

Consolidated Non-Financial Report

DISCLOSURES PURSUANT TO § 267A
AUSTRIAN COMMERCIAL CODE

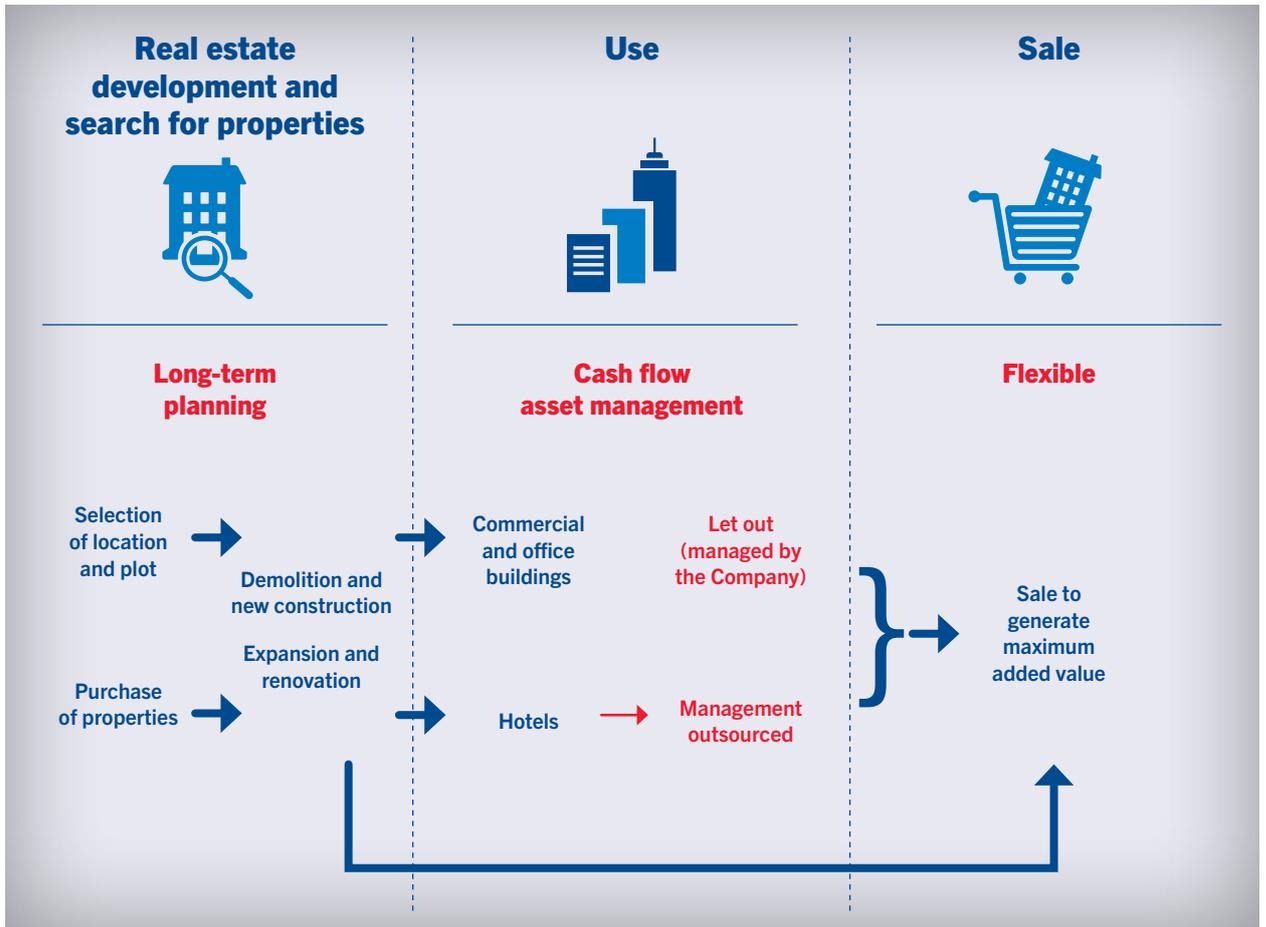


WARIMPEX – Business model

Warimpex is a “hybrid” real estate company that develops and operates properties itself as an asset manager and property owner until the time at which the highest added value can be realised through sale. The majority of these projects is located in Central and Eastern Europe.

Accordingly, the Warimpex Group generates stable cash flows from the letting of office space and the operation of hotel properties while simultaneously realising proceeds from property sales.

In contrast to pure real estate portfolio companies, Warimpex combines the steady business of the asset management segment with the high profitability of the property development segment. Under this strategy, the property development units benefit from the stable cash flow from the developed properties, and the typical exit risk of a pure project developer is simultaneously minimised because the completed properties are generally held in the Company’s portfolio initially in order to wait for the right time to sell.



WARIMPEX – An Overview

Evolution of the Warimpex Group

Warimpex was founded in 1959 by Stefan Folian as an import/export and transit trading company. From 1982 onwards, under the management of Georg Folian and Franz Jurkowsch, the Company started to specialise in real estate projects in Central and Eastern Europe. Since that time, the Warimpex Group has developed real estate with investments amounting to more than one billion euros, including hotels in the five-, four-, and three-star categories. In addition, Warimpex also develops office buildings and other real estate.

Development and asset management

Real estate project development and operations are coordinated by Warimpex in Vienna together with the local branch offices in Budapest, St. Petersburg, Krakow, and Łódź. Warimpex also builds upon its successful, long-standing cooperative projects with international hotel groups such as InterContinental Group, Kempinski, and Accor.

As at the end of 2021, Warimpex was the owner, co-owner, or leaseholder of four hotels with a total of 1,000 rooms (roughly 800 rooms when adjusted for the proportionate share of ownership), plus eight commercial and office buildings with a total floor area of some 97,500 square metres in Poland, Russia, Hungary, Germany, and Austria.

Only properties that have been in the portfolio for at least 12 months are included in the indicators for the non-financial report (with the exception of those related to the EU taxonomy).

Warimpex sustainability strategy

Warimpex aims to ensure that all properties in its portfolio have sustainable property certifications and meet the criteria of the EU taxonomy. This applies to both new developments and existing buildings.

Emphasis is placed on the following sustainability priorities:

- energy efficiency,
- use of renewable energy sources,
- carbon reduction, and
- quality of interior space (comfort, air quality, etc.)

Certifications and sustainability priorities will become a unique selling point that is indicative of high sustainability standards for the Warimpex Group's properties.

Due to the long service life of properties, the decisions we make today have an impact for the next 10 to 30 years. In the coming decades, climate protection and the sustainable use of resources will become even more important than they already are today. Real estate companies have to respond now – for instance in the area of climate protection. In order to achieve the 2-degree target defined at the Paris climate conference in 2015, we will have to transform into a low-carbon economy that hardly emits any carbon dioxide by 2050. This already has to be factored into long-term investments today. Warimpex is aware of its far-reaching responsibility in this context and does not see properties merely as economic goods, but also takes the ecological and social aspects into account in every stage of the planning. This basic philosophy reflects a deep-seated conscientiousness and respect for people and the environment and shapes both the Company's corporate culture and its concrete activities in all areas of business.

