



ista

ALL FOR
ZERO

Progress Report 2021/22

ista is an international leader in the management of energy and water consumption. We offer our customers smart technologies and services for the optimal use of the earth's valuable resources. Our products and services help increase transparency and efficiency and reduce CO₂ emissions. That is how we make our buildings future-viable and future-proof for their owners and tenants.

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Dear readers,

We are living in a time of great social and political challenges: saving energy, conserving resources and protecting the climate are all more important than ever. Energy efficiency and climate protection are a problem for the global community that we will only solve by joining forces.

The building sector has a key role to play here. If the European climate goals are to be achieved, the real estate industry must drastically reduce its CO₂ emissions in the coming years. This requires much more than refurbishments and more modern heating systems – namely the active contribution of each and every one of us. It is therefore all the more pleasing that politicians and society are increasingly realising that the behaviour of users is a decisive leverage point.

ista has the know-how and the innovative solutions to harness this leverage point: with digital radio metering technology and regular information, we make energy consumption transparent for building owners and residents. After all, only those who know their consumption can save – and protect the climate at the same time.

We are leading by example here: ista has been operating climate-neutral since June 2021. We intend to reduce our CO₂ emissions to net zero by 2030. That is why we have adopted the “video-first” principle for business trips, do not take domestic flights and systematically reduce emissions in all areas of the company. Together with our customers and partners, we are successfully moving towards a climate-friendly future, in line with our guiding principle: All for Zero.

Come with us and let us move forward together!



Best wishes,

Hagen Lessing
CEO ista

Highlights

Our carbon footprint is shrinking!

In 2021, ista caused emissions of **7,725 tonnes** of CO₂ equivalents.



That is **214 t** less than in the previous year.

Our water consumption is decreasing

In 2021, we were able to reduce water consumption by an additional **18%** to **18,129 m³**.



We rely on renewable energies

42.6 % of electricity consumed by the ista Group came from renewable energies in 2021. That is more than twice as much as in the previous year.



In balance

The gender ratio among our employees is stable and and is once again around **50:50**.



Less travel, fewer emissions

We reduced emissions from air travel in 2021 by more than **500 t** compared with 2019.



Upgrading to radio!

The proportion of our radio-based devices is rising steadily. In December 2021, **43.1%** of our properties were fully equipped with radio technology. **35 million** radio devices are now in use.





We're losing

ZERO

time in protecting
the climate

Zero CO₂ by 2030

We are working together in all areas of the company to achieve this goal.



Three, two, one... ZERO

ista has already been operating climate-neutral since June 2021. We intend to cut our CO₂ emissions to net zero by 2030. To achieve this goal, we have analysed our own carbon footprint in detail and identified the measures with which we can reduce emissions most quickly and effectively: we are now making our travel policy, our vehicle pool and the energy supplies to our properties even more climate-friendly.

With our expertise in the sustainable energy management of buildings, we also help our customers and their tenants reduce or avoid CO₂ emissions. We make consumption transparent and so create additional incentives to save energy. The rapid

progress we have made in switching our customers' premises to radio meter reading is steadily cutting the number of trips made by ista service partners to customers and therefore also CO₂ emissions. And we are also strengthening our commitment to sustainability in the supply chain, for example by also requiring our suppliers to comply with high ecological and social standards.

In this way, zero CO₂ with ista is becoming a common goal. Together with our customers and partners, we are committed to a CO₂-free future, in line with our guiding principle "All for Zero".



Three approaches to zero CO₂

ista's core mission is to manage the energy supplies of buildings efficiently and sustainably. With smart, digital solutions, we make it easy for our customers and their tenants to save energy and reduce their CO₂ emissions. Our product EcoTrend provides residents with monthly information on their heating energy and hot water consumption by app, web or e-mail and so encourages them to act in a climate-friendly way.

In order to lead by example in climate protection, we offer our employees a working environment where everyone can do their best to attain zero CO₂. The "video-first rule" has applied to ista's in-house events since July 2021. Our new travel policy

excludes domestic-only flights. In addition, we are electrifying our vehicle pool and switching the energy supplies of our sites to renewables.

We also aim to greatly reduce emissions from our supply chain. One important criterion for us when selecting our suppliers is that they minimise their CO₂ emissions. When selecting new forwarders, we also take sustainability criteria account. Our common goal of zero CO₂ by 2030 therefore governs the development of new products for our customers and tenants just as much as our relationship with our employees and our dealings with partners and society.

Sustainable energy management with ista

ista helps property owners to record and sustainably manage the energy consumption of their buildings. We provide companies in the housing industry with support services for billing and communication with their residents. We are expanding our range of services in the commercial real estate sector. They now cover everything from comprehensive energy management to customised data collection and analysis, for example for our customers' ESG reporting.

Our own processes have to meet high climate protection and sustainability standards and we also attach great importance to our partners meeting the same requirements. At the same time, we engage in social initiatives and contribute our expertise to political decision-making processes in order to create the best conditions for a CO₂-free future.

The ista Group currently operates in 21 countries worldwide. Our German head office is the Ruhr metropolis of Essen. In 2021, we recorded global sales of 971.4 million euros. Total capitalisation amounted to some 4.0 billion euros.

The Management Team of ista International GmbH is responsible for the strategic and operational control of the ista Group. The owners of the Group are CK Asset Holdings Limited, and CK Infrastructure Holdings Limited, the majority of whose shares are held by CK Hutchison Holdings Limited.

CO₂ FREE By 2030

Our mission
ista will be CO₂-free (net zero) by 2030. But what exactly does that mean?

Our ista climate film gives answers.



We advance sustainability – in five fields of action

We help people save energy and protect the climate. That is the core of our sustainability strategy. To achieve this, we engage in five fields of action:

- 1** We lead by example and champion **environmental and climate protection** – at all company locations.
- 2** In our **markets** we sell innovative products that enable our customers to behave in a climate-conscious manner and protect the environment.
- 3** We offer our **employees** attractive working conditions and a motivating corporate culture.
- 4** To make our entire value chain sustainable, we attach great importance to ecologically and socially conscious action, also in our dealings with our **partners**.
- 5** We are engaged for the benefit of **society**, sharing our knowledge of energy management and climate protection and promoting awareness of sustainability.

This is how we work together to achieve high sustainability standards and our goal of a CO₂-free future.



“Legislators must focus even more clearly on user behaviour in order to achieve the climate targets.”

