9-11, AR pages 11-25		
2.10	Awards received in the reporting period.	■■	LACP Vision Award Top 20 worldwide, 1st place in sector real estate		
3.	**Report Parameters**				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	■■	Environmental consumption data from 2008-2010, Economic and social data from 2010 - 2011		
3.2	Date of most recent previous report (if any).	□	n.a.	(1)	
3.3	Reporting cycle (annual, biennial, etc.)	■■	Annual		
3.4	Contact point for questions regarding the report or its contents.	■■	Peer Schlinkmann and Immo von Homeyer (see page 62)		
3.5	Process for defining report content.	■■	pages 6-7		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	■■	page 6		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	■■	page 6, appendix on page 49		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	■■	see part of AR notes, pages 99-107, 119-120		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	■■	pages 33-40		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such restatement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	□	n.a.	(1)	

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	□	n.a.	(1)	
3.12	Table identifying the location of the Standard Disclosures in the report.	■■	pages 49-58		
3.13	Policy and current practice with regard to seeking external assurance for the report.	■■	self-assessed to be GRI-level C		
4.	**Governance, Commitments and Engagement**				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	■■	pages 11-12, AR pages 110-118		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	■■	pages 11-12, AR pages 110-118		
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	■■	n.r., dual management structure (see AR page 112)		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	■■	pages 16, AR pages 7-9		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	■■	AR pages 113-115		
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	■■	AR pages 112-113		
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	■■	AR pages 111-113		
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant toeconomic, environmental, and social performance and the status of their implementation.	■■	pages 2-3, 6, 13-15		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	■■	pages 2-3, 6-7, AR pages 39, 59-62		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	■■	AR pages 116-118		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	■■	AR pages 48-54, 59-62		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	■■	pages 7, 14-15, 39		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	■■	pages 7, 14-15, 39		
4,14	List of stakeholder groups engaged by the organization.	■■	pages 16		
4.15	Basis for identification and selection of stakeholders with whom to engage.	■■	pages 16-23		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	■■	pages 16-23		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	■■	pages 16-23		

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

CRESS DMAs	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
DMA EC	**Disclosure on Management Approach EC**	■■	**pages 24-28**		
Aspects	Economic Performance	■■	pages 4, 24-28		
	Market presence	■■	page 5		
	Indirect Economic Impacts	■	in progress		
DMA EN	**Disclosure on Management Approach EN**	■■	**page 29**		
Aspects	Materials	■	in progress		
	Energy	■■	pages 31-34		
	Water	■■	pages 31-34		
	Biodiversity	□	n.r.	(2)	
	Emissions, effluents and waste	■	page 48		
	Land Degradation, Contamination and Remediation	□	n.r.		
	Products and Services	■	in progress		
	Compliance	■■	AR pages 111-113		
	Transport	□	in progress		
	Overall	■	in progress		
DMA	**LA Disclosure on Management Approach LA**	■■	**pages 35-38**		
Aspects	Employment	■■	pages 35-38		
	Labor/management relations	□	n.r.		
	Occupational Health and Safety	■■	pages 38		
	Training and Education	■■	pages 23, 36-37		
	Diversity and equal opportunity	■■	pages 35-38		
	Equal remuneration for women and men	□	in progress		
DMA HR	**Disclosure on Management Approach**	■■	**pages 35-38**		
Aspects	Investment and procurement practices	□	n.r.	(3)	
	Non-discrimination	□	n.a.	(4)	
	Freedom of association and collective bargaining	□	n.a.	(4)	
	Child labor	□	n.a.	(4)	
	Prevention of forced and compulsory labor	□	n.a.	(4)	
	Security Practices	□	n.r.		
	Indigenous rights	□	n.r.		
	Assessment	□	n.a.	(4)	
	Remediation	□	n.a.	(4)	

CRESS DMAs	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
DMA SO	Disclosure on Management Approach SO	■■	pages 16-23		
Aspects	Local unities	■	pages 35-40, 42-47		
	Corruption	■	AR pages 48-54		
	Public policy	■■	pages 39-40		
	Anti-competitive behavior	■■	pages 16-23		
	Compliance	□	n.a.		
DMA PR	Disclosure on Management Approach PR	■■	pages 2-5		
Aspects	Customer health and safety	□	n.a.		
	Product and service labelling	■	pages 19, 42-47		
	Marketing unications	□	n.r		
	Customer privacy	■■	page 16		
	Compliance	□	n.a.		