The Warimpex Group's real estate development projects and the operation of its properties have an impact on the social, ecological, and economic environments in which it does business. Because of this, the Company bears great responsibility. It has firmly anchored the fulfilment of this responsibility into its corporate culture, and sees living up to this responsibility as a central element in its success. This applies to new and existing buildings. In the further development of existing properties into hotel and office buildings, we attach considerable importance to compliance with the requirements for the preservation of the historic features of the properties. Building energy-efficient buildings is a matter of course for us because the operating costs of these buildings are lower.

Warimpex familiarises its team with the sustainability strategy through training measures. The short chain of command and the annual focus on a few selected projects make it possible to select the right sustainability certification for each property development and optimally implement the strategic priorities. Warimpex's Management Board monitors the consistent adherence to the sustainability strategy for every real estate project and in the overall portfolio. It is also responsible for the implementation of the sustainability activities in the other categories such as sustainable corporate culture (ethics and compliance), social responsibility, employees, and human rights.

To this end, a project aimed at developing a sustainability strategy for the development of properties was completed in 2019. Along with internal strategic requirements for renovation projects and new construction projects in the office and hotel segments, sustainability standards were defined for Warimpex's properties. The aspects taken into account in this context include requirements from tenants and investors as well as criteria for sustainability certifications such as the BRE Environmental Assessment Method (BREEAM), the Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB) Certification System, and Leadership in Energy and Environmental Design (LEED).

Therefore, this project included the following measures:

1. Survey to ascertain the sustainability requirements of the key customers
2. Clarification of the importance and use of sustainable building certifications
3. Development of minimum sustainability standards for Warimpex real estate projects
4. Definition of new, sustainable energy solutions for hotels and office buildings

As a result, the Company now has a clear definition regarding the sustainability priorities for developments, a process for dealing with sustainability certifications, and a guideline and questionnaire for optimised energy solutions.

The sustainability priorities are energy efficiency, the use of renewable energy sources, the reduction of carbon dioxide emissions, and the quality of interior space (comfort, air quality, etc.). LEED for Existing Buildings: Operation & Maintenance was selected as the standard certification, but different certifications may be employed depending on the country, project type, and market requirements. Different certifications may also exist in the given country, for example when it is necessary

to differentiate between new buildings and existing buildings. The plan is to have all new buildings certified during construction and to gradually have existing buildings certified. These certifications do not just benefit the owners – they also directly benefit the tenants in the form of cost savings. Certification will also pay off in the long run: It is conceivable that excessive carbon dioxide emissions will be “punished” with higher taxes in the future, for example. These certifications will become a unique selling point that is indicative of high sustainability standards for the Warimpex Group's properties.

As at the reporting date, the following properties are certified:

	Opening		Certificate
Orgodowa 8 Office, Łódź	2018	28,000 m ²	BREEAM In-Use – Excellent
Mogilska 43, Krakow	2019	12,000 m ²	BREEAM In-Use – Excellent
Zeppelin Tower, St. Petersburg	2015	15,600 m ²	LEED – Gold
		55,600 m ²	

Planned certifications:

	Opening		Certificate
Avior Tower, St. Petersburg	2022	16,000 m ²	LEED – Gold
Mogilska 35, Krakow	2023	12,000 m ²	BREEAM In-Use – Excellent
Chopin Office, Krakow	2023	21,000 m ²	BREEAM In-Use – Excellent or LEED – Platinum

In addition, the decision was made to pursue certification according to the WELL Health-Safety Rating of the International WELL Building Institute (IWBI), which is based on the WELL Building Standard, for Krakow and Łódź in order to improve health, safety, and well-being at the properties. These certifications were received in 2021.

The Warimpex Group also decided to switch to green electricity as far as possible at all properties. The preparations for this are under way.

Initial application of the EU taxonomy

The EU taxonomy is the EU's classification system for the definition of “environmentally sustainable” business activities. The taxonomy-eligible revenues, investments (CAPEX), and operating expenses (OPEX) must be disclosed for the 2021 financial year. Starting with the 2022 financial year, these disclosures must be supplemented with information about taxonomy alignment.

To prepare for the disclosures required in the 2022 financial

year, Warimpex commissioned an external auditor to evaluate whether all of its LEED- or BREEAM-certified properties that were opened before 31 December 2020 are among the best 15 per cent of the national or regional building stock and whether the rental revenue, CAPEX, and OPEX are thus taxonomy-aligned. Due to the initial application of the EU taxonomy and the fact that the application practices are still under development, a final evaluation is not yet possible. The Company strives to hold as many taxonomy-aligned properties as possible in its portfolio.

For real estate projects that are currently under construction, the expert assessed whether they are being built in a taxonomy-aligned manner or whether adaptations are necessary. The Company strives to ensure taxonomy alignment for new construction projects. Because the buildings are still under construction, some of the requirements for new buildings such as the energy performance certificate, air tests, risk mitigation, and so forth are not yet available. Since these buildings have no energy use history, no assessment can be conducted regarding whether they are operated efficiently. The electricity consumption can only be estimated on the basis of a plan.

The analysis of the taxonomy alignment of the Group's business areas produced the following results:

	Investment Properties	Hotels	Services
NACE classification	L68 Construction and real estate activities	–	–
Taxonomy-eligible?	Yes	No	No
	Certificate	Taxonomy-eligible	Not taxonomy-eligible
HOTELS			
Greet hotel, Darmstadt			
Crowne Plaza, St. Petersburg			
OFFICES			
Mogilska 41, Krakow	WELL Health-Safety Rating		
Mogilska 43, Krakow	BREEAM In-Use – Excellent, WELL Health-Safety Rating		
Ogrodowa, Łódź	BREEAM In-Use – Excellent, WELL Health-Safety Rating		
Erszébet,, Budapest			
B52, Budapest			
Zeppelin, St. Petersburg	LEED – Gold		
Airport City Carpark, St. Petersburg			
SERVICES			
DEVELOPMENT PROJECTS			
Avior Tower, St. Petersburg	LEED – Gold		
Mogilska 35, Krakow	BREEAM In-Use – Excellent		
Others			
Revenue		76%	24%
OPEX		50%	50%
CAPEX		96%	4%

Materiality and stakeholders

The following sustainability report (prepared in accordance with the requirements of the Austrian Sustainability and Diversity Improvement Act [Nachhaltigkeits- und Diversitätsverbesserungsgesetz, NaDiVeG]) is addressed to all stakeholders as well as everyone else who is interested in Warimpex's ecological, social, and economic performance.

Sustainable development is a multifaceted process that is influenced by many different issues in the areas of the economy, the environment, and society. The potential impact of business activities on these areas of life is determined by a company's core business, industry, and business environment.