Simone Ertel, Head of Public Affairs

Monthly consumption information: the human factor in climate protection

The amendment to the Heating Cost Ordinance, which came into force on 1 December 2021, is a major step forward in climate protection in the building sector. It stipulates that residents with remote-reading technology installed must be informed of their consumption on a monthly basis from January 2022 onwards. After all, people who know their consumption are motivated to save energy and thus protect the climate and save costs. This gives more weight to the “human factor” in CO₂ avoidance.

For ista, this was the starting signal for our product EcoTrend. With EcoTrend, we make it easy for our customers to meet the requirements of the new ordinance. We also have our own service hotline supporting tenants by answering questions on consumption information.

The background to the amendment is the EU Energy Efficiency Directive (EED) revised in 2018, which has also been successfully transposed into national law in other countries. However, we see the need for improvement: users should receive information on their consumption even more frequently or even in real time to provide a stronger incentive to save energy. In addition, the legislator should require digital transmission of consumption information to prevent increased paper consumption and postage costs.



Binding standards and principles

If we are to shape sustainable change effectively, we need clear principles for action. In this, we are guided by external standards and internal guidelines. As a signatory of the United Nations Global Compact, we have committed to standing up for fundamental human rights, labour standards and environmental protection and to combating corruption.

In this progress report, we show how we implement the ten principles of the Global Compact in our business activities.

Human rights and international ethical standards

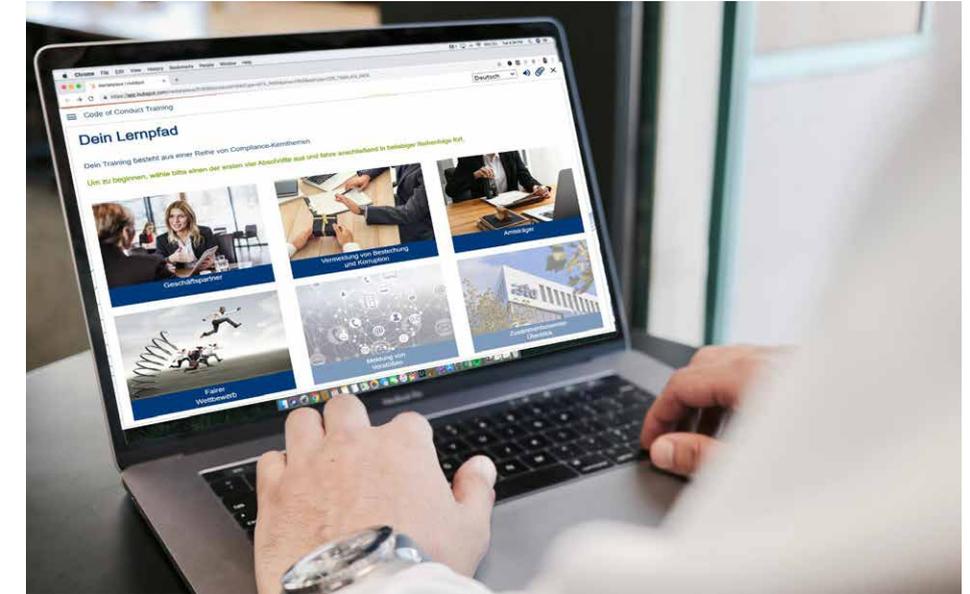
Our recently revised Code of Conduct requires all employees of the ista Group to commit to compliance with international human rights, labour, anti-corruption and data protection standards. Internal guidelines explain in more detail our requirements for conduct on specific topics such as environmental protection or corruption and bribery. Our compliance management system helps us ensure that all requirements are met throughout the Group. The effectiveness of compliance management at ista has been officially certified by the Institute for Corporate

Governance in the German Real Estate Industry (ICG). Our Supplier Code contains fundamental environmental, social and governance standards, including the principles of the UN Global Compact, that we require our suppliers throughout the world to comply with.

National and European environmental and climate policy

With our innovative solutions for energy management and our Group-wide environmental management, we are making an important contribution to achieving the goals of the European Green Deal and the German government's Climate Protection Law: a climate-neutral Germany by 2045, a climate-neutral Europe by 2050 as well as a resource-saving circular economy.

We are proactively responding to current legislative processes, such as the implementation of the European Energy Efficiency Directive or the European Buildings Directive, which will become increasingly important for our business model, and are developing tailored solutions for our customers.



Doing the right thing at all times

We are also committed to reducing emissions in the compliance field. We can conduct some of our audits remotely. This enables us to reduce business trips and improve our carbon footprint.

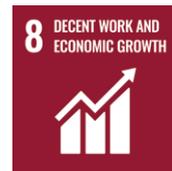
In compliance, we are not only committed to "All for Zero CO₂" but also apply the motto "All for Zero Tolerance". We take consistent action against corruption and bribery and expect employees and suppliers to comply with our Code of Conduct. With the ABAC Policy (Anti-Bribery and Anti-Corruption), we have introduced a new set of

rules to combat bribery and corruption.

The Compliance department offers web-based training on istaLEARN to ensure all employees are familiarised with the contents of the Code of Conduct. All of the roughly 6,000 employees worldwide will complete the training. In 2021, our compliance management system was officially certified by the Institute for Corporate Governance in the German Real Estate Industry (ICG).

Sustainable Development Goals (SDGs)

The 17 sustainable development goals (SDGs) of the United Nations also guide our actions. We are focusing on seven of the SDGs. On our website we show how we contribute to these goals in detail.





ESG financing: a win for climate protection

We are serious about sustainability and climate protection – that’s why we link our financing to our ambitious sustainability targets. In 2021, we concluded further ESG financing in the amount of 450 million euros. This was the first time we had issued an ESG-linked Schuldschein. ESG stands for “Environmental, Social, Governance” and refers to the environmental, social and corporate governance aspects by which the sustainability of a company is measured.