STANDARD DISCLOSURES PART III: Performance Indicators

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Apprendix	EBRA
ECONOMIC					
Economic performance					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	■■	page 4	(5)	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change and other sustainability issues.	□	in progress		
EC3	Coverage of the organization's defined benefit plan obligations.	□	n.r.		
EC4	Significant financial assistance received from government.	□	n.r.		
Market presence					
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	□	in progress		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	□	in progress		
EC7	Procedures for local hiring and proportion of senior management and all direct employees, contractors and sub-contractors hired from the local community at significant locations of operation.	□	n.r.		

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
Indirect economic impacts					
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	■	pages 40, 42-47 MainTor project		
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	■	pages AR 48-54		
ENVIRONMENTAL					
Materials					
EN1	Materials used by weight, value or volume.	□	in progress		
EN2	Percentage of materials used that are recycled and reused input materials.	■	pages 42-47 MainTor project		
Energy					
EN3	Direct energy consumption by primary energy source.	■	pages 29-34		■■
EN4	Indirect energy consumption by primary source.	■	pages 29-34		■■
CRE1	Building energy intensity.	■	pages 29-34	(6)	■■
EN5	Energy saved due to conservation and efficiency improvements.	■	case studies "sustainability in commercial portfolio" on pages 8, 12-13, 18, 27, 30, 41		
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	■	pages 29-34, 41-46		■■
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	■	pages 29-34, 41-46		
Water					
EN8	Total water withdrawal by source.	■	pages 29-34		■■
EN9	Water sources significantly affected by withdrawal of water.	□	in progress		
EN10	Percentage and total volume of water recycled and reused.	□	in progress		
CRE2	Building water intensity.	■	pages 29-34		■■
Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	□	n.r.	(2)	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	□	n.r.	(2)	
EN13	Habitats protected or restored.	□	n.r.	(2)	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	□	n.r.	(2)	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	□	n.r.	(2)	

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
Emissions, effluents and waste					
EN16	Total direct and indirect greenhouse gas emissions by weight.	■	pages 29-34	(7)	■■
EN17	Other relevant indirect greenhouse gas emissions by weight.	■	pages 29-34	(7)	■■
CRE3	Greenhouse gas emissions intensity from buildings.	■	pages 29-34	(7)	■■
CRE4	Greenhouse gas emissions intensity from new construction and redevelopment activity.	□	in progress		
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	■	page 41		
EN19	Emissions of ozone-depleting substances by weight.	□	in progress		
EN20	NOx, SOx, and other significant air emissions by type and weight.	□	in progress		
EN21	Total water discharge by quality and destination.	■	pages 31 - 32		
EN22	Total weight of waste by type and disposal method.	□	in progress		■■
EN23	Total number and volume of significant spills.	□	n.r.		
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	□	n.r.		
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	□	n.r.		
Land Degradation, Contamination and Remediation					
CRE5	Land and other assets remediated and in need of remediation for the existing or intended land use according to applicable legal designations.	□	n.r.		
Products and services					
EN26	Initiatives to enhance efficiency and mitigate environmental impacts of products and services, and extent of impact mitigation.	■	case studies "sustainability in commercial portfolio" on pages 8, 12-13, 18, 27, 30, 41		
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	□	n.r.		
Compliance					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	□	n.r.	(4)	
Transport					
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	□	in progress		
Overall					
EN30	Total environmental protection expenditures and investments by type.	■■	page 45, case studies "sustainability in commercial portfolio" on pages 8, 12-13, 18, 27, 30, 41		