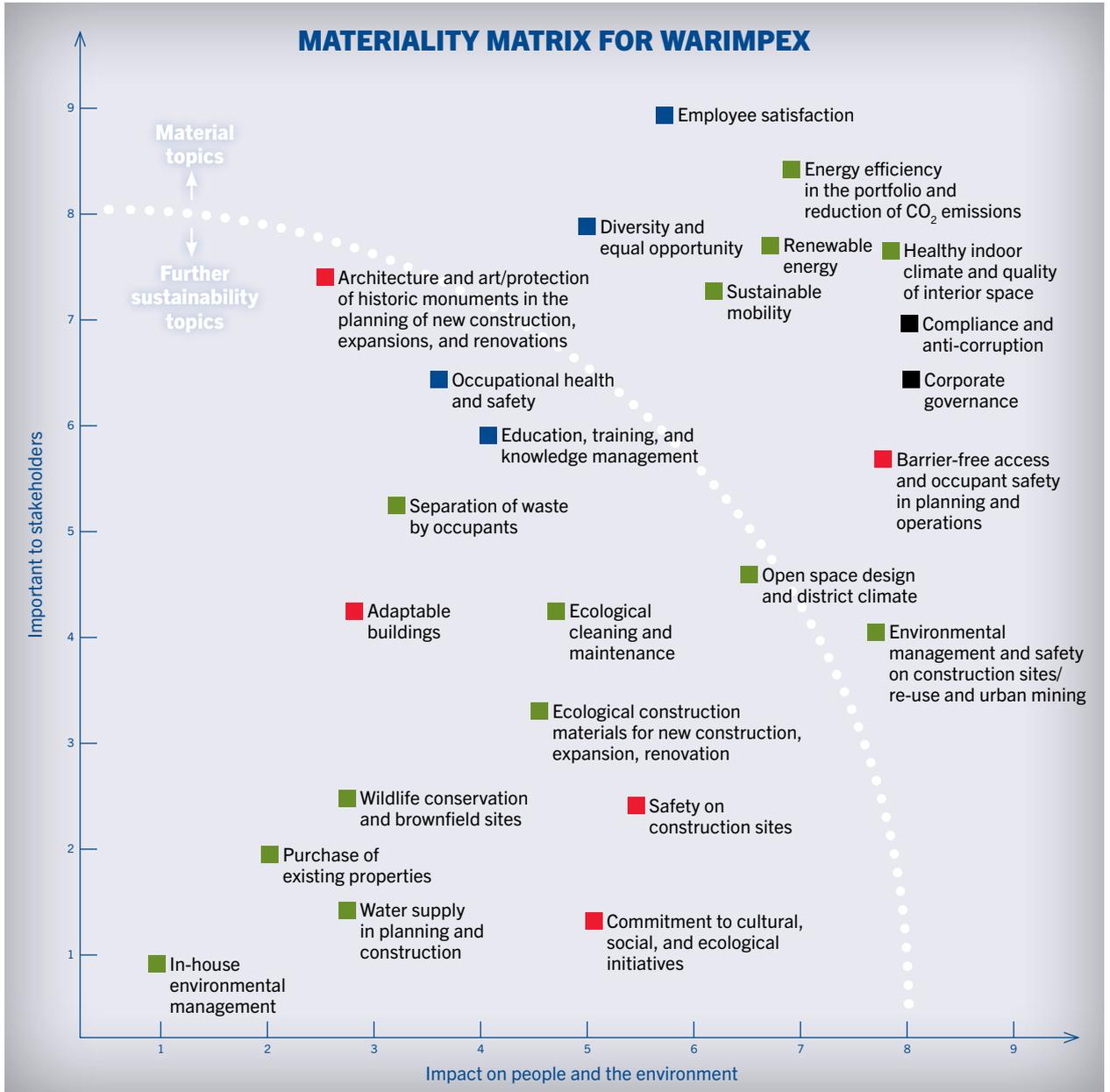
Process description and strategic integration

A comprehensive materiality analysis forms the basis for the reporting. The potential material topics for the Warimpex Group were identified and prioritised in a multi-stage process. The topics were analysed with regard to their impact on people and the environment as well as with regard to their importance for the following key stakeholders: investors, shareholders, analysts, banks, employees, suppliers, service providers, tenants, neighbours, peer companies, the media, policymakers, public authorities, and hotel guests. The topics that were deemed to be material can be assigned to the following categories:

- **Environment and energy**
- **Sustainable corporate culture (ethics and compliance)**
- **Social responsibility**
- **Employees**
- **Human rights**

In the following, Warimpex reports on activities and measures related to the issues deemed to be material, which are described in the overview below:

Topic	Description	Issue according to NaDiVeG
Energy efficiency of buildings	Thermal quality of buildings, energy-efficient technical building systems, appliances, etc. support the energy efficiency of buildings (heating, cooling, electricity consumption)	Environmental issue
Re-use and urban mining/environmental management on construction sites	Use of renewable resources as well as materials that are manufactured in an environmentally friendly manner and are regionally sourced, contaminant-free, multifunctional, and recyclable Noise and dust prevention, exclusion of brownfield sites, effective waste management, safe handling and storage of chemicals, and short transport distances	Environmental issue
Sustainable mobility	Offering of and incentives to use environmentally friendly means of transport such as connections to public transport networks, pedestrian and bike path networks, provision of infrastructure for bicycles, e-mobility, and car and bike sharing	Environmental issue
Corporate governance, compliance, and anti-corruption	Compliance with legal requirements (employment law, competition law, data protection, etc.), clear contract awarding processes, proper working relationships with contractors	Combatting corruption and bribery
Barrier-free access and occupant safety	Technical components (such as fire protection measures, escape routes, alarms for dangerous situations, or evacuation), structural components (such as signage, lighting, video surveillance, or concierge services) Compliance with all legal regulations and requirements and regular monitoring of this compliance	Social issue
Employee satisfaction	Motivation and satisfaction of the team is strengthened and maintained at a high level	Employee issue
Diversity and equal opportunity	Diverse team structure with regard to age, gender, background, working model, etc.	Employee issue
Work-life balance	Different work schedule models, flexible time management	Employee issue
Respect for human rights	Deep-rooted part of the corporate culture that is put into practice internally and externally	Respect for human rights
Open space design and district climate	Prevention of urban heat islands (e.g. through light-coloured surfaces, providing green areas, water areas, optimised air circulation in districts) Designing open spaces with near-natural conditions (creation of habitats for native plants and animals)	Environmental issue
Healthy indoor climate and quality of interior space	Thermal comfort in winter and summer, visual comfort, sufficient ventilation, prevention of pollutants (formaldehyde, volatile organic compounds, and fine dust), acoustic comfort	Employee issue
Renewable energy	Use of green electricity, photovoltaics	Environmental issue



- Categories**
- Environment and energy
 - Employees
 - Sustainable corporate culture (ethics and compliance)
 - Social responsibility