The interest rates for the new financing depend directly on whether we achieve our sustainability targets. If we do, interest rates fall, and conversely, if we fail to meet our targets, they rise. So, if we operate sustainably, we

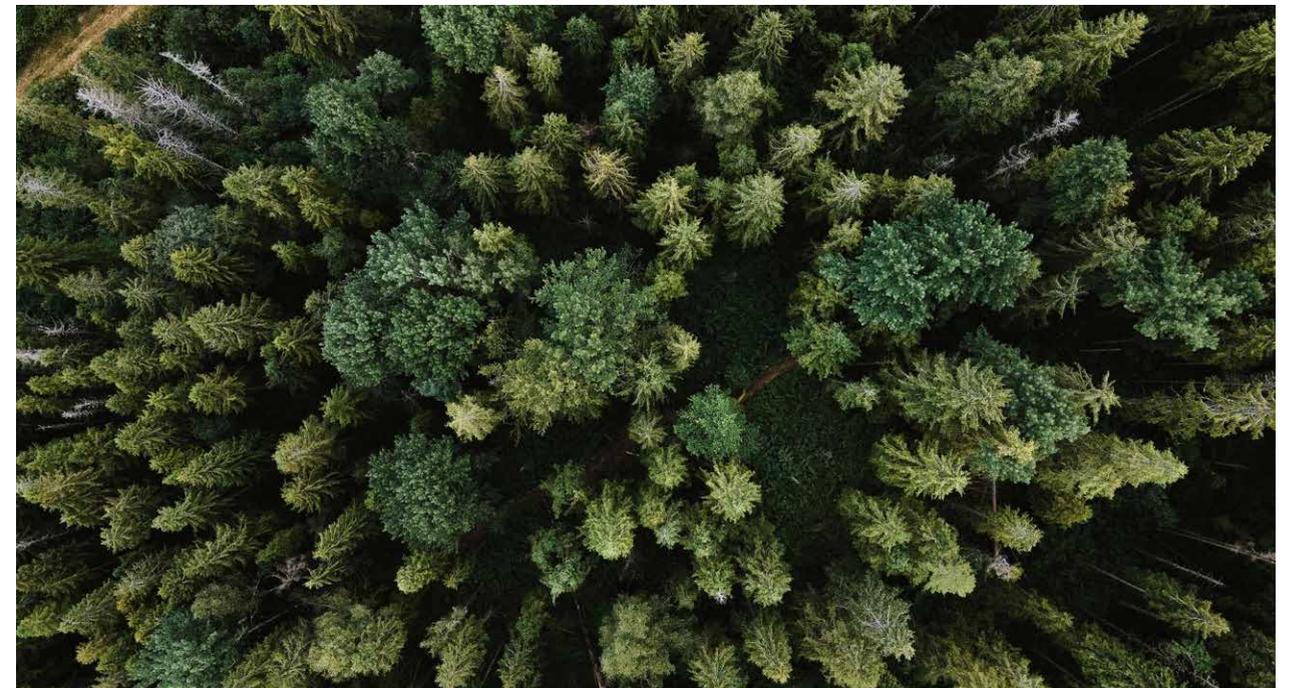
achieve a double win for climate protection – because we can invest the money saved through low interest rates directly in climate-friendly measures, for example in increasing electromobility in our vehicle pool.

We have set the specific targets for this financing together with the banks involved and made them more stringent compared with the previous year. They now include CO₂ emissions per employee and the further expansion of the digital service infrastructure, which should be as resource-efficient as possible. The data are independently and neutrally audited by SGS-TÜV Saar GmbH.

Sustainability as a corporate goal

At ista, sustainability is a matter for top management and the core of our corporate strategy. The Management Board is directly responsible for our sustainability activities. Our sustainability officer supports strategy development and coordinates pan-Group sustainability projects and processes. The sustainability delegates coordinate our activities at international level and bring ideas from the countries to the table.

To implement our sustainability strategy, we combine classic management systems with new, agile approaches. Our corporate sustainability software makes it easier for us to manage our sustainability goals throughout the Group, track progress and collect the sustainability key figures from all branches worldwide.





Clear goals for measurable progress

We have formulated a clear goal for each field of action in our sustainability strategy. We regularly measure our progress on this basis.

Our current status

Our goal



Environment

Total CO₂ emissions at ista in 2021: **7,725** tonnes of CO₂ equivalents. Total CO₂ emissions per employee (FTE) at ista in 2021: **1.40** tonnes

We will be **CO₂-free (net zero) by 2030** – by acting in a resource-saving manner in all areas of our business (scope 1–2 and selected scope 3 categories).



Markets

Average CO₂ savings per m² of heated area since 2015 (as of 2020): **-3.91 %**

We will help our customers/users **reduce their CO₂ emissions by 10% by 2030** (base year: 2015).



Employees

We have set up a digital learning platform. In 2021, ista employees in Germany completed **962 days of training**. In addition, we have digital offerings such as e-learning programs, which the employees can call up by themselves.

We invest in our employees with **apprenticeships, training courses and coaching** so they can reach their full potential – analogly and digitally.



Partners

Carbon footprint of our supply chain (air, sea and road freight) in 2021: **2,405** tonnes

We agree **sustainability criteria with all key suppliers in our supply chain** and set ourselves an ambitious CO₂ goal for transport in our supply chain by 2023.



Society

Number of hours worked for climate protection in 2021: **633** hours

We will create opportunities for our employees **to invest at least 5,000 hours a year in promoting climate protection in society**.



With us,
saving energy is
ZERO
complicated



Simply heat more responsibly
ista's smart digital solutions make it easy for customers and tenants to save energy and protect the climate – in the interest of our common goal, zero CO₂.

Focus on:
SDGs





Digital solutions for less CO₂

People can only consciously save energy and reduce their CO₂ emissions if they are aware of their consumption. Our product EcoTrend ensures transparency and provides residents with monthly information about their heat and hot water consumption by app, web or e-mail. By making savings potential visible, we create incentives for climate-friendly action. Energy consumption can consequently be reduced by about 10% on average. So EcoTrend helps us all reduce our CO₂ emissions – in a smart, digital and sustainable way.

The new Heating Cost Ordinance prescribes transparency and regular information. Since January 2022, residents whose homes have remote-reading

technology installed must be informed about their consumption on a monthly basis. By April 2022, EcoTrend had already been activated for a million households. We want to equip five million households with it by 2025.

EcoTrend:

- motivates residents to save energy through monthly consumption information and comparisons
- creates additional incentives for climate-friendly action through concrete energy-saving tips
- transmits consumption information in a resource-saving manner by app, web or e-mail



More radio technology, fewer trips

In order to cut CO₂ emissions, we have increased the number of radio-based devices so fewer meter-reading visits are necessary. In December 2021, the full-radio ratio was 43.1%. This represents an increase of 4.4 percentage points year-on-year. We are the market leader in this field with 35 million radio-based metering devices in our properties.