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SOCIAL: LABOR PRACTICES AND DECENT WORK					
Employment					
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	■■	pages 35-38		
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	■■	pages 35-38		
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	□	n.r.		
LA15	Return to work and retention rates after parental leave, by gender.	■■	page 37		
Labor/management relations					
LA4	Percentage of employees covered by collective bargaining agreements.	□	n.r.		
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	□	n.a.		
Occupational health and safety					
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	□	n.r.		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	■	page 38		
CRE6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system.	□	n.r.		
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	■■	pages 36-38		
LA9	Health and safety topics covered in formal agreements with trade unions.	□	n.r.		
Training and education					
LA10	Average hours of training per year per employee by gender, and by employee category.	■	pages 36-37		
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	□	n.r.		
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	■■	pages 20, 36-37		
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	■	pages 36-37, AR pages 108, 112-113		
Equal remuneration for women and men					
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	□	in progress		

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SOCIAL: HUMAN RIGHTS					
Investment and procurement practices					
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	□	n.r.	(3)	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	□	n.r.	(3)	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	□	n.r.	(3)	
Non-discrimination					
HR4	Total number of incidents of discrimination and actions taken.	□	n.a.	(4)	
Freedom of association and collective bargaining					
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	□	n.a.	(4)	
Child labor					
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	□	n.a.	(4)	
Prevention of forced and compulsory labor					
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	□	n.a.	(4)	
Security practices					
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	□	n.r.		
Indigenous rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	□	n.r.		
Assessment					
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	□	n.r.	(3)	
Remediation					
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	□	n.r.	(3)	

SOCIAL: SOCIETY

Local unities

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	□	n.r.		
SO9	Operations with significant potential or actual negative and positive impacts on local communities.	■	pages 35-40, 42-47		
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	■	pages 35-40, 42-47		
CRE7	Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project.	□	n.r.		

Corruption

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SO2	Percentage and total number of business units analyzed for risks related to corruption.	■	AR pages 48-54		
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	□	n.a.		
SO4	Actions taken in response to incidents of corruption.	□	n.a.	(4)	

Public policy

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SO5	Public policy positions and participation in public policy development and lobbying.	■■	pages 39-40		
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	□	n.a.		

Anti-competitive behavior

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	□	n.a.	(4)	

Compliance

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	□	n.a.	(4)	

Performance Indicator	Description	Reported	Cross-reference/Direct answer	Appendix	EPRA
SOCIAL: PRODUCT RESPONSIBILITY					
Customer health and safety					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	□	n.a.		
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	□	n.a.	(4)	
Product and service labelling					
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	□	n.r.		
CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment.	■	pages 42-45		
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	□	n.r.		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	■	pages 19		
Marketing unications					
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	□	n.r.		
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	□	n.r.		
Customer privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	□	n.r.		
Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	□	n.a.	(4)	

Explanations/Abbreviations

	fully reported
	partially reported
	not reported
	EPRA Best Practice Recommendations on Sustainability Reporting
CRE	Real estate sector-specific key performance indicators
n.r.	not relevant
n.a.	not available
AR	Annual report 2011
(X)	further reference on page 60

Appendix

(1) First sustainability report published

(2) Currently DIC Asset does not own any assets in or adjacent to protected areas

(3) We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because currently DIC Asset hasn't concluded any specific contracts with human rights clauses due to his solely focus on the German real estate market .

(4) No incidents known

(5) Please also note the information and statements in our annual report 2011

(6) Building energy intensity calculation: total annual kWh energy consumption divided by sum of floor area (sqm), no further adjustments have been made

(7) Emission factors based on GEMIS database (Global Emission Model for Integrated Systems) version 4.6 and Öko-Institut e.V. Freiburg „Bestimmung spezifischer Treibhausgas-Emissionsfaktoren für Fernwärme"

(8) Absentee rate: 754 lost days/254 total working days per year x 121.5 average number of employees during the period 2011 x 200,000 = 4,886

GLOSSARY

CO_2
Carbon dioxide is a chemical compound of carbon and oxygen and is one of the main and best-known greenhouse gases. It is produced in particular during the combustion of fuels containing carbon, such as fossil energy carriers, e.g. coal, natural gas or crude oil.

Commercial Portfolio
The "Commercial Portfolio" comprises the direct real estate investments ("investment properties") of DIC Asset AG. Real estate in this portfolio is fully consolidated under "investment property".

Co-investments
Comprises the investments in which DIC Asset AG has in each case a minority interest, which includes co-investments in special funds and joint venture investments.

Joint venture
Real estate investments with strategic financial partners in which DIC Asset AG has a minority interest. Part of the co-investments portfolio. Shares in these investments are consolidated as associated companies in accordance with the at equity method.