NON-FINANCIAL RISKS

Issue	Sustainability topic	- Risks + Opportunities	Description of the risk	Mitigation measures
Environmental issue	Energy efficiency of buildings	- High operating costs - Risk of non-implementation + Low operating costs for tenants, contribution to making Europe climate neutral by 2050	Limitations in construction due to a lack of funds or insufficient resources	Certification of all developed properties over the medium term, certification of new buildings
Environmental issue	Re-use and urban mining/environmental management on construction sites	- Risk of material waste + Potential for cost savings	Re-use of existing materials	Incorporated into the project concept
Environmental issue	Sustainable mobility	- Risk of a lack of infrastructure + Potential for the use of environmentally friendly means of transport	Lack of charging stations, bike parking spaces, no access to public transport	Incorporated into the project concept
Combatting corruption and bribery	Corporate governance, compliance, and anti-corruption	- Risk of a lack of knowledge + Opportunity due to training	Lack of awareness with regard to bribery and corruption	Training, compliance with Code of Conduct
Social issue	Barrier-free access and occupant safety	- Risk due to solutions that are not user-friendly + Opportunity due to improved accessibility	Compliance with legal requirements	Review of legal requirements for projects and usability
Employee issue	Employee satisfaction	- Risk due to loss of skilled personnel + Opportunities for higher employee satisfaction	Creation of a positive working climate	Employee reviews, office facilities and equipment are up to date
Employee issue	Diversity and equal opportunity	- Risk due to discrimination + Opportunities due to openness	Expertise and diversity	Promotion of diversity
Employee issue	Work-life balance	- Risk due to loss of employees + Opportunities for innovations	Burnout prevention	Training, consumption of holiday leave, balanced assignment of work
Respect for human rights	Respect for human rights	- Risk of human rights violations	Diversity and equal opportunity in the workplace	Principles apply equally to hiring, opportunities for promotion, and remuneration policies
Environmental issue	Open space design and district climate	- Risk of contributing to overheating in summer and soil sealing, reduction of quality of life of occupants and neighbours + Potential for high-quality public spaces outside of the building	Effect of the building on the microclimate of the district, water retention, people-friendly environment	Incorporated into the project concept
Employee issue	Healthy indoor climate and quality of interior space	- Risk of "sick building syndrome" – negative health impact from indoor emissions, reduced productivity of occupants + Opportunities to ensure well-being of occupants, boost productivity of employees in offices	Thermal comfort, sufficient lighting, selection of sustainable materials for interior design	Incorporated into the project concept
Environmental issue	Renewable energy	- Risk of negative health impacts from non-renewable energy (e.g. fine dust) + Opportunity to contribute to making Europe climate neutral by 2050	Providing building heat via renewable energy sources, generation of own electricity with photovoltaics, green electricity from credible providers	Incorporated into the project concept

ENVIRONMENT AND ENERGY

The topics of energy supply, energy consumption, and energy-related technical building systems are extremely important in the construction and real estate industry. The provision of energy in the form of electricity and heat is the basis for comfortable office facilities. At the same time, energy sources and energy consumption have a significant impact on climate change. Warimpex is aware of its energy-related impact on the environment and society and therefore takes great care with regard to ecological and economic requirements in terms of the energy supply and energy consumption and in terms of enhancing and preserving the value of buildings.

Warimpex also confronts the challenges of our time and makes an essential contribution to the lasting reduction of emissions by planning projects on a long-term basis. Building energy-efficient buildings is a matter of course for us because the operating costs of these buildings are lower. Warimpex believes that sustainability and cost efficiency are not mutually exclusive.

At the beginning of 2013, Warimpex completed the BREEAM – Good-certified Le Palais Office building in Warsaw. In 2018, the newly opened Ogrodowa Office building in Łódź received a BREEAM – Very Good certification. A rating of BREEAM – Very Good was obtained for the Mogilska 43 office project that was completed in Krakow in 2019. Both properties received BREEAM In-Use – Excellent certification in 2020 following the completion of optimisation measures. In 2021, the existing Zeppelin property in St. Petersburg received LEED – Gold certification.

In general, certifications are planned for all new developments with a minimum standard of LEED – Gold, BREEAM – Excellent, or DGNB – Gold, for example the Avior Tower project currently under construction in St. Petersburg, which is expected to receive LEED – Gold certification. Although Warimpex's portfolio does not contain any certified hotel properties at this time, the Company nevertheless attaches considerable importance to high environmental standards for existing and future hotels.

When it comes to new projects, the Company plans to maximise the environmental, social, and economic benefits. For Warimpex, this means that properties retain their value or increase in value over the long term while at the same time offering ecological and social benefits. In this context, measures will also be taken to prevent environmental damage. These principles will be followed not only for new construction projects but also for renovations. The Company developed a control model for internal project controlling aimed at review-

ing projects with regard to energy efficiency, flexible floor plans, accessibility, and mobility.

Energy efficiency of the portfolio

Warimpex's direct area of influence lies in the energy-related design of new buildings, modernisation measures on existing properties, and energy performance. In addition, the selection of the energy source can have a positive impact on the energy balance of the properties.

However, energy efficiency does not just depend on the building itself. The careful use of energy by the occupants is also a decisive factor and can make a significant contribution to climate protection. However, Warimpex can only influence the individual behaviour of the occupants to a very limited extent. The steering measures in this regard are focused on clear and targeted communication with occupants, such as through notices at the property.

One key task for Warimpex is to create the conditions for low energy consumption at its buildings. This includes the energy-efficient design of new properties as well as the gradual energy-related modernisation of suitable existing properties.

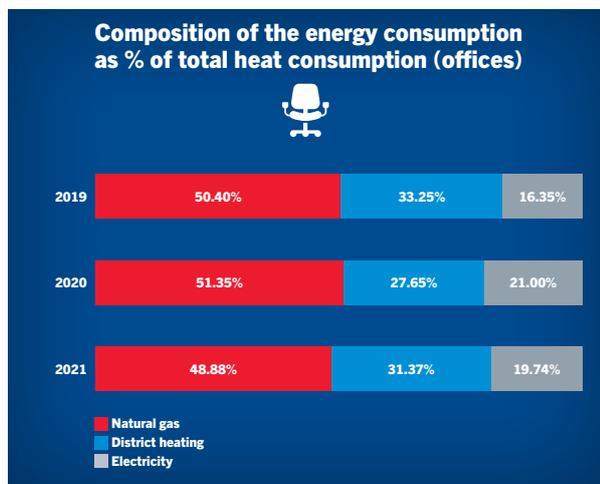
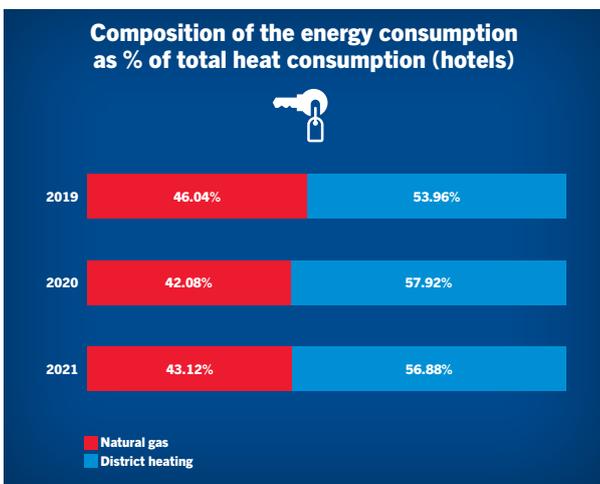
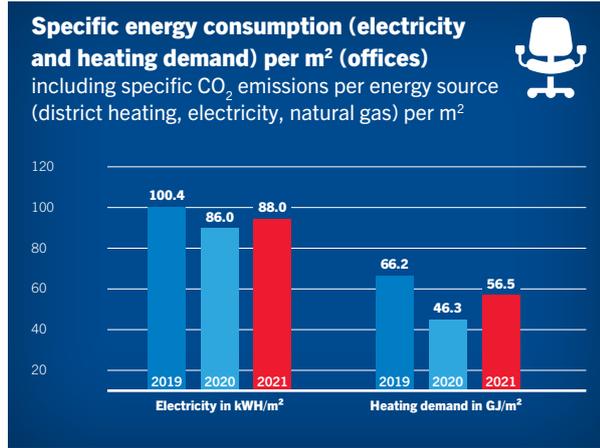
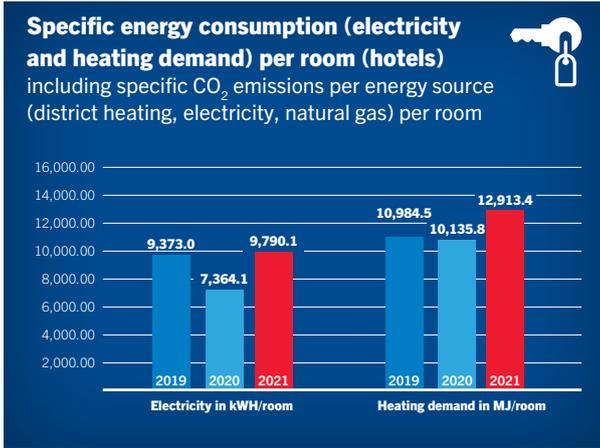
Indicators for 2021