Countering the rebound effect with transparency

The refurbishment of a property or the replacement of a heating system often does not achieve the estimated CO₂ savings because residents use more energy after the renovation of the building – often subconsciously – as they mistakenly believe that their home will hardly emit any CO₂ after the refurbishment

work. According to recent studies, this “rebound effect” reduces the savings potential by around 50% in more than half of the EU countries. Regular consumption information increases awareness of consumption and thus counteracts this effect.



Goal

We will help our customers and users reduce their CO₂ emissions by **10%** by 2030 (base year: 2015).



On the road to net zero

Product manager Felix Maas knows why saving energy is zero complicated for customers and users with EcoTrend.

➔ Find out more on ista's Content World page.



Energy efficiency in commercial properties

Today, it is vital for companies to cut energy costs, protect the climate and improve their carbon footprint. There is also enormous savings potential for society here, too: industry and commerce are responsible for around a quarter of CO₂-equivalent emissions in Germany. However, when it comes to climate protection, commercial real estate has long been a blind spot. Therefore, ista would, in future, like to provide companies with greater support in operating their properties in an energy-efficient manner. We offer industrial and commercial customers smart, digital solutions to make consumption transparent and identify savings potential. We therefore create the best conditions for the way to a CO₂-free future.

Smart energy management with MinuteView

With its intelligent monitoring features, MinuteView collects comprehensive electricity, gas, water and heat consumption data from different kinds of hardware. Our customers can monitor all consumption data using one tool and compare the data of all meters, sensors and buildings with each other. MinuteView can monitor multiple sites, also in different countries. So it is easy for customers to recognise savings potential, plan resource-saving measures with foresight and save costs in a targeted manner. The energy consumption of commercial buildings can be cut by up to 15% with MinuteView, as ista projects in the UK have demonstrated.

Further features: an alarm function informs customers by e-mail or SMS when consumption thresholds are exceeded. The customers can set these thresholds in advance according to their own requirements. This allows technical faults or damage, such as burst pipes, to be detected at

an early stage. MinuteView also records and balances CO₂ emissions in accordance with DIN EN ISO 14064, enabling benchmark analyses to be created and audits optimally prepared. So companies can cut their energy consumption – and help to achieve our common goal of zero CO₂.

Since 2021, MinuteView has been one of the energy management systems eligible for a subsidy from the Federal Office of Economics and Export Control (BAFA) of up to 40% of investment costs.

MinuteView:

- provides a quick overview of all energy data
- reduces consumption with its threshold definition and alarm functions
- enables process optimisation and certification through CO₂ reporting



“ista MinuteView is our digital power tool for energy management in commercial buildings.”

Christoph Klinck, Head of Commercial & Industrial



Reducing emissions with the heating control module Sophia

SOPHIA is a smart module for controlling the heating system in apartment buildings. Installed in the boiler room, it optimises the operation of the central heating system. This can reduce CO₂ emissions by 10 to 15%, and in some cases by as much as 50%. SOPHIA is currently available in Spain and will be tested in Germany in 2022.



Energy-efficient management of properties with facilioo

With our facilioo software, we make it easy for property managers to manage their properties efficiently and, in the collaboration with ista, to cut paper consumption by 30 to 50%. We have further improved the app with new features: EcoTrend facilioo, for example, combines monthly consumption information and all tenant communication in one app.



Managing apartments easily with objego

The objego software gives private landlords an efficient and uncomplicated way to manage their apartments. Among other things, they can use it to prepare their ancillary cost bills – and, since February 2021, also export data for Annex V of their tax returns. The number of users quintupled in 2021.



Conserving resources through refurbishing

Refurbishing makes the continued use or reuse of old technical components possible. As a result, we were, for example, able to reuse our gateways and recycle 4,180 data concentrators for the first time in 2021. Many elements of our sensonic II heat meter are already being successfully reused. Refurbishing also makes us less dependent on unreliable supply chains, for example during pandemics, and means we can continue to offer our customers a reliable service.

Brass: less used through recycling

The circular economy conserves resources: in 2021, we recycled a total of 31,790 brass housings, 20,571 coils and 11,504 circuit boards from the sensonic II heat meter. 105 tonnes of brass were melted down and recycled. In 2022, we want to start recycling the brass housings of our water meters.



“With the ista web portal, we offer our customers and partners a central touchpoint for our work together.”

Sandra Manhold,
Business Senior Product Owner

Simply smart: digital billing

We provide our customers with their heating cost bills in digital form. With our product einfachSmart, they can download their bill for every property from our web portal and so save paper effectively.

77% of the heating cost bills we issue are now in digital form. We have modernised our web portal and added a number of features to encourage even more of our customers to go online



Appeal for a climate-friendly heating cost ordinance

By requiring monthly consumption information, the new Heating Cost Ordinance has created an important tool to encourage climate-friendly behaviour. However, many property managers do not inform their residents digitally, but still by post. The result is a deluge of monthly printed letters, which are a waste of re-

sources and cause unnecessary costs. Therefore, ista is appealing to the legislator to specify digital transmission of consumption information as a standard – so the reform of the ordinance does not become a boomerang for climate protection and cost reduction.

Working
for a sustainable
future is

ZERO monotonous

We have taken care in the selection of the colour powder and used a product that is 100% biodegradable and harmless to humans and animals.

Working together sensibly

We empower our employees – and create an environment in which they can all give their very best for our common goal of zero CO₂.

Focus on:
SDGs





Together to a CO₂-free future

We attach great importance to teamwork – also in our commitment to the climate. To be CO₂-free by 2030 is the common goal that spurs us on every day to conserve resources and save energy. Our core competence is creating transparency for consumption and managing energy sustainably. That’s why we want to lead by example in climate protection.

Each one of us can help ista cut emissions or avoid them in the first place. We can significantly reduce our carbon footprint by the way we work, learn and get from one place to another.

Therefore, we have set ourselves new rules, first and foremost a travel policy with the motto “video first”.

We empower and train our employees to ensure that everybody is 100% on board in their day-to-day work. We create a working atmosphere that makes it easy to protect the climate and the environment. At the same time, we offer scope for creativity and personal initiative. After all, we can only achieve our ambitious goal if many different personalities contribute their ideas and play their part.