Corporate Governance
Rules for sound, responsible business management, the aim being management in line with values and standards in accordance with shareholders and other interested groups. The annual declaration of conformity of the management to the German Corporate Governance Code provides a tool to assess Corporate Governance.

CRESS (Construction and Real Estate Sector Supplement)
Sector-specific supplement to the current GRI Guidelines aimed at companies within the construction and real estate sector. In addition to general performance indicators, these also include sector-specific performance indicators.

DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen)
The DGNB is a non-profit, non-governmental organisation whose task it is to develop and promote approaches and solutions for sustainable planning, construction and use of buildings. At the centre of its work are the composition and development of a certification system for sustainable buildings as well as the awarding of a certificate for the quality levels of gold, silver and bronze.

DIRK (Deutscher Investor Relations Verband e.V.)
The DIRK is the German professional association for investor relations. With over 350 members, the DIRK sets the standards for the communication between companies and the capital market.

EPRA (European Public Real Estate Association)
The European Public Real Estate Association (EPRA) is a Brussels-based organisation which represents the interests of the large European real estate companies in public and supports the development and market presence of the European real estate investment trusts.

FFO (Funds from Operations)
Operating result from real estate management before depreciation and amortisation, taxes and profit from sales and development projects.

GRI (Global Reporting Initiative)
The Global Reporting Initiative is perceived as a continuous international dialogue involving numerous stakeholders. It was founded in 1997 with the vision of creating the basis for transparent, standardised and comparable sustainability reporting of the economic, ecological and social performance of the global economy. Its guidelines are designed to promote sustainable development worldwide and at the same time support companies/organisations in the preparation of sustainability reports with an optional framework for the reporting.

G3.1 guidelines

The current G3.1 guidelines serve as quality assurance in the preparation of sustainability reports. The reporting framework including the guidelines sets out the principles and indicators that the organisations can use to measure their economic, ecological and social performance.

ISA (International Sustainability Alliance)

The International Sustainability Alliance links different companies in the real estate business worldwide which together address the question of how sustainable construction can be better achieved in the future. To do so the ISA gathers reliable data on commercially used buildings at the national and international levels.

Sustainability

Sustainability means achieving a balance between economic, ecological and social aspects, which is also compatible with business targets, as well as safeguarding resultant values and future potential for all current and future stakeholders and generations.

LEED (Leadership in Energy and Environmental Design)

LEED is an American classification system for environmentally-friendly construction developed by the U.S. Green Building Council in 1998. It defines a series of standards for environmentally-friendly and sustainable building practices which protect resources. Points are awarded for individual criteria on the basis of a comprehensive evaluation list. The overall result determines the level of certification awarded: Certified, Silver, Gold or Platinum.

Renewable energy sources

Renewable energy comes from sources which renew themselves within a short period of time, or whose use does not contribute to the depletion of the resource, and which are therefore considered to be particularly sustainable resources. They include, in particular, hydropower, wind energy, solar radiation (solar energy) and geothermal energy.

Net asset value (NAV)

Represents the intrinsic value of a company. The net assets are calculated as the balance of the current value of the assets minus liabilities.

Stakeholder

A stakeholder generally refers to a person or group with different requirements or interests in the corporate process or result, business sector or project. Distinction can also be made between internal stakeholders (employees, proprietors) and external stakeholders (business partners, tenants, service providers, the public).

ZIA (Zentraler Immobilienausschuss)

The ZIA represents the interests of the real estate industry in Germany in terms of regulation and economic policy.

Units of measurement

– kWh/year	Kilowatt hours per year
– kWh/sqm/year	Kilowatt hours per sqm per year
– m^3/year	Cubic metres per year
– m^3/sqm/year	Cubic metres per sqm per year
– kgCO_2e/year	Kilogram CO_2e per year
– kgCO_2e/sqm/year	Kilogram CO_2e per sqm per year

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Forward-looking statements
This annual report contains statements that refer to future developments. Such statements constitute assessments that have been taken in the light of the information available. Should the assumptions on which they are based not prove accurate, or should – as specified in the section entitled risk report – risks occur, the actual results may differ from those anticipated.

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