The indicators are presented differently for the asset classes of offices and hotels in order to provide a clear picture. For hotels, indicators are reported on a per-room basis in order to improve comparability. In contrast, the energy consumption figures for office properties are based on the square metres of lettable space.

The indicators were collected for the first time in 2017 and thus form the basis for the ongoing monitoring of energy consumption. Warimpex aims to improve these indicators on an ongoing basis and take them into consideration in the planning of new projects.

Particular emphasis was placed on energy-efficient and environmentally friendly design for the two newest office buildings in Poland: A green wall was built at the Mogilska 43 project in Krakow, and a green roof was implemented for the Ogrodowa project in Łódź. These measures not only contribute to the occupants' well-being, but also play a decisive role in environmental and climate protection. The energy consumption for cooling is reduced and the burden on the sewer system is minimised by the water retention. At the same time, these measures help to counteract urban heating and the formation of heat islands.

The Company ensures the energy-efficient operation of its own hotels by planning the occupancy of the rooms so that vacant



rooms or floors do not have to be fully heated. To this end, care is taken in the initial planning of the projects to ensure that hotel areas can be supplied with energy individually, which can make a major contribution to reducing heating demand.

Environmental management and safety on construction sites/ re-use and urban mining

At construction sites, the Company does everything in its power to prevent noise and dust, to clean up brownfield sites, and to ensure effective waste management for building demolitions. The efficient separation of secondary raw materials is facilitated by working with companies that provide separation with as little mixing of materials as possible. It is important to Warimpex to maintain good relations and optimal communication with all stakeholders. One notable example in this context is the fact that the heating system of the direct neighbours of the Mogilska 43 construction site was converted to a district heat connection. In addition, vouchers for professional car washes were handed out to neighbours during the demolition work at this construction site. Warimpex aims to continue preventing complaints and lawsuits through good communication with neighbours.

All legal requirements are complied with in the Company’s construction activities, and there have been no official complaints or fatal workplace accidents to date. Warimpex receives monthly reports from the general contractors containing up-

dates on the progress of projects and, if applicable, information about violations of safety requirements and accidents on construction sites. Warimpex has set a clear goal to continue to avoid legal complaints and major violations of safety requirements at construction sites. In addition, the monthly reports from the general contractors for future projects will be expanded to include information about workplace accidents and official complaints related to occupational safety, environmental issues, and other legal issues.

The rehabilitation of old buildings is prioritised whenever possible in order to save resources, costs, and time. Construction activities are always resource-intensive. The intense use of raw materials contributes to the waste of resources and thus represents a risk to the environment. This risk is minimised by ensuring the optimal continued use of existing buildings in projects. For example, an old office building in Munich was converted into a hotel and an old office building that was built in Budapest in the 1960s was gutted and refurbished into an office building that meets today’s requirements.

In 2021, there was yet again a rehabilitation project: The hotel that was acquired in Darmstadt in 2019 (a building from 1989) was extensively renovated from 2019 to 2021 and repositioned on the market under the “greet” brand in September 2021.

Sustainable mobility

Mobility involves a number of current and future challenges pertaining to climate change, particularly in urban areas. This includes the risk of local air pollution due to emissions from automobile traffic in the form of nitrogen oxide as well as energy consumption.

Due to the rising demand for charging stations for electric vehicles, there is a risk that it will not be possible to provide a sufficient number of EV charging stations for the occupants of buildings. Forward-looking, intelligent mobility and traffic concepts are viable solutions in this context, including the increased use of public transport and car-sharing programmes as well as the further electrification of mobility in urban areas. In order to meet these requirements, it is important to account for a sufficient number of charging stations with a suitable charging capacity and charging connection in the initial planning stages and to observe and evaluate various concepts in order to determine which ones should be implemented at a site to optimally meet the demand.

E-mobility in particular represents an essential and groundbreaking topic. In this context, the future need for parking spaces with electric charging points or cable conduits for later retrofitting efforts at the building already have to be taken into consideration in the design and planning phase – generally around three years before completion. Among Warimpex's existing properties, Ogródowa Office and Mogilska 43 Office currently offer EV charging stations, and EV charging stations are also planned for new projects. A total of 60 bike parking spaces were built at Mogilska 43 (which corresponds to 0.4 parking spaces per 100 square metres of office space). The building also offers showers and changing rooms in order to make it more appealing for employees to bike to the office. The Ogródowa 8 project in Łódź has 150 bike parking spaces (which corresponds to 0.5 parking spaces per 100 square metres of office space) as well as showers and changing rooms in the office facilities.

The majority of the Warimpex Group's properties are in central locations in primary and secondary cities. Good transport connections for the users of the building (employees and customers) are an important factor for all of the projects. Hotels and office properties have to be easy to get to – both with public transport such as buses or trains as well as with cars and coaches. Public transport stations are generally located within a radius of 200 metres, and a connection to the airport must be available.

In the future, it will become increasingly important to offer optimal connections to the public transport network in a city because significant restrictions on private transport such as

car-free zones or parking restrictions are to be expected. It is also crucial to promote sustainable mobility (electric vehicles, car sharing, etc.) because property users will see these offerings as decisive factors. In order to optimally address these developments, Warimpex has set itself the goal of taking sustainable mobility into consideration as a criterion for future projects.

In-house environmental management

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	2021	2020	2019	2018	2017
Flights	37	46	129	113	123
Kilometres driven by car	19	22	29	32	64

Employees of Warimpex Finanz- und Beteiligungs AG

The volume of carbon dioxide emissions caused by travel activities in 2021 decreased compared with the prior year. This reduction is the result of a decline in travel due to the COVID-19 pandemic.

Warimpex's employees have a high level of travel because nearly all of the Company's projects are located outside of Austria. This impacts the environment through increased emissions and represents a danger to employee safety due to the increased risk of car accidents. Travel planning is the responsibility of the relevant project team, but reducing travel to an absolute minimum is a basic principle at Warimpex. Efforts are made in the planning of business travel to combine the travel of individual employees and to form carpools in order to keep travel expenses and the environmental impact as low as possible. Some project sites can be reached by train or plane, while others are more conducive to travelling by car because they are more easily accessible by car or require technical equipment to be taken along. In order to reduce business travel, the use of teleconferences and video conferences is encouraged. The necessary technology required for this is provided by Warimpex.