Goals

- We will be CO₂-free (net zero) by **2030**: by acting in a resource-saving manner in all areas of our business (scope 1–2 and selected scope 3 categories).
- By **2030** at the latest, we will only use electricity from renewable energies.
- We invest in our employees with apprenticeships, training courses and coaching so they can reach their full potential – analogly and digitally.

istaVOICE: a clear commitment to zero CO₂

87% of our employees are prepared to get personally involved in achieving our climate goal and have therefore made a clear commitment to ista’s climate protection goals. This is shown by our company-wide employee survey istaVOICE, which focused on sustainability.

We completely redesigned the survey in 2021 and will conduct it annually from now on. In this kick-off survey, 77% of the employees invited to participate made their voices heard. And this had a two-fold effect as we planted a tree for each of the nearly 3,000 respondents.

The ista spirit: sustainable, smart and digital

ista leads the way in digitalisation and sustainability. This makes us attractive for young talents who want to work on forward-looking topics.

With our new employer branding, we are therefore targeting applicants who want to play an active role in shaping the change to a CO₂-free future.

➔ More at www.ista.com/corporate/career





Three leverage points for zero CO₂

In order to achieve quick results, we are starting where we have caused the most CO₂ emissions in the past – because this is where our actions can have the greatest impact.

In 2021, we therefore conducted a detailed analysis of our carbon footprint and identified three leverage points that promise a particularly effective reduction in emissions: business trips, own vehicles and energy supplies to our own properties. We have developed an action plan for these three areas that will take us forward on the road to zero CO₂.

- New travel policy: “video first” applies to all in-house ista events.
- Electromobility: our pool vehicles are successively being replaced with electric vehicles in order to reduce the CO₂ emissions of our fleet.
- Energy supplies: we are switching all our sites to renewable energies. The first contracts have already been amended.



Video first: fewer trips – with a small footprint

In our new travel policy, the “video-first rule” applies to in-house events: multi-site meetings, training and other courses take place as video or telephone conferences.

The “video-first policy” covers all areas of business: we also recommend that our employees use video conferencing for appointments with business partners and customers. On the sales side, we have already expanded our online business. Customer acquisition and contract conclusion are also increasingly taking place online. In the compliance field, we rely on remote audits whenever possible. If business trips are necessary, we prefer low-emission means of transport. For domestic travel, the rule is always: train instead of plane.

Energy supplies to buildings: electricity and gas from renewables

When it comes to energy supplies for our sites, we lead by example: everywhere in Germany where the supply contracts are signed directly with ista, we have already switched to electricity and gas from renewable sources. This enabled us to increase the share of green electricity in the total consumption of our German sites from 48% in 2020 to 67.6% in 2021. We are currently in discussions with the landlords at the remaining sites to achieve a switch to renewable energies there, too.



Climate-friendly mobility with 100% electric power

We have started to switch completely to electromobility for the pool vehicles at our German sites. As a one hundred percent e-vehicle, the VW ID.3 will replace our previous diesel-powered pool cars. Ten vehicles of this model are already in service at Head Office and six other locations. We are continuing to expand the green power charging systems installed there.




Our actions

We want to reduce our carbon footprint. But what measures do we take to reduce our emissions?

 **Our ista climate film gives answers.**



Success through diversity

We at ista see diversity as the basis for successful collaboration. The Diversity@ista working group and the sistas women's network offer platforms for solidarity, mutual respect and intensive discussion. We are proud of our diversity and want to make it visible in daily life. That is why we made gender-sensitive language the standard in internal communications in April 2022 and encourage our employees to do the same.



Agile@Scale: agile working with team spirit

We want to work together in an agile and efficient way, in teams with diverse skills that solve tasks together. In this way, we can bring solutions to the market even faster and meet the needs of our customers in a more targeted manner. As part of our Agile@Scale programme, we launched at Head Office ista's biggest training initiative ever in 2021. Over the past few months, with the support of our Agile Coaches, more than 1,000 colleagues have been prepared for our agile future.

ista LEARN Promoting talent, developing teams

We encourage our employees to continuously develop their skills and support them with a wide range of life-long learning opportunities. Our new learning platform istaLEARN ensures that we can reach even more colleagues with our offerings. It is ista's central group-wide learning platform pooling all learning content. The platform makes it easy to book and manage training courses. Learning progress can be documented individually. A filter function ensures that everyone can pick the right training for them from the extensive offering.

In addition to in-person events, we also offer live online training, blended learning programmes and e-learning on istaLEARN. The platform update has expanded the e-learning offering and opened it up to more employees. Thanks to more e-learning, we are travelling less and effectively reducing emissions – another step towards our common goal of zero CO₂.

istaLEARN:

- reduces travel thanks to more online training and e-learning courses
- promotes individual development and creative collaboration
- pools all learning offerings on one platform

Health & Safety: maintaining and improving health and safety

We ensure that our employees can work safely and stay healthy while doing so. To this end, we continuously and systematically identify potential for improving safety and also promote health in the workplace with prevention offerings and incentives to engage in physical activity. With a frequency rate of 0.87, the number of reportable work-related accidents per 100,000 hours worked was well below our target of 1 in 2021.

Promoting a pioneering spirit with pionista

We are bold, creative and actively shape our future together. This is the mindset that the claim "I am a PIONista!", which was originally coined by the Corporate IT team, stands for. We would like to establish the claim everywhere where colleagues show a positive pioneering spirit and break new ground with innovative ideas.



ista Summit: a tool for a feedback culture

The feedback app, ista Summit, enables people to give live feedback in meetings or workshops. The IT team of ista Shared Services in Gliwice programmed the app on their own initiative and has made it available to all employees worldwide. ista Summit is specially tailored to our needs and ensures the highest level of data protection since all data are stored on ista's server.



On the road to net zero

HR expert Sandra Müller knows what makes work at ista zero monotonous from the very first day.

➔ Find out more on ista's Content World page.



We are
ZERO
alone
on our climate journey

Moving forward in partnership

We want to minimise emissions from our supply chain and promote voluntary engagement for the climate and society.

Focus on:
SDGs





EV charging: we make e-mobility easy

We want to make it easy for our industrial and commercial customers to minimise their CO₂ emissions and switch to e-mobility. With our new ista e-mobility service, we offer them an all-in charging infrastructure package. We develop an individualised concept, install the charging points and take care of the entire operation including maintenance and consumption-based billing. If required, we also help our customers with their energy management.

In a pilot project, we have already installed ten charging points in the UK. We want to install up to 200 charging stations by the end of 2022. In future, we also intend



to offer the service in Germany, Austria, Switzerland, Italy and France.

With our e-mobility service, we make it easy for our customers to

- switch to e-mobility
- minimise their CO₂ emissions
- reduce their energy costs.



“Even in challenging times, our goal remains to minimise CO₂ emissions in our supply chain.”

Thomas Lemper, CFO ista

Farsighted: specific goals for a sustainable supply chain

CO₂ emissions from our supply chain totalled 2,405 tonnes in the reporting year. ista felt the impact of the Corona pandemic and also the Suez Canal crisis on international supply chains. To maintain our production and ensure the supplies to our customers, we were forced to increasingly switch from sea to air freight and had to carry out more unscheduled goods transports between the production sites. This ultimately led to an increase in CO₂ emissions in 2021.

Nevertheless, it remains our goal to minimise CO₂ emissions in our supply chain, even in a business environment

of growing uncertainties. We have taken various measures to achieve this: we scale and optimise our storage locations on an ongoing basis in order to reduce air freight and unnecessary goods movements to a minimum. We have put our entire inbound and outbound logistics volume out to tender and will in future work solely with logistics partners that have defined clear sustainability targets. Parallel to this, we have included sustainability criteria as “must haves” in our selection process for new suppliers and, in future, will only work with suppliers who can demonstrate clear sustainability goals.

Goals

- We agree sustainability criteria with all key suppliers in our supply chain and set ourselves an ambitious CO₂ goal for transport in our supply chain by **2023**.
- We will create opportunities for our employees to invest at least **5,000** hours a year in promoting climate protection in society.

On the road to net zero

Procurement expert Dieter Kortüm knows why ista is zero alone on the road to a better climate.

➔ Find out more on ista's Content World page.





We stand together even in challenging times



Russia-Ukraine war: volunteers give money and their time

Together we want to help people affected by the war in Ukraine. Therefore, we have set up the “ista stands with Ukraine” fundraiser via betterplace.org and asked staff to donate. With this fundraiser, we are supporting the following relief aid organisations: SOS Children’s Villages, UNO-Flüchtlingshilfe (the German partner of the UN Refugee Agency) and “Aktion Deutschland Hilft”. Together with two other fundraisers that our iSS Poland and ista Poland colleagues set up, a total of 77,280 euros was collected. ista not only doubled the amount donated by the employees but immediately rounded it up to 200,000 euros.

Many employees also volunteer and help refugees: we make sure they have the time they need by giving them up to three days of paid special leave.



Flood disaster: ista family members provide immediate assistance

After the devastating floods in the summer of 2021, we wanted to provide quick and unbureaucratic help to the people in the Ahrtal. We gave directly affected employees five days off with full pay so they could attend to the most urgent matters. Those who wanted to support or volunteer to help relatives who had been affected were given two days’ special leave.

We also launched a fundraiser for the victims of the flood disaster on the betterplace.org platform. 355 colleagues donated a total of 25,280 euros. ista doubled the amount donated to 50,560 euros. The money went to the alliance of relief aid organisations “Aktion Deutschland Hilft”, which provides targeted emergency aid and supports aid organisations in their work on the ground.

Digital corporate forest: trees stand for climate knowledge

Together with the social business Treadom, we have started a so-called virtual **corporate forest** and so supported forestry projects all over the world. The project promotes regional forest and climate protection and is, at the same time, living testimony to the fact that, together with our partners, we are looking for solutions for a CO₂-free future. Most recently, we planted a tree for each of the approx. 5,500 attendees of an online seminar on the Energy Efficiency Directive.



ista Golf Cup: playing golf for a good cause

In June 2021, ista welcomed some 70 housing industry customers to its 13th annual Golf Cup. The tournament has always combined sportsmanship and social commitment, and once again a total of 7,000 euros was donated for creating new football pitches and playgrounds for children and young people.





Markets

Size of the organisation ✓

	2021	2020	2019
Companies	41 in 21 countries	43 in 21 countries	46 in 22 countries
Sales (in € m)	971.4	933.0	908.8
Total capitalisation (in € m)	4,041	4,084	4,149
– of which liabilities (in € m)	3,888	3,932	4,012
– of which equity (in € m)	153	152	137
Total investment (CAPEX) (in € m)	148.0	133.9	128.1

Acquisitions and sales in 2021:

- Comptage Immobilier Duran S.A.S., Maraussan, France

in 2020:

- Acquisition of shares in facilioo GmbH
- Acquisition of Hildebrand & Schoenfeldt GmbH & Co. KG und Hildebrand & Schoenfeldt Verwaltung GmbH
- Acquisition of Krohn & Scheddel GmbH & Co. KG & KAST Service GmbH

in 2019:

- Acquisition of remaining shares in Clorius Varmekålerkontor I/S
- Acquisition of A-Z Objektservice GmbH & Co. KG
- Acquisition of A-Z Objektservice Verwaltungs GmbH
- Sale of ista Measurement Technology Services (Beijing) Co. Ltd.

* Audited key figures are marked with the symbol ✓. More on this on p. 27.

Percentage of radio-based devices in Germany ✓

	2021	2020	2019
Percentage of radio-based devices ¹ ista Germany	43.1%	38.7%	33.1%

¹ Number of properties with remotely readable devices in Germany divided by the total number of properties for heating cost billing in Germany.

Customers' footprint from heating cost billing in Germany¹

	2020	2019	2018	2017	2016	2015
Total emissions of all ista customers [in t CO ₂ -eq]	7,662,788	7,561,442	7,998,807	8,105,765	7,973,266	7,779,300
– of which emissions from heating energy [in t CO ₂ -eq] ²	6,542,615	6,487,730	6,901,361	7,013,948	6,874,021	6,696,751
– of which emissions from hot water production [in t CO ₂ -eq] ²	1,120,173	1,073,712	1,097,446	1,091,817	1,099,245	1,082,549
Emissions from heating energy of all customers in Germany [in t CO ₂ eq]	6,542,615	6,487,730	6,901,361	7,013,948	6,874,021	6,696,751
– Change from base year 2015	-2.30%	-3.12%	3.06%	4.74%	2.65%	
Heating emissions per billed property [in t CO ₂ -eq / property]	15.12	15.04	16.01	16.54	16.02	15.57
– Change from base year 2015	-2.91%	-3.44%	2.82%	6.22%	2.89%	
Heating emissions per heated area (kg CO ₂ -eq / m ²)	23.98	24.42	24.61	25.78	25.98	24.95
– Change from base year 2015	-3.91	-2.12	-1.38	3.31	4.13	
Heating emissions climate-adjusted per heated area [kg CO ₂ -eq / m ²]	28.46	28.13	28.87	28.39	27.92	27.62
– Change from base year 2015	3.07%	1.87%	4.54%	2.80%	1.11%	

¹ The figures for 2021 are not yet available as ancillary cost figures are never available until the end of the following year.