New developments are evaluated and incorporated into the Company's IT on an ongoing basis in order to ensure the optimal use of new technologies. This enables cross-border collaboration in projects to be simplified and employees' travel to be optimised. Warimpex acquired two electric vehicles for its vehicle fleet as part of a pilot project in order to study usage behaviour and gather valuable information both for future travel and for the charging infrastructure and other requirements for office locations. Along with the ongoing maintenance and modernisation of the vehicle fleet, investments are being made in employee training for business travel in the form of driving courses.

SUSTAINABLE CORPORATE CULTURE (ETHICS AND COMPLIANCE)

Around the world, bribery and corruption hinder investment activities and disrupt international competition. In addition, the economic, social, and ecological well-being of society is jeopardised by the diversion of funds through corrupt practices. Companies play an important role in combatting these practices because corruption is damaging not only to democratic institutions but also to proper corporate governance. In addition, some of the countries in which Warimpex does business have poor rankings according to the Corruption Perceptions Index and are thus exposed to a higher risk of corruption.

Corporate governance, compliance, and anti-corruption

Therefore, the implementation of effective corporate governance practices represents a significant sustainability topic with regard to fostering a responsible corporate culture.

As a listed company, Warimpex operates in accordance with the rules of the Austrian Code of Corporate Governance (January 2021 version) and the Polish Best Practice for GPW Listed Companies 2021. These codes are voluntary agreements for proper corporate governance and control aimed at achieving responsible value creation focused on sustainability and a long-term vision. These measures ensure that the interests of all stakeholders whose welfare is dependent upon the success of the Company are optimally served and that a high level of transparency is provided.

Code of Conduct

The Code of Conduct (CoC) is a summary of the general rules of conduct for Warimpex employees. The CoC has been applied at Warimpex AG since 2013 and was extended to all of the fully consolidated companies in 2018.

Warimpex's employees are required to obey the law at all times in their business dealings and to clearly reject all forms of bribery or corruption with their own conduct. The CoC documents the Company's interactions with employees, customers, suppliers, and all other stakeholders and provides orientation for day-to-day conduct. The ethical and legal rules and guidelines are specified in the CoC and promote individual responsibility and an open, respectful, and responsible working climate.

Employees receive ongoing training in order to foster an open and honest working climate. In 2021, training courses were offered on current topics such as the General Data Protection Regulation. Training sessions were also held on the Code of Conduct and corruption prevention as well as occupational safety. These training measures will be offered again in 2022.

The various workdays of employees due to different scheduling models and travel are taken into account when planning the dates for training by offering multiple courses on different days so that everyone can participate. In addition, Warimpex strives to offer additional training as needed when it becomes apparent that a certain topic is important at the moment or is requested by the employees.

No cases related to corruption or violations of internal compliance guidelines have been identified to date.

SOCIAL RESPONSIBILITY

Barrier-free access and occupant safety in planning and operations

Barrier-free access is taken into account in accordance with legal requirements in both new construction and in the renovation/refurbishment of existing properties. All offices and hotels offer barrier-free access. The safety of the occupants is ensured through regular monitoring in line with local ordinances (e.g. inspection by the fire department or work inspectors) and at the management level (inspection together with the operators of the relevant property). Our own random inspections ensure the safety of the occupants of our properties and minimise the risk of a violation of the applicable regulations. No significant complaints (e.g. imminent hazards) have been lodged by authorities in relation to safety requirements to date. In acute cases, individual measures are taken to ensure the safety of the occupants at the given property. For example, increased security checks have been performed at the entrances to hotels in response to terrorist attacks in a given destination.

The goal is to prevent complaints by authorities and customers and to meet all legal requirements in order to guarantee the safety of the occupants at all times.

Six of the 294 hotel rooms at the Crowne Plaza hotel in St. Petersburg are barrier-free, which represents a share of 2 per cent. At the greet hotel in Darmstadt, 2 of 194 hotel rooms are barrier-free (1 per cent).

EMPLOYEES

Employee satisfaction

Warimpex aims to offer opportunities for growth and career advancement, to reward outstanding performance, to promote collaboration at all levels, and to ensure an open corporate culture. The working world is constantly changing due to more vigorous demands and increasing requirements for flexibility.

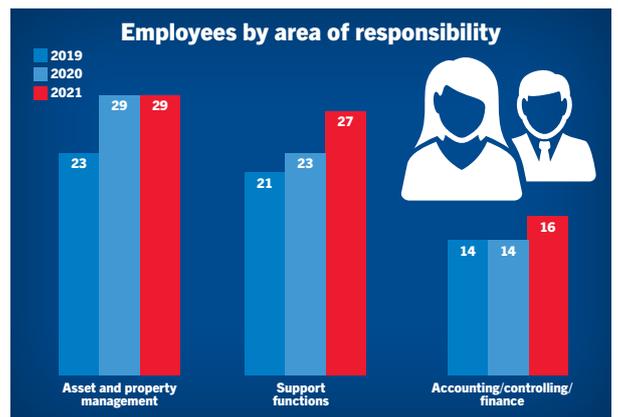
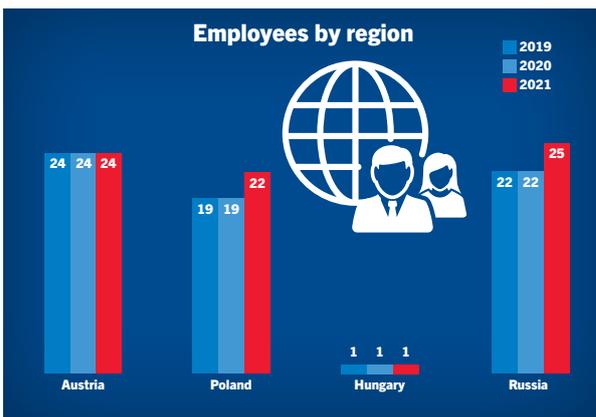
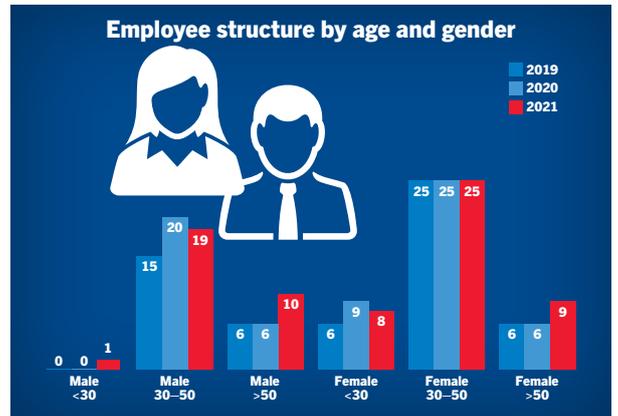
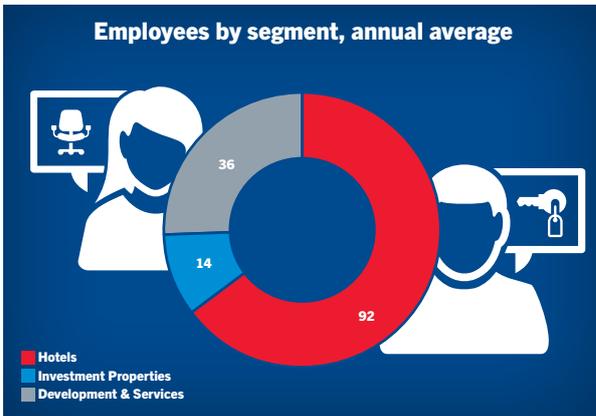
It is becoming more and more difficult for employees to achieve a balance between their careers, family duties, and private lives. A consistent policy of equal treatment, flexitime work models, and teleworking opportunities represent the pillars of a healthy work-life balance for Warimpex’s employees.