The figures for the years 2015 – 2019 had to be adjusted due to a redefinition of properties and units.

² The measured CO₂ emissions of ista properties were extrapolated to represent the total number of properties in Germany.



Environment ✓

Consumption of electricity and heat within the organisation

in gigajoules	2021	2020 ¹	2019
Total electricity consumption	17,592	17,416	19,841
– electricity from the power grid	10,095	13,840	14,638
– electricity from renewable energy sources	7,497	3,576	5,203
Total heating energy	21,691	18,967	20,555
– of which gas	14,554	13,481	13,912
– of which heating oil	828	716	562
– of which district heat	6,309	4,770	6,081

¹ In this report we have corrected some of the key figures for the previous years as the consumption figures were not yet available for all branches on the publication date.

Energy intensity

	2021	2020 ²	2019
Energy consumption ¹ per employee in GJ	21.4	20.5	24.7

¹ This figure includes all energy consumption (electricity, heat and road fuel).

² In this report we have corrected some of the key figures for the previous years as the consumption figures were not yet available for all branches on the publication date.

Use of electricity from renewable energy sources

	2021	2020 ¹	2019
Percentage of electricity from renewable energies in total electricity consumption	42.6%	20.5%	26.2%

¹ In this report we have corrected some of the key figures for the previous years as the consumption figures were not yet available for all branches on the publication date.

Fuel consumption of vehicles within the organisation

	2021		2020 ¹		2019	
	Gigajoules	Litres	Gigajoules	Litres	Gigajoules	Litres
Total fuel consumption	78,570	2,211,577	76,933	2,164,147	95,313	2,679,266
Fuel company fleet	78,131	2,199,029	76,312	2,146,245	91,878	2,580,236
– of which diesel	71,528	1,994,834	70,378	1,962,769	85,989	2,398,128
– of which petrol	6,603	204,195	5,933	183,477	5,889	182,108
Fuel rented vehicles	438	12,548	622	17,901	1,021	28,958
– of which diesel	331	9,231	436	12,161	858	23,923
– of which petrol	107	3,317	186	5,740	163	5,035

¹ In this report we have corrected some of the key figures for the previous years as the consumption figures were not yet available for all branches on the publication date.



Greenhouse gas footprint (Scope 1–3)

in tonnes of CO ₂ equivalents	2021	2020 ¹	2019 ¹
Total GHG emissions	7,725	7,939	9,921
GHG emissions per FTE ²	1.40	1.44	1.81
Scope 1: Direct GHG emissions	6,325	6,208	7,443
– Gas	819	758	783
– Heating oil	62	53	42
– Company fleet	5,444	5,397	6,618
Scope 2: Indirect energy-related GHG emissions	1,280	1,517	1,679
– Electricity	1,089	1,384	1,547
– District heat and cooling	191	133	132
Scope 3: Further indirect GHG emissions	120	213	799
– Rented cars	8	11	18
– Air travel	36	101	577
– Train travel	76	101	204

¹ Owing to changes in estimation methods and emission factors, the relevant prior-year figures have been retroactively adjusted.

² Full-time equivalent

Change in greenhouse gas emissions (changes in absolute terms compared with the previous year)

in tonnes of CO ₂ equivalents	2021	2020 ¹	2019
Total change	-214	-1,983	-1,011
Heating energy	+126	-12	-327
Vehicle fleet	+48	-1,222	-305
Electricity	-295	-163	-254
Business travel	-93	-586	-125

¹ Owing to changes in estimation methods and emission factors, the relevant prior-year figures have been retroactively adjusted.

Greenhouse gas emissions from the logistics chain (up and downstream)

in tonnes of CO ₂ equivalents	2021	2020	2019
Total greenhouse gas emissions in the logistics chain	2,405	1,208	1,307
– Air freight	1,918	788	849
– Sea freight	203	118	107
– Road freight	284	303	351

Water consumption

	2021	2020 ¹	2019
Total amount of water withdrawn (in m ³)	18,129	22,115	25,832
Amount of water withdrawn (in l per FTE)	3,286	4,002	4,701

¹ In this report we have corrected some of the key figures for the previous years as the consumption figures were not yet available for all branches on the publication date.



Employees* ✓

Total number of employees by employment contract and type of employment¹

	2021	2020	2019
Total number of employees	5,935	5,739	5,769
– full-time employees with permanent contracts	5,101	5,008	5,037
– part-time employees with permanent contracts and employees with fixed-term contracts	834	731	732

¹ Excl. apprentices.

Age structure of the workforce¹

	2021	2020	2019
19 and under	3	11	8
20 – 29	745	818	846
30 – 39	1,751	1,746	1,733
40 – 49	1,309	1,221	1,267
50 – 59	1,054	988	978
60 and over	239	224	205
Average age at ista ²	39.8	41.0	40.6

¹ Excluding apprentices, only full-time employees with a permanent contract

² Excluding apprentices, including full-time and part-time employees (with a permanent or fixed-term contract)

Workforce by gender and type of employment¹

	2021			2020			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total workforce (full-time, permanent contract)	2,513	2,588	5,101	2,470	2,538	5,008	2,549	2,488	5,037
– of which employees	2,280	2,514	4,794	2,230	2,467	4,697	2,325	2,427	4,752
– of which management	233	74	307	240	71	311	224	61	285

* All figures refer to the extended ista Group, cf. definition of the frame of reference on p. 27.

Sickness rate

	2021	2020	2019
Extended ista Group	4.38%	4.09%	4.03%

Years of service, turnover by reason for termination and recruitment rate

	2021	2020	2019
Average number of years of service at ista	9.25	8.98	8.65
Termination by employee	342	273	463
Termination by ista	167	293	220
End of fixed-term contract, retirement, seasonal termination or similar	138	193	169
Total turnover	647	759	852
New recruits	728	736	705
Turnover rate ¹	11.1%	13.2%	14.4%

¹ Total number of departures divided by (total workforce minus total number of new recruits plus total number of departures).

Work-related accidents per 100,000 hours worked (frequency rate)

	2021	2020	2019 ³
Frequency rate ¹ – total accidents	0.87	1.00	1.35
Frequency rate ¹ – accidents with lost time ²	0.44	0.41	0.72

¹ Frequency rate = number of accidents at work x 100,000 / hours worked.

² Accidents that led to an employee being absent for more than three shifts.

³ 2019 figures were not externally assured bei SGS-TÜV Saar GmbH.



Society

Key memberships and cooperation partners

We are involved in a large number of networks in working groups and technical committees in order to actively shape progress on current social, political and ecological issues:

- Arbeitsgemeinschaft Heiz- und Wasserkostenverteilung e. V. (ARGE – Trade Association of Heating and Water Cost Allocators)
- BDI initiative energy efficient buildings (BDI - Federation of German Industries)
- Bundesverband der Energie- und Wasserwirtschaft (BDEW - Federal Association of the Energy and Water Industries)
- Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e. V. (Bitkom - German Association for IT, Telecommunications and New Media)
- Deutsche Unternehmensinitiative Energieeffizienz e. V. (DENEFF – German Industry Initiative for Energy Efficiency)
- Deutscher Verband für Wohnungswesen (DV – German Association for Housing, Urban and Spatial Development)
- Die Wohnungswirtschaft Deutschland (GdW – Umbrella Organisation of the German Housing Industry)
- Europäischer Verein zur verbrauchsabhängigen Energiekostenabrechnung e.V. (E. V. V. E. - European Association for Energy Cost Allocation)
- Initiative Corporate Governance der deutschen Immobilienwirtschaft (ICG – Corporate Governance Initiative of the German Real Estate Industry)
- Initiativkreis Ruhr
- Internationaler Controller Verein e. V (ICV - International Association of Controllers)
- UN Global Compact (UNGC) & Global Compact Netzwerk Deutschland (UN GCD)
- UPJ e. V. (German Network of Engaged Companies and Non-profit Intermediary Organisations)
- Verband der Immobilienverwalter Deutschland (VDIV – Association of German Property Managers)
- Wirtschaftsinitiative Smart Living (WISL – Business Initiative Smart Living)
- Zentraler Immobilien Ausschuss (ZIA – German Real Estate Trade Association)



Seven colleagues, seven faces, represent our roughly 6,000 em- ployees in this Progress Report 2021/22.



“At ista, we share our knowledge. I am currently preparing a new version of our sustainability project ‘ista schools in energy efficiency’ with which we empower employees to champion climate protection in schools.”

Maïke Böcker
Senior Specialist Communications



“As the proud father of a one-year-old child, I want future generations to have a planet worth living on. To achieve this, I work on innovative software solutions that make it even easier for our customers to take responsibility for a sustainable future.”

Vairag Godhani
Senior Software Engineer



“My workplace in ista’s Finance department is already almost entirely paper-free. This is made possible by digital documents and electronic signatures, which save us resources and time in equal measure.”

Renate Puchalski
Senior Manager Finance Transformation



“I look after our CRM system and therefore sustainable and resource-saving processes. For example, offers are sent directly from the system by e-mail to the customer’s digital mailbox instead of their letterbox. In future, they will also be digitally signable – directly on a tablet on site or on a computer at home.”

Philipp Schwarzhoff
Product Owner Marketing Technology



“In my work in the Internal Audit department, cross-site interaction is quite simply part of the job. Unfortunately, the car, train or plane travel which this used to involve meant a lot of emissions. Thanks to digital meetings, I can conduct audits from any location and therefore avoid many business trips.”

Marina Cogné
Senior Manager Internal Audit



“For me, ‘All for Zero’ means moving forward boldly together as a team. I am committed to inspiring my colleagues to pursue our common goals and to awakening their pioneering spirit. With digital formats which nonetheless enable a feeling of closeness and strengthen the sense of togetherness.”

Christopher Butterfield
IT Learning & Gear Lead



“Efficient, digital processes make life easier for us. This also applies to reading meters. I help my colleagues at the branches to optimise the meter-reading process and so avoid any additional trips to properties.”

Michael Schmak
Senior Specialist Process Management



PROGRESS REPORT 2021/22

The Progress Report 2020/22 is ista’s twelfth sustainability report. At the same time, it represents the progress report for the Global Compact of the United Nations.

FRAME OF REFERENCE

The key environmental and employee figures in this report include, in addition to ista International GmbH and its 40 direct and indirect subsidiaries subsidiaries (together the “ista Group”), the following operating companies affiliated via Sarvana S.à r.l.: ista Luxembourg S.à r.l., ista Customer Service GmbH and ista Express Service GmbH. The aforementioned companies are collectively referred to as the “extended ista Group”.

KEY FIGURES AND AUDIT

The key figures regarding the workforce structure were recorded as of 31 December 2021. The specific key environmental figures, on the other hand, are based on the average full-time equivalent (FTE) for 2021.

The key environmental performance figures and the key employee figures for the 2021 financial year were the subject of a limited assurance audit conducted by SGS-TÜV Saar GmbH (SGS). The consolidated financial statements of the ista Group are audited by Deloitte GmbH Wirtschaftsprüfungs-

gesellschaft. Audited key figures are marked by the symbol ✓ in the tables. The assurance report of SGS can be viewed **here**.

We professionalised recording of the key environmental figures still further in the reporting year so the number of estimates remains small. The proportion of data estimated is 12.3% for electricity consumption, 47.0% for water consumption and 21.5% for heating energy. In this report, we have corrected some of the key figures for 2020 as the consumption figures were not yet available for all branches on the publication date of the sustainability report 2020. This has resulted in changes to some of the data reported last year. Footnotes have been added to the relevant key figures in the report.

The CO₂ emission factors are now based on sources of the International Energy Agency (IEA), the Department for Environment, Food and Rural Affairs (DEFRA) in the UK and the database of the life cycle assessment software (GaBi) of Sphera Solutions GmbH. The emission factors were also applied to the previous years.

When balancing the CO₂ equivalents, we converted the other greenhouse gases emitted (e.g. methane) into CO₂ emissions according to their impact on the climate and then stated them, together with the CO₂ emissions, as CO₂ equivalents.

EDITORIAL NOTE

We at ista value diversity and inclusion. Therefore, in this report we attach great importance to using gender-sensitive language, with which we aim to take account of gender equality and to address and represent all genders in a respectful manner.

The editorial deadline for this report was 31 May 2022. ista’s progress report appears annually.



Imprint

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