Hotels are operated by hotel management companies under management agreements. Therefore, control over personnel matters and the management of the hotel staff are the responsibility of the hotel managers and are not influenced by Warimpex. As such, the following information only pertains to Warimpex’s other two segments (Investment Properties and Development and Services).

Employees in the Group

The duties in asset and property management include the management of the existing properties and development properties by the managers, technicians, and project controllers. The finance segment comprises the Group accounting department and the bookkeeping departments. The support functions provide administrative and organisational assistance to the other two segments.

In order to guard against the risk of losing highly qualified staff members, Warimpex’s employees are provided with state-of-the-art technical equipment to make the work process as smooth and efficient as possible. This is intended to ensure a safe and pleasant work environment for everyone. Employees are also supported through the open and honest corporate culture. Warimpex has a flat management structure; tremendous emphasis is placed on fostering a level playing field and respectful collaboration. The Company takes the individual needs of the employees into consideration by offering various working models such as part-time schedules, teleworking, and other possibilities, and adapting these models as necessary.



Diversity and equal opportunity

Ensuring equal opportunity between women and men and diversity with regard to the employees' different cultural backgrounds is a key priority for the Company. Diversity is valued at Warimpex. This diversity applies not only to the background of employees from different cultures and countries, but can also be seen in the age structure of the staff. Employees from four countries and with various migration backgrounds work at the Group's headquarters in Vienna. At Warimpex, no one is excluded due to their gender, age, or background. On the contrary: The convergence of different views, opinions, and experiences allows many different aspects to be examined and addressed in projects.

A flat hierarchy also allows goals to be achieved through short communication channels, without having to fight through extraneous bureaucracy. Women and men are given equal opportunities to stay connected to the Company even when they are on parental leave. Invitations to company events are also sent to employees on parental leave, and these employees can continue to use communication devices such as their phones and laptops while on leave. It is also possible to work while on parental leave, and many employees take advantage of this opportunity. When employees return from parental leave, their needs are re-evaluated and individually adapted to suit their circumstances. In cases where it is desired and possible, teleworking and flexible working hours are agreed with employees. All of these measures have proven to be effective in the past and will thus be continued in the future. As a result, the risk of potential discrimination against employees is deemed to be low. Warimpex sees the diversity of its employees as an opportunity and utilises it accordingly.

The share of women in the total workforce was just under 53 per cent as at 31 December 2021, which represents a decline of 8 per cent compared with 2020. The share of female managers decreased by roughly 5 per cent versus 2020 and amounted to 33.3 per cent. This change can be attributed to the increased hiring of male technicians. Warimpex offers its female and male employees the same opportunities and requirements. What counts are an employee's qualifications and experience in their field, not their nationality or gender. Women and men have the same opportunities for advancement – equality is a matter of course at Warimpex and is also reflected in the share of women in the total workforce.

The average age of the employees is roughly 43.7 years. The Warimpex Group works with an attractive mix of experienced employees and new employees.

Warimpex sees the diversity of its employees as an important factor for success.

HUMAN RIGHTS

Respecting human rights is seen as a deep-rooted part of Warimpex's philosophy and is put into practice each and every day. Freedom of expression is anchored in Warimpex's organisational structure because there are no restrictions on communication of any kind, apart from the confidentiality areas that have been established. Warimpex also respects and aims to protect everyone's right to freely practise their beliefs. At hotel buildings, for example, the interior design is kept non-religious as far as possible in order to ensure the religious freedom of all users. This is reflected in the selection of the pictures in the rooms and the lack of religious symbols such as crosses.

Respect for human dignity is primarily an important issue when it comes to employee relations. Warimpex is absolutely opposed to all forms of prejudice and discrimination. It is important that all employees are treated equally regardless of their age, gender, sexual orientation or identity, nationality, ethnic background, disability, religion, or world views. The Company actively promotes a culture characterised by respect, openness, trust, and mutual appreciation.

Warimpex is clearly committed to protecting international human rights. The Company supports and respects the protection of human rights within its sphere of influence and ensures that it is not involved in human rights violations. We expect our suppliers and partners to comply with the legal regulations as well. Warimpex assumes that they comply with the applicable laws for the protection of human rights and that violations are appropriately prosecuted by the competent legal authorities in the jurisdiction of the relevant suppliers and partners. We do not see a need or a possibility to take additional internal initiatives in this area. Suppliers and partners also receive goods and services from third parties in some cases. We are not aware of any human rights violations in connection with this supply chain to date. We assume that our suppliers and partners take action if they become aware of such issues. Proven violations are punished and can result in the termination of the business relationship with the respective supplier or partner.

Social commitment – impact on society and the environment

Warimpex aims to reduce poverty and promote the arts and culture with donations and sponsorship activities. To this end, donations are regularly made to the following organisations during the Advent season: Teach for Austria, Freispiel, and Entwicklungshilfeklub. We also get involved on a personal basis: Members of the Management Board personally take part in the events at schools and hold presentations as part of the Teach for Austria programme. Many events could not be held in 2020 and 2021 due to COVID-19, so the volume of the Company's donations and sponsorships declined slightly.

Effects of COVID-19

The COVID-19 crisis had an impact on several factors in 2020 and 2021:

Environmental issues:

The reduced travel activity around the world resulted in lower consumption of resources and thus to a decline in greenhouse gas emissions. This can also be seen in the travel activity of the Warimpex Group. However, it must be noted that no compromises are being made with regard to the Company's sustainability goals based on the decline in business caused by the COVID-19 crisis.

Employee issues:

The opportunities for teleworking and videoconferencing were expanded due to the crisis. Teleworking was offered to all employees. Training in the use of new programs is completed on an ongoing basis. The Company's data security was assessed and was deemed to be appropriate. Employees have the opportunity to get tested for COVID, and COVID anti-gen self-tests are also provided at the office.

Human rights:

There is a potential risk of human rights violations during the COVID-19 crisis – women are more heavily impacted due to short-time work and the double burden of professional and family obligations, and this was taken into account at Warimpex by offering flexible working hours.

Effects of the conflict in Ukraine

At the time of the preparation of this report, our attention is focused on the conflict in Ukraine and the resulting wave of refugees. Based on our connections to Poland and the reports on the situation prevailing there at the moment, we are providing support by working with our contacts in the country to organise the transport of refugees to our hotel in Darmstadt, Germany, where we want to offer fast, unbureaucratic assistance for people in need. We are in contact with our partners in Germany and are providing help for dealing with administrative matters with government agencies and delaying construction work in Darmstadt so that we can provide accommodations for refugees over the medium term. We are aware that these are not fully adequate apartments, but are providing kitchens, washing machines, and other amenities in an effort to offer comfortable accommodations on a medium-term basis to allow people to organise longer-term living arrangements in an environment that is as peaceful as possible.

Our activities in Russia are limited to the St. Petersburg region, so neither our employees nor our properties are directly affected by the events. Warimpex and all of its employees are appalled and dismayed by these events and we can only hope that peace is restored very soon and further unnecessary suffering is prevented.

ADDITIONAL NON-FINANCIAL PERFORMANCE INDICATORS

- **Vacancy rate of individual properties:** The vacancy rate shows the ratio of the unlet space to lettable space and thus plays an important role in the return that can be generated. The higher the vacancy rate, the lower the rental revenue. The vacancy rate is reported per property in the management report.
- **Location quality and infrastructure** are key determinants of how easy it is to let a property.
- **Local presence and market knowledge:** Branch offices in the core markets ensure efficient operation and tenant retention.

**DISCLOSURES PURSUANT TO § 243a
AUSTRIAN COMMERCIAL CODE**

The share capital of Warimpex Finanz- und Beteiligungs AG amounts to EUR 54,000,000 and is divided into 54,000,000 non-par-value bearer shares.

The Management Board is aware of no limitations on voting rights or the transfer of shares.

The following shareholders each hold interests amounting to more than 10 per cent of the Company's share capital:

Georg Folian	14.6%
Franz Jurkowitsch	14.1%
Bocca Privatstiftung	10.6%
Amber Privatstiftung	10.7%

The bond of Warimpex Finanz- und Beteiligungs AG as at 31 December 2021

	ISIN	Outstanding amount
Bond 09/25	AT0000A23GA4	EUR 7,200,000

Treasury shares:

At the Annual General Meeting on 3 June 2019, the Management Board was authorised to purchase shares in the Company up to the maximum amount permitted by law of 10 per cent of the total capital stock within a period of 30 months after the passing of the motion. The purposes for which the purchased shares may be used were also specified. In addition to being held as treasury shares, they can be sold or given to employees of the Company or of an associate. The shares can also be used to service the convertible and/or warrant bonds or as payment for the purchase of real estate, business entities, business operations, or shares in one or more companies in Austria or abroad, or can be sold at any time on the exchange or through

a public offer, and can be sold by any other legal means, including outside of the stock exchange, for a period of five years after the adoption of the resolution.

A buyback programme was completed from 23 September 2019 to 4 March 2020, with 1,000,000 shares being purchased at an average price of EUR 1.60.

Warimpex held a total of 1,939,280 treasury shares as at 31 December 2021, which corresponds to 3.59 per cent of the capital stock.

Apart from the above, there are no further particulars that must be disclosed pursuant to § 243a Austrian Commercial Code.

Outlook

The following development projects are currently under construction or development:

- Avior Tower 1 with roughly 16,900 square metres of space, St. Petersburg (under construction)
- Mogilska 35 Office with roughly 11,900 square metres of space, Krakow (under construction)
- Office building in Białystok with roughly 38,500 square metres of space (currently being planned, building permit issued)
- Chopin office building with roughly 21,200 square metres of space, Krakow (currently being planned, building permit issued)
- West Yard 29 office building in Darmstadt with roughly 13,800 square metres of space (currently being planned)

Our operational focus in 2022 is on making preparations for construction and obtaining building permits for our development projects as well as continuing ongoing construction.

Warimpex is on solid financial footing, even against the backdrop of the current COVID-19 pandemic. In recent years, the Company focused on the strategic reorientation and diversification of the portfolio, and while it was primarily active in the now heavily impacted hotels segment up to just a few years ago, the fair value of hotels now only accounts for 12 per cent of the overall portfolio. Office properties with long-term leases that are contractually assured account for 71 per cent of the overall portfolio.

The Group is evaluating the impact of COVID-19 on an ongoing basis. After two years of the pandemic, still only minor operational effects are discernible in the property letting segment, while hotels are being impacted to a greater degree than office properties. A slight recovery was already seen in 2021. The Group is taking a wide range of measures to minimise the impact on its business, including making use of government aid such as short-time work aid, the suspension of property taxes, and interim aid.

Apart from the pandemic, management is focusing on the current geopolitical developments. On 24 February 2022, Russian troops invaded Ukraine, thus starting a conflict that has resulted in significant economic upheavals due to the international sanctions imposed against Russia as well as the reactions in Russia and will most likely continue to have an impact for some time. For example, the Russian central bank more than doubled its key rate to 20 per cent and the rouble initially depreciated significantly against the euro. In April 2022, the key rate was lowered to 17 per cent and the rouble exchange rate stabilised at the pre-crisis level. The Group owns properties in St. Petersburg (one hotel, two office properties, one multi-use building, and an office tower in the final phase of construction) with a value of EUR 148,780 thousand. With the exception of the building that is under construction, these properties are fully occupied and make up roughly 40 per cent of the Group's property assets. The financing for these properties was arranged through local banks and is denominated in roubles for the most part. Fixed interest rates or interest rate ceilings are defined in the credit agreements. Warimpex is represented in St. Petersburg by local employees working at local subsidiaries that manage the business operations in the country. The revenue attributable to Russia in the financial year came to EUR 14,606 thousand. Apart from capital injections completed in the past and liabilities for loans secured by mortgages, there are no financial links or ongoing business relationships between the Russian subsidiaries and the Group parent company or other Group companies. New developments that were originally planned in St. Petersburg are not being pursued further at this time. The Management Board is monitoring the economic and legal developments in Russia very closely in coordination with the Supervisory Board in order to be able to react quickly to current events if necessary. At the time of the preparation of the financial statements, the Group estimates that losses from currency translation in the amount of approximately EUR 1,400 thousand will have to be recognised in the first quarter of 2022. Value decreases on Russian office properties as at 31 March 2022 are currently being evaluated within the Group; write-downs of 10 per cent are to be expected for the existing properties and up to 25 per cent for the project that is under construction. No negative effects are currently discernible in the hotel segment, and the occupancy and reve-

nue of the Crowne Plaza hotel in St. Petersburg were above budget in March 2022.

Further financial effects of this crisis on the consolidated financial statements are possible depending on the duration of the conflict, but cannot be reliably estimated at present.

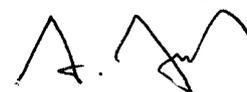
Nevertheless, Warimpex expects the positive development of its business activities to continue. The updated planning calculations show positive EBITDA (results of operating activities before finance income, taxes, depreciation, amortisation, and remeasurement) and sufficient liquidity for the 2022 financial year even in the event that the rouble loses half of its value compared with the budgeted exchange rate and/or in the event of the loss of the planned operating result from the Russian subsidiaries. Although the situation surrounding the conflict in Ukraine and the investments in Russia is difficult for Warimpex, the Company is well equipped for the current and coming challenges with its experienced, crisis-tested team.

Beyond this, we are also focusing on the topic of sustainability. Sustainability is no longer a peripheral topic, but now shapes the thinking and actions of the majority of the population. We aim to obtain certifications for our property portfolio in this area by implementing sustainability concepts at our properties.

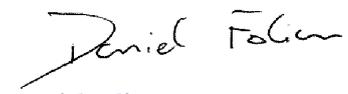
Vienna, 26 April 2022



Franz Jurkowitsch
Chairman of the Management Board



Alexander Jurkowitsch
Member of the Management Board



Daniel Folian
Deputy Chairman of the Management Board



Florian Petrowsky
Member of the Management